To the memory
of my father and
To my mother
UNEQUAL OPPORTUNITIES

The Impact of Social Capital and Recruitment Methods on Immigrants and Their Children in the Swedish Labour Market

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At the Faculty of Arts and Science at Linköping University, research and doctoral studies are carried out within broad problem areas. Research is organized in interdisciplinary research environments and doctoral studies mainly in graduate schools. Jointly, they publish the series Linköping Studies in Arts and Science. This thesis comes from the Ethnic Studies Section at the Department of Social and Welfare Studies.
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Introduction

This thesis consists of three self-contained studies on the impact of social capital on individuals’ labour market outcomes. It focuses on labour market conditions for immigrants (invandrare) and their children in Sweden. The central research questions of the thesis are twofold. First, what individual characteristics, such as educational level, gender and country of origin, enhance or hinder access to social capital, and how well is social capital rewarded in the labour market compared with education and work experience? Second, does the stigmatized social identity of some immigrant groups affect their access to social capital, and to what degree does such a social capital ‘deficit’ affect their labour market outcomes? Thus, more generally, the subject of this thesis is the effect of social capital on stratification in contemporary industrial societies, with special reference to the position of immigrants and their children.

This introduction briefly reviews the history of immigration to Sweden after the Second World War. Analysing differences in employment rates and wage incomes between immigrants (and their children) and natives (and their children), the social science literature advances a wide range of explanations, each of which is linked to a particular theoretical perspective. Neoclassical economic theories maintain that the labour market outcome of immigrants is mainly determined by the ‘human capital’ characteristics of immigrants, as is that of other individuals. However, labour market studies (within the frame of human capital theory) demonstrate that differences in productivity (defined in terms of conventional human capital attributes) can explain only a small percentage of the variation in wages and a part of the income and employment rate gap between natives and immigrants (Cain 1986; Tilly & Tilly 1998). The remaining, ‘unexplained’, part of the wage and employment-rate gap among ‘equally productive workers’ then turns out to be the subject of disagreement between these theories. Some scholars link the ‘unexplained’ residual to theories of discrimination (Becker 1957; Arrow 1972) and suggest that it constitutes a measure of the degree of labour market discrimination. Others interpret it primarily as a consequence of a human capital ‘deficit’ resulting from differences in ‘culture’ (Sowell 1980; 1981; 1983). In Sweden, most quantitative labour market research has until recently been focused on the problems that immigrants face when entering the Swedish labour market and on the earnings differentials between immi-
grants and natives from the standpoint of neoclassical economic theory (human capital theory), in which individual skills, in the framework of the meritocratic approach, are paramount. Against this background, the second section of the introduction provides a more detailed examination of neoclassical economic theories and their attempt to explain these differences.

In theoretical and empirical research in the United States, ‘ethnic groups’ came to be used around the time of the Second World War “as a polite term” (and an alternative to ‘racial groups’) referring to Jews, Italians, Irish and other immigrants groups “considered inferior to the dominant group of largely British descent” (Eriksen 1997:33). The concept of ‘ethnic capital’, coined by Borjas (1992; 1993; 1995), is a typical example of such an equivalent usage of immigrants and ethnicity/race groups. But few of those who refer to ‘ethnicity’ or ‘race’ do indeed define these concepts (Eriksen 1997), or, more specifically, go beyond their everyday, common-sense usages. At the beginning of section three we examine two main approaches to ethnicity, namely, essentialist and relational theories. My point of departure, espousing a relational approach, is that ethnic categorization is a “social construction of origin” (based on extremely heterogeneous criteria) “as a basis for community or collectivity (Anthias and Yuval-Davis 1993:4). Following this discussion, I present the notion of ‘stigma’ based on Goffman’s (1963) idea of the ‘tribal stigma of race/ethnicity’. Skin colour and other phenotypical or ‘cultural’ characteristics are assumed to reveal innate characteristics of different racial/ethnical groups, their intelligence, capability, productivity and worthiness as human being in everyday life (Loury 2002). Disadvantaged minority groups in this way carry a stigma that inclines ‘normals’ to judge them negatively. Segregated social networks, as a crucial consequence of social stigma, are discussed in the next part. Segregated social networks of disadvantaged minority groups reflect unequal treatment of individuals due to their ‘race’/’ethnicity’ in relationships among individuals in everyday life (Loury 2002). This perspective goes beyond the idea of the ‘atomized agent’ who acts more or less independently of social structures and chooses the best available opportunities, and emphasizes instead that we have a socio-economic background and belong to a certain social class, we have some racial/ethnical etiquettes, we are ordered by different gender, and are attached to particular localities. In brief, we are socially situated, and various resources which are accessible through our social networks have a substantial impact on our position on the labour market (Loury 2002).

Social capital, as defined in this thesis, consists of the resources embedded in one’s social networks and is accessible through one’s direct and indi-
rect ties. Social networks containing valuable resources are important for job seekers, because access to accumulated social capital increases the probability of getting a better job (Lin 2001b). I present in the fourth section of this introduction my reading of Bourdieu's concept of social capital, and argue that access to resources embedded in social networks, like other kinds of resources, is distributed neither equitably nor randomly.

Applying the concept of social capital to the labour market outcomes of immigrants, I argue that immigrants are members of groups located within complex social contexts. Various socio-historical contexts interact with the individual skills of immigrants and affect the process of their inclusion/exclusion and superordination/subordination. How governments frame and enact policies towards different immigrant groups, whether or not the immigrants’ arrival has been actively resisted by majority populations, public opinion and civic society, and which communities of previous immigrants affiliate themselves to have a crucial impact on the labour market outcome of immigrants and their children. It is the combination of these three reception levels that is central in shaping their social networks in the new country of residence (Portes 1995). In the fifth section of this introduction, in summarizing the discussion of the chapter, I outline a general framework for the analysis of the role of social capital in status attainment processes.

In the final section I present the three empirical studies included in the dissertation, and briefly mention the methodological constraints regarding data and the employed quantitative methods here.

1. Migrants in Sweden

The pattern of immigration to Sweden after the Second World War shares similarities with that in other north-west European countries. The first groups of immigrant workers came from Finland. They had nearly the same relationship to Sweden as Irish immigrants had to Great Britain. Then came immigrant workers from Mediterranean Europe (Italy, Greece) as well as the wider European periphery (Yugoslavia, Turkey), and during the 1970s and 1980s mainly refugee immigrants came from the ‘Third World’ and eastern Europe (Scheirup et al. 2006). Neergaard (2006) identifies two periods in the labour market situation of immigrants in Sweden: following the Second World War immigrants to Sweden were successful in finding jobs, but in a subordinate position. From the 1980s, immigrants have experienced a subordinate position but also higher unemployment and a lower occupational rate.
Concerning the labour market position of migrant labour in Sweden in the 1960s, Wadensjö (1973) reports a low proportion of immigrants with low wage incomes due to long working hours, and a low proportion of immigrants with high wage incomes due to the high proportion of blue-collar workers in comparison with natives. Ohlsson (1975) also finds higher workforce participation and a lower unemployment rate for immigrants than for natives. Schierup et al. (1994; 2006) outline an ethnic division of labour in this period, with labour immigrants concentrated mainly in the low-skilled, monotonous or unpleasant jobs, replacing native workers who had moved into more attractive sections of labour market. In 1970, as Bevelander (2000) shows, 58 percent of foreign-born males and 36 percent of native males were employed in the manufacturing sector in Sweden. Corresponding statistics for female immigrants and natives is 36 percent and 18 percent respectively. Even though the employment rate of immigrants (both men and women) was higher than that of natives in this period (Bevelander 2000), their wage income was lower (Scott 1999).

During the 1980s immigrants (especially non-European immigrants) experienced falling rates of employment compared with those of natives (Scott 1999). Correspondingly, income dispersion between immigrants and natives became wider (Aguilar and Gustafsson 1994). Yet until 1992 the unemployment rate in general remained lower than in other west European immigration countries, even among immigrants (Schierup et al 2006). In this period, as in the previous period, immigrants were largely doing work shunned by natives. As Scott (1999: 58) reports, within the manufacturing sector in 1985 about 85 percent of male immigrants who had arrived after 1975 were in blue-collar employment, compared with 76 percent of those who arrived before 1975 and 67 percent of native men. As for the service sector in the same year, 67 percent, 48 percent and 42 percent of each group were in blue-collar employment (Ibid:68).

With the crisis of the 1990s, the overall rate of unemployment in Sweden rose suddenly from 1.4 percent in 1989 to 8.1 percent in 1996, and among immigrants from 3.4 to 17.2 percent during the same period (Behtoui 1999:41). Labour market deterioration affects immigrants disproportionately (Schierup et al 2006). As Lundh (1996) suggests, the development of the Swedish labour market from the early 1990s has resulted in a new, three-fold labour market segmentation: one segment consists of permanent jobs, a second segment contains temporary jobs, and a third comprises the unemployed and the people not in the labour force. According to Lundh, large
groups of immigrants were excluded from permanent jobs and became increasingly concentrated in the second and third segments of the Swedish labour market during this period.

What was happening to the children of immigrants (many of them born in Sweden) who had been through the Swedish educational system? Leinio (1994) reports a weaker labour market status for the children of immigrants than for the children of natives. Vilhelmsson (2000) shows a lower chance of employment, a higher risk of becoming unemployed or being outside the labour force for children of immigrants than for children of natives. Vilhelmsson’s results cannot be explained by proficiency in the Swedish language, human capital or any other individual characteristics included in the models (see also Arai et al. 2000). As I have shown (Behtoui 2006), young people of immigrant descent have lower disposable incomes and are at higher risk of not being employed than those with native-born parents. Differences in human capital characteristics (with average marks for all subjects from compulsory school as well as marks for Swedish language and literature controlled for) – in other words, a ‘human capital deficit’ – cannot explain the inferior position of children of immigrants in this study.

The above summary of the labour market status of immigrants and their children in contemporary Sweden, with examples of earlier research, shows that immigrants and their children tend to be overrepresented in the lower echelons of the labour market, with lower wages, poorer working conditions and less employment security. They are, moreover generally more likely to be excluded from the regular labour market than natives and their children, particularly when the labour market deteriorates. However, it is also the case that different migrant groups are concentrated in different areas of employment and that they experience different stages and forms of exclusion/subordination.

As mentioned earlier, hitherto the theoretical context of quantitative empirical research into the labour market outcomes of immigrants and their children in Sweden has mainly been supplied by ‘human capital’ theory, in which the individual skills or cultural attributes of immigrants (the supply side of the labour market) constitute the determining factor. As Scott (1999:14) puts it “previous [Swedish] studies have almost without exception placed their analytical power on the supply side of the labour market”. There are also studies which have attempted to control for differences in human capital factors and then interpreted the residuals which could not be explained by human capital characteristics as reflecting some kind of labour mar-
ket discrimination (the demand side of the labour market). In the next section, I examine these theories in more detail.

2. Labour market and racial/ethnic inequality

Various economic theories of the labour market have, in the recent past, attempted to explain why systematic racial, ethnic or gender differences in wages and employment rates arise and, more importantly, why they have persisted for so long (Darity 1995; Tilly 1998). The first part of this section reviews the neoclassical economic approach to analysing differences in wages and employment rate among various groups of workers, with a focus on immigrants and their children. We examine also different interpretations of the unexplained gaps in wages and employment status between majority and minority groups. The next part reviews other possible explanations, as a response to the empirical and theoretical problem that has arisen in the human capital framework, by introducing the idea of ‘ethnic identity as a social stigma’.

To analyse wage disparity, as well as employment/unemployment rate and labour force participation gaps, between various groups of workers (men and women, ‘blacks’ and ‘whites’ as well as immigrants and natives), many empirical studies use Jacob Mincer’s (1974) wage equation and assumed ‘equal productive capacity’ of different groups. These studies control firstly for differences in productivity capacity or human capital factors (such as the number of years of schooling and labour market experience) between the two groups, and then subtract the portion of the gap that can be attributed to differences in productivity from the gross wage or employment gap. But as Cain (1986:773) puts it, in most of these studies the “conventional human capital variables… leave much of the difference unexplained”. The interpretation of the residual (the remaining ‘unexplained’ part of the wage gap or different employment rates) is a controversial subject. Some scholars interpret the residual, in line with Gary Becker’s (1957) theory of discrimination, as market discrimination. Note once more that demand-side neoclassical labour market theory assumes an innate equality among different groups and equal preference for market work relative to leisure and in this way neutralizes the supply side of the labour market (Caine 1986).

Becker’s theory (1957) predicts that profit-making opportunities, created by the fact that minority workers can offer their labour at a lower wage rate in a competitive market, would attract cost-minimizing employers, and only
firms which did not discriminate would survive the competitive struggle (Arrow 1972), and competitive market forces tend to drive the discrimination coefficient to zero in the long run.

Responding to the inability of Becker’s theory to explain persistent inequality, a number of economists have sought to explain racial/ethnic wage, earnings and employment ratio differences between ‘equally productive workers’ by reference to some form of market imperfection. These “statistical discrimination” models (Phelps, 1972; Arrow, 1972) suggest that (a) the true productivity of the workers from inferior groups is not known with certainty to employers, and (b) the costs associated with the risk of hiring them (in the absence of such information) are also of importance. Consequently, lower wages or fewer chances of employment for minority groups are compensation for this information unreliability. Statistical discrimination models come in different versions. The first version is related to employers’ negative subjective evaluations of ethnic minorities’ productivity, when “the perceived group characteristics are assumed to apply to the individual” (Blank et al. 2004:61). Employers may believe, for example, that immigrants are less productive than the majority population, even when immigrants are known to have the same amount of schooling. Employers may refuse to credit the quality of immigrants’ schooling (Arai and Schröder 1996:125). But, given the other competitive assumptions that lie behind the theory, all that is required for the narrowing of the wage and employment differentials between, for example, immigrants and natives is that some insightful employers who recognize the profitability in the situation hire away the underestimated and undercompensated immigrant workers (Darity & Williams 1985; Darity 1995). Such a process will in the end lead to disappearance of the stereotypes (Ibid.). Darity (1982) mentions two other versions of the theory of statistical discrimination. In one version it is assumed that majority and minority groups have the same average productivity but that workers from minority groups have a higher variance in abilities, and, as the variance in abilities of the inferior group is unknown to employers, risk-averse employers would prefer workers from the majority group. On this version of the theory, Darity (1982:76) writes; how do employers know that abilities of minority groups “are more dispersed around a common mean” than are majority workers’ abilities, or whether this assumption is empirically proved? And if it is, which individual characteristics determine workers’ productivity and their abilities? The other version of the theory is inspired by Spence’s (1973) ‘signalling’ theory. Workers from majority and minority groups are
assumed to have exactly the same distribution of abilities, and the decision of employers to recruit or not recruit different candidates is based on ‘test scores’ which indicate (signal) the worker’s productivity. But the problem is that ‘test scores’ do not predict minority-group workers’ ability as well as majority-group workers’ productivity. Therefore, it is a risky project to hire minority-group workers even though they have the same score as the majority workers. But, as Aigner and Cain (1977:183) put it: such a risk factor “should activate a market for ‘test instrument’ that are tailored to the separate groups to achieve more nearly equal reliability”. Cain (1986:728) sums up the criticism of all these models by suggesting that “employer’s uncertainty about the productivity of workers may be inexpensively reduced by observing the worker’s on-the-job performance”.

The inability of all these discrimination theories to elucidate durable inequality between different groups (Darity 1995) finally led some economists to relax the assumption of ‘equally productive capacity’ and ‘innate equality’ among different groups as well as their ‘equal willingness for market work’ relative to leisure. They emphasize instead the supply side of the labour market, that is, inter-group differences in the attainment of characteristics that determine individual productivity (Woodbury 1993). If, for example, members of minority groups on average are more unemployed than majority workers, it is because on average they possess smaller amounts of unobserved human capital characteristics or they have a greater preference for leisure or non-market activities – according to these theories which explain with distinct ‘cultural characteristics’ the gap between different groups in the long run. In the most extreme version of these theories, differences in attainment of human capital reflect genetically based differences in intelligence. Herrnstein and Murray (1994:278), for example, suggest that IQ is about 60 percent a matter of heritability and 40 percent a matter of environment, and assert further that average IQ score of ‘blacks’ is 1.21 standard deviations below that of ‘whites’, which cannot be accounted for by differences in the effect of parents’ social and economic status. In other (more common) versions of these theories differences in economic outcomes between the different groups are due to their respective cultural value systems. Thomas Sowell (1980; 1981; 1983), for example, describes ‘Jewish culture’ as the main cause of the successful social mobility of Jews in the United States. Jews were as poor as other immigrants when they arrived and the victims of as much discrimination as other newcomers. But they had cultural values of thrift, sobriety, desire for education and discipline. With these
cultural values they overcame the extraordinary hardship of the first years of immigration, maintains Sowell. An omitted variable in Mincer’s wage equation that helps to explain differences between groups is consequently ‘cultural values’ and ‘norms’, which are held to be the key factor in explaining success. Thus, Sowell (1981:284) suggests:

\[\ldots\text{(s)pecific skills are a precondition in many kinds of work, but…} \]

new skills being rather readily acquired in a few years, as compared to the generations required for attitude changes. Groups today plagued by absenteeism, tardiness, and a need for constant supervision at work or in schools are typically descendants of people with the same habits a century ago. The cultural inheritance can be more important than biological inheritance, although the latter stirs more controversy.

The ‘culturalogical’ argument, as Cotton (1993) labels it, explains the differences in social position among various ethnic groups by cultural attributes; some cultures attach more importance to values such as hard work, discipline, investment and desire for education and occupational training for their children. But those from ‘inferior groups’ lack the cultural virtue and work ethic of the successful groups; they are present-oriented and fatalistic (Cotton 1993). More important, according the culturalist perspective, two groups with the same amount of formal education or training but two separate cultural backgrounds would have different labour market outcomes, because; “the added drive, motivation, and self-confidence imparted by the one culture will amplify the employment and earning effects of the education or training acquired by its members” (Cotton 1993:195).

In the same way and in the context of different immigrant groups in Sweden, Scott (1999:22) suggests that ‘productive capacity’ is assumed to be “not based on formal qualifications”, but on the ‘unobserved’ human capital characteristics “such as the importance of the type of economy and political system operating in the home country [of immigrants], its dominant religion, history etc” (Ibid:21). Immigrants are in this way classified in accordance with ‘cultural distance’, which is described thus: “the greater the cultural distance between the origin and destination labour market, the worse the predicted performance” (Ibid:21). Those immigrants with greater cultural distance from the culture of ‘the West’ should experience greater difficulties in the labour markets of north-west European countries. Consequently, in the cases where there is no differences in the traditional measures of human capital (as for example in the case of children of immi-
grants and natives in the Swedish labour market), differences in employment probability or wages remain.11

Note first that theories about ‘culture of poverty’ or “dysfunctional cultural values that impede social mobility” (Steinberg 2001:116) are not limited to allegedly inferior ethnic groups, but have been applied earlier to explain overall inequality between different social classes. For example, Borjas (1996:225) suggests that some people are ‘present-oriented’ and some are not. According to this understanding, “persons who are present-oriented have a high discount rate and would be less likely to invest in schooling” and he cites a series of empirical evidence suggesting that “poorer families have a higher rate of discount than wealthier families”, among them the well-known paper of Sherwin Rosen (1977). And second note that such a turn from discrimination theories to cultural explanation in the United States occurs in the mid-1970s and the early 1980s. As Omi and Winant (1986:89) put it, by the 1970s a shift had occurred in the economic, political and cultural climate of the United States. One of consequences of this shift was that minority movements came under attack from conservative forces and “experience a sharp decline, losing their vitality and coherence”. And finally notice that cultural explanation was not an innovation of economics. Glazer and Moynihan (1970:49) had already suggested that American society provided abundant opportunities for social mobility but it was black ‘culture’ institutions, e.g. “home and family and community” that was problematic (Steinberg 2001:119). Theories about right/wrong cultural values were, rather, part of the conventional wisdom (common sense), which had been sophisticated and given intellectual credibility by social scholars of this time. As critics of culturalological theories have pointed out, what proponents of cultural explanation leave out from the comparison between ‘inferior’ and ‘superior’ culture is the differences in the initial socio-economical backgrounds of different ethnic/racial groups, and “therefore different outcomes may only reflect different beginnings” (Steinberg 2001:83). Another problem is the essentialist approach of these culturalist perspectives on the notion of ‘culture’.12 Finally, As Feuchtwang (1990:4) puts it; “Categorization of human populations by culture or ethnic origin is no different from racial categorisation when the ascription of origin assumes a fixed cultural essence in the individuals categorized”.13

Arguments about ‘distaste for market work’ (which were assumed to be formed in the ‘inferior culture’ of disadvantaged minority groups) have not been supported by the majority of empirical studies which compared the
taste for or attitudes towards work of different groups (Cotton 1993). These studies have not demonstrated any racial or ethnic differences in work attitudes. Swedish studies, for example, showed that immigrants from countries outside north-western Europe and North America have more active job search strategies than natives; they sent more applications and spent more time on search (Arai et al. 1999 and Olli Segendorf 2005). It goes without saying that there are always some individual differences between workers which are impossible to measure, but, if we assume that these differences are random, then we cannot consider particular characteristics to be related to a certain group. The ‘innovation’ of culturalist theories was to detect an ‘omitted variable’ in the wage and employment rate equation and to give it a collective name, that is, ‘culture’, which is particular characteristic systematically related to various groups (Woodbury 1993). As Woodbury (1993:261) puts it: “to suggest that a truly important variable [culture] has been omitted from the wage function throw the interpretation of the coefficients of the wage function [e.g. the estimated return to schooling and experience] into serious doubt”, because, according to Bollen (1989:54), “(i)n general, omitted variables can lead to the violation of the pseudo-isolation condition of a zero correlation between the exogenous variables and the disturbance of an equation”.

Hitherto we have discussed the problems associated with two competing (discrimination and culturalogical) theories which try to explain why racial or ethnic differences in wages and employment rates arise and persist. The basic assumption in both the theories is that individuals are recompensed according to their productivity, that is, the quality of their skills, the amount of their efforts and their contributions to the production process. While discrimination theories hold differences in labour market status between disadvantaged minority groups and majority to result from differential treatment on the basis of race or ethnicity, culturalist theories explain such differences in terms of cultural differences or cultural distance. According to the first theory, unexplained wage and employment rate gaps measure discrimination; according to the second theory, unexplained wage and employment rate gaps measure unobserved differences in the human capital and culture of workers. How can we assess this controversy? As Woodbury (1993:261) puts it, to consider such a controversy as empirical is optimistic, naïve, or simply wrong:
Controversies like this cannot be resolved by empirical evidence that has more than one possible interpretation. As long as evidence is ambivalent, different observers with different priors will be able to interpret the same finding as favourable (or at least not unfavourable) to their view. Moreover, I called attention to the fact that conventional economic theories (that is, both the discrimination theories and the cultural interpretation) have an essentialist and common-sense interpretation of race and ethnicity – a good example of Bourdieu’s (1991) warning that the construction of any scientific object requires a break with ‘common sense’. Race and ethnicity in these theories are assumed to be unchanging, concrete and objective, whereas, as Omi and Winant (1986:68) suggest, we must understand race/ethnicity as “an unstable and ‘decentred’ complex of social meanings constantly being transformed by political struggle”. Ethnicity is thus expressed, in a much quoted sentence from Eriksen (1993:12), as “an aspect of a relationship not a property of a group”. In the next section I present an alternative approach to ethnicity, that is, a relational approach. In addition, as Loury (2002:101) puts it: “It is conventional in our discipline [economics] to posit an atomized agent acting more or less independently, seeking to make the best of opportunities at hand…this way of thinking can not adequately capture the way that racial inequality persist over time”. He (Loury 2002) goes on to argue that individuals are embedded in complex social networks. They occupy various positions within social space. They are members of families with different socio-economic backgrounds, they are categorized into distinct and hierarchical social classes, they are ordered by different genders, they have different ethnical and racial etiquettes, and they are assigned to various regional identities. Our position in the social system principally determines our prospect of access to valuable resources in our personal and professional contacts. “Opportunity travels along the synapses of these social networks”, as Loury (2002:102) concludes. Similar to this standpoint, Granovetter and Swedberg (2001) outline the sociological approach to economic action (including action in the labour market) in which such action is socially situated or ‘embedded’; this runs directly counter to the methodological individualism that underlies economics. Accordingly, an individual is never an isolated island but always involved with other individuals through different kinds of networks. Further, Granovetter and Swedberg (2001:11) suggest, “the individual is born into a pre-given social world”, that is, an already existing complex social structure that set limits to our ‘choice’ and actions. Thus, individuals’ motives and
will alone cannot explain social facts; “it takes more to construct a social world than mere psychology” (Ibid.). In short, economic action (like other social action) is not a product of a conscious and calculated decision of atomized actors free from constraints of social structure. It is, rather, the result of interaction between individuals who are ‘embedded’ in social networks with different amounts of economic, cultural and social capital. With such an approach we can explain racial and ethnical differences in a different way, with more realistic assumptions. We furthermore raise the question about how race/ethnicity spread through the conscious and unconscious thought and decision-making process of individuals, and how race and ethnicity are a fundamental organizing principle of social relations in our societies.

3. Ethnicity, social stigma and segregated social networks

In the first part of this section I review two main approaches to the concept of ethnicity, namely, relational and essentialist approaches. In the second part I present ideas about ethnic identity as social stigma, that is, when the bodily marks (stigmata) linked to racial/ethnic differentiation incline ‘normals’ to judge the identity, capability and worthiness of the stigmatized negatively. The impact of ethnical stigma on one’s location within the network of social relationships (which in turn substantially affects one’s access to various resources) is examined in the third part.

As argued in the preceding, there is nothing like a simple ethnic group. The relational nature of ethnicity means that we cannot consider ethnic groups as static categories; rather, there are sets of social relationships through which collective identities, constructs and groups distinguish themselves from others (Eriksen 1993). This collective identity construction takes place in mutual contact, not in isolation. Seen in this way ethnic (and even national and racial) categories represent “the social construction of an origin as a basis for community or collectivity” (Anthias and Yuval-Davis 1993:4). This origin, in a constant state of reinvention and revaluation, as argued by Anthias and Yuval-Davis (1993), can be based on extremely heterogeneous criteria from the shared territory, language or religion to the common ‘culture’ or ‘history’. It can “be internally constituted by the group or externally imposed” (Anthias and Yuval-Davis 1993:4). In the second case ethnic identity is constructed outside the group, for example when labour immi-
grants (originally from different places) became ethnicized by the state or/and the ways they are identified and treated by the natives (Ibid). As Anthias and Yuval-Davis (1993:5) express it:

Ethnic positioning provides individuals with a mode of interpreting the world, based on a shared collective positioning vis-à-vis other groups, often within a structure of dominance and contestation. Therefore belonging, or being designated as a member of an ethnic group, is often seen to imply that one cannot belong to other groups (that is membership is exclusive).

Such an approach to ethnicity is a guard against an assumption of the essentialist permanence of groups or cultures. As Bourdieu et al. (1991:19) suggest, essentialist philosophy is still at work in analysing concepts such as sex, race and ethnicity, “when these characteristics are conceived as natural, necessary, and eternal realities”. The essentialist approach proposes that “ethnicity is socially ‘primordial’, if not biologically given, in character”, argue Omi and Winant critically (1986:15). We see, for example, certain propositions by Glazer and Moynihan’s (1975:7) as conforming to such an essentialist logic when they contend that “(e)thnic groups bring different norms to bear on common circumstances with consequent different levels of success – hence group differences in status”. Following this logic Glazer and Moynihan suggest that successful mobility reflects group willingness and ability to accept the norm and value of the majority. But as Omi and Winant (1986) argue, against such an approach, external (structural) variables are excluded from the social mobility equation of the ethnic groups. They are replaced by norms and values in the equation as independent variables which are in fact the consequence of structural constraints and objective power relations.

To summarize the argument so far: race/ethnicity is not an essence, independent of the historical and social conditions that construct it (Omi and Winant 1986). Race/ethnicity is not an illusion (a purely ideological construct, ‘false consciousness’ or irrational and pathological attitudes or prejudices), which some strategies of prejudice reduction would eliminate by ‘teaching about other cultures’ (Rattansi 1992). Race/ethnicity is a categorization by reference to different types of skin colour and other physical attributes or different ‘cultures’, which has often been determined by the social interests of those involved in categorization (Anthias and Yuval-Davis 1993). Selection of particular human features or aspects of ‘culture’ for purposes of
racial/ethnic categorization is always necessarily conditioned by certain historical and social conditions and changeable in terms of time and space.

**When ethnic identity is a social stigma**

Distinctions based on race/ethnicity are routinely made at different levels of social activity. “People attend to racial markers because they convey social meaning, and not just social information”, maintains Loury (2002:35). By ‘social meaning’ he denotes a cognitive process in which we often unconsciously respond to information. To follow this line of thought, when confronting an unknown person in social space, one of the first things that we notice concerns the individual’s race/ethnicity, including social meaning associated with this categorization (Ibid.), because, as Omi and Winant (1986:62) put it, already as children we learn some version of the conventions of racial/ethnical categorization – which is in existence long before we were born – and about our own ‘racial/ethnical identity’, “often without obvious teaching or conscious inculcation”. Or as Bourdieu (1992:168) suggests in this context, “being born in a social world, we accept a whole range of postulates, axioms, which go without saying and require no inculcating”. And so ‘racial/ethnical identities’ become part of a ‘common sense’ with which we understand and deal with the reality. Similarly to Omi and Winant, Jenkins (1994:204) underlines that our primary socialization includes a race/ethnic classification: “the child will learn not only that she/he is an ‘X’, but also what this means, in terms of self-esteem and worth or appropriate and inappropriate behaviour, and what it means not to be an ‘X’, a ‘Y’ or a ‘Z’ perhaps”. In societies organized along with racial/ethnical categorization, Jenkins argues, this fosters a ‘sense of self’ and ‘sense of other’ in terms of unreflexive habit of individuals (Ibid.). Omi and Winant (1986:63) further add that distinctions in skin colour and other physical or ‘cultural’ characteristics are then assumed to reveal the hereditary characteristics of different racial/ethnical groups; “temperament, sexuality, intelligence, athletic ability, aesthetic preferences and so on are presumed to be fixed and discernible from the palpable mark of race [ethnicity]”.

The ‘social meaning’ of race/ethnicity in the case of disadvantaged racial/ethnical groups refers to an implicit understanding of their race/ethnicity in the public imagination, which normally is associated with inferiority. Goffman (1963) labels this ‘tribal stigma of race/ethnicity”. They are people with social identities that are disgraceful; they possess a stigma that incli-
nes others to judge them negatively. Together with ‘tribal stigma of race and ethnicity’, Goffman mentions also the ‘class stigma’ of lower class groups. By definition, writes Goffman (1963:5), ‘normals’ believe that a person with a stigma is not quite human being, and “on this assumption”, he argues, “we exercise varieties of discrimination, through which we effectively, if often unthinkingly, reduce his life chances”. And the process goes on through a stigma-theory construction, which explains and rationalizes the inferiority of the stigmatized as well as the danger that they embody. Goffman (Ibid) makes a distinction between the virtual (a social construction) and the actual (individual’s life history) identity. When there is a discrepancy between the virtual and the actual identity of an individual, this discrepancy spoils his social identity in a crucial way and cuts him off from society, and the person becomes ‘stigmatized’. Stigma can function to dispose its member to group-formation of relationships. For example, he argues, “Within the city, there are full-fledged residential communities, ethnic, racial, or religious, with a high concentration of tribally stigmatized persons” (Goffman 1963:23). They may be a well-organized community with long-standing traditions, but they may also have not a capacity for collective action as a group or stable pattern of mutual interaction. Notwithstanding that the stigmatized may in their innermost selves think that they are human beings like anyone else, the norms they incorporate from the wider society cause them to agree that they do indeed fall short of what a normal human being ought to be. They learn and incorporate the standpoint of the ‘normals’ in the socialization process.

Abdelmalek Sayad (1999:260) suggests that Goffman’s theory is primarily a matter of visibility or an individual’s physical features, the first aspect of an individual we encounter. According to him, “More than any other dominated person – as this is, as general rule, true of all the dominated – the immigrant possesses his body. He exists only to the extent that he is his body and, ultimately, only to the extent that he is a physical body, a labour-body”. Immigrants’ appearance, the way they talk the language of the new country, the way they dress, their gestures, postures, ways of carrying the body and behaving with the body, the marks worn on their bodies (hair, moustaches), even the names they bear “all serve as support for the stigma, and become stigmatized feature…The body of the stigmatized is the most difficult thing of all to modify” (Ibid.).

Tilly (1998:65) maintains that stigmatization not only draws “the line between decent citizens and others” but also defines “proper - and impro-
per!- relations across the line”. Jenkins (1994:210) notes also that racial/ethnic categorization is most often pejorative, negative or stigmatizing in its content. And Loury (2002) suggests that stigmatization is not merely the drawing of a negative inference about someone’s productive attributes; it entails doubting the person’s worthiness as human being. Omi and Winant (1986) use the concept of ‘racial etiquette’ as a set of interpretative codes which operate in the interactions of daily life between ‘stigmatized’ and ‘normals’.

The notion of stigma is further elaborated by Rattansi (1994:24). Referring to Foucault’s theories of Western modernity, he contends that the modern nation-state project is driven by cultural assimilationism, and thus a form of strong cultural ordering. The modern projects of constructing disciplined and managed nations focused on ‘normality’, as defined by discourses in the social sciences and embodied in disciplinary institutions like schools, prisons, and so on. The ‘stigmatized’, the ‘Others’ contrary to the ‘normals’, are then those who disturb the social order, a population of Others comprising a variety of groups like “the insane, the sick, the criminalized, the educational failures or the ‘ineducables’, and those workers labelled incompetent or disabled” (Rattansi 1994:26). Among these ‘stigmatized’ are, he argues, also “Europe’s other Others”, those who have been subjected to the slavery and colonial domination or those who have been stigmatized as inferior ethnical/racial groups and subjected to racism. These unassimilable figures not only challenge the notion of the ‘normal’ but also violate the nation-state’s cultural order (Ibid.).

The notion of racial/ethnic stigma has been labelled by other scholars as ethnicization/racialization, when for example migrants and refugees in the north-western European societies are socially constructed as inferior in ethnic terms (Anthias and Yuval-Davis 1993). For Miles (1989:75), racialization is “a process of categorisation”, a “process of defining an Other”. Such a categorisation goes on by the signification of human biological/cultural characteristics. Racialization is a process in which the defining of a positive sense of Self forms and creates by ascribing negatively evaluated biological/cultural characteristic to the Others (for example, Europeans contra Africans). Miles (1993) regards racialization as a historically specific phenomena with various functions in different periods with a variety of criteria for inclusion and exclusion. He distinguishes between (a) ‘racialization of proletarianised peasantry’ and ‘the working class’ as distinct and inferior races in the early nineteenth century within Europe21, (b) ‘the racialization of the
interior of Europe’ (for example, Irish and Jewish migrants as an undesirabile ‘racial’ groups 22), and (c) racialization of those who migrated after the Second World War. Murji and Solomos (2005:14) use also ‘culturalization’ as synonymous with ethnicization or inferiorization of particular groups by reference to ethnic and cultural characteristics. Lewis and Phoenix (2004) use ethnicization alongside racialization and as analogous to it. For them these concepts are about the process of marking differences between people on the basis of assumptions about human physical or cultural variations and the meaning of these variations.

Social networks and the impact of ethnic/racial stigmas

To make the outcomes of the process of racial/ethnical stigmatization more transparent, Loury (2002:95) singles out two kinds of behaviour in relation to racially/ethnically stigmatized groups: discrimination in contract, which denotes the unequal treatment of individuals on the basis of race/ethnicity in formal transactions (for example, in the labour market), and discrimination in contact, which means the unequal treatment of persons on the basis of race/ethnicity in the contexts of more informal private spheres of life (for example, among neighbours and friends). Discrimination in contact, as Loury (2002:99) suggests, has extremely destructive consequences for a racially/ethnically stigmatized group, because it affects “individual social mobility and intergenerational status transmission”. Hitherto empirical works on racial/ethnical inequality by Swedish social scientists have focused almost entirely on the differential treatment of individuals on the basic of race/ethnicity in formal market transactions. Less attention is paid to underlying social processes that lead to inequalities because of discrimination in informal relationships, and to how such discrimination leads to segregated social networks or affects individuals’ labour market outcomes.

Concerning ethnic categorization/stigmatization and the binary contrast between formal and informal, Jenkins (1994:210) stresses that there is no clear-cut distinction between formal and informal interactions; rather there is a continuum of emphasis: “the formal is simultaneously an absence and a presence within the informal, and vice versa”. To understand the process of stigmatization more profoundly, he proposes a continuous research agenda including routine public interaction, friendship relations, sexual relationships, communal relationships (residential localities), membership of informal social groups, kinship relations (marriage and the family), market rela-
tionships (trade), labour market relationships and education, and finally organized politics.

We are embedded in various networks of associations, and various resources which are accessible via our social networks have a substantial impact in our position in the labour market. Resources embedded in one’s social networks are defined as social capital, which is accessible through one’s direct and indirect ties (Lin and Dumin 1986). But distribution of the resources available to us through our social networks is not random. As Fram (2004:563) emphasizes, “people tend to have more in common across the multiple domains of social and economic life with similarly positioned others than with differently positioned others”; therefore, marginalized groups are likely to reproduce their positions in the social structure when they use their social networks to find a job. Bourdieu (1986:249) defines the volume of social capital as a function of the size of the network and the volume of capital (economic, cultural and symbolic) possessed by networked individuals. He continues, (Ibid.) pointing to the dynamic character of social network,

The existence of a network of connections is not a natural given, or even a social given…the network of relationships is the product of investment strategies, individual or collective, consciously or unconsciously aimed at establishing or reproducing social relationships that are directly usable in the short or long term.

When looking for a job an individual from a disadvantaged racial/ethnic group may mobilize her/his social network by reaching out to relatives, friends, or acquaintances in her/his personal or professional networks. She/he may in this way find a job, but a less desirable job (Lin 2004). As Granovetter (1995:151) puts it, “Finding jobs through social network may be one’s best option, yet the jobs found may still be of poor quality by general standards if this is all the group can provide. You cannot get blood from a stone”.

For the purposes of this thesis (that is, to investigate immigrants’ access to and use of social capital, and to explore indications of ethnic-segregated social networks among various groups of immigrants in Sweden), I have been forced to make quite difficult categorizations, well knowing that even a coding decision involves (conscious or unconscious) theoretical choices (Bourdieu et al. 1991). Empirical ‘passivity’, that is, borrowing without critical examination the concepts and categorizations that are the preconstruc-
tion of ‘common sense’ (Bourdieu 1992), may lead to uncritical adoption of bureaucratic categories that we sometimes use “without thinking about them too much” (Ibid:241). Trying to avoid this, I have chosen not to lump all immigrants together and define them as a single group. I have classified immigrants neither according to their country of origin, as is done in many bureaucratic practices, nor according to the ‘cultural distance’ between their country of origin and the destination labour market, which anticipates that “the greater the cultural distance… the worse the predicted economic performance” (Scott 1999:21). My own choice have been to single out two different regions of origin for immigrants: those with background in ‘north-western’ countries, which include north-western Europe and North America (NW), and those outside north-western Europe and North America (ONW), roughly synonymous with the rest of the world. First, the imagined ‘problematic’ immigrants do not include all immigrants but certain groups of immigrants in today’s north-west European societies (Miles 1993). And second, as I have suggested elsewhere, such a division is based upon earlier Swedish empirical studies which showed that individuals from the ONW countries have an inferior status (such as in employment level or wages) to that of individuals from the NW countries, and they run a higher risk of experiencing discrimination (Behtoui 2004). Finally, as Sayad (1999:162) maintains, in effect the main feature of immigration as a system is “the relation of domination that prevails at the international level. The sort of bipolarity characteristic of the contemporary world, which is divided into two unequal geopolitical ensembles – a rich, developed world, or a world of immigration, and a poor ‘underdeveloped’ world, or a world of emigration”. The same balance of power that causes immigration translates into “effects that are projected on to the modalities of the immigrants’ presence, on the place they are assigned, on to the status that is conferred upon them, and the position (or, to be more accurate, the different positions) they occupy in the society that counts them as its de facto (if not de jure) inhabitants” (Ibid. 163). This categorization of immigrants into NW and ONW groups certainly does not mean that we ignore the ethnicization of some groups of NW immigrants, which is still a reality well demonstrated in the empirical results of the essays.
4. The concept of social capital

In this section I present my reading of Bourdieu’s concept and argue that access to social-network resources, like other kinds of resources, is distributed neither equitably nor randomly. The concept of social capital has been used in many different fields. Here I use the concept in the field of social stratification — more specifically, to investigate how social capital improves the likelihood of getting better jobs.

Social capital has been defined in various ways. Bourdieu (2005:246) emphasizes that his conception of social capital “differs from the definitions which have subsequently been given in American sociology and economics” (my emphasis). The widely accepted definition of social capital in mainstream North American social science is associated mainly with the works of James Coleman (1988; 1990) and Robert Putnam (1993; 1995), a theoretical framework completely different from those of Bourdieu (Wall et al. 1998). This distinction, pointed out by several researchers, refers on the one hand to the use of the concept of social capital in the Bourdieu-inspired tradition as related to differential access to resources and the ways in which such a difference reinforces social hierarchy and, on the other, to the Coleman and Putnam-inspired tradition related to “economic rationality” and how social capital in the family and the community plays roles in the creation and improvement of human capital in the next generation (Wall et al. 1998:306). While the former tradition emphasizes social conflict, the latter research tradition tends to emphasize cooperation and harmony (Foley & Edwards 1999).

Empirical studies on topics near to the subject of this thesis are undertaken mainly in economics, typically following Coleman and Putnam’s research tradition. They tend generally to view social capital positively, and as a means both to understand the response to market imperfections (negative externalities and public goods) and to correct them (Fine 2001). In these researches (mainly about poverty and the labour market achievement of minority groups), economics seeks to fill out inadequate previous explanations of poverty and inequality by adding another ‘capital deficit’, which comes close to culturalogical theories explaining difference between disadvantaged minority groups and majority, reviewed in the second section (see, for example, Borjas 1993; 1995, Friedman and Krackhart 1997, and Lundberg and Startz 2000). An extensive debate on this kind of understanding of social capital has concluded that such a perspective does not con-
sider the structural constraints. As Portes and Landolt (1996) suggest, such a notion of social capital overlooks the fact that resources in individuals’ social networks are unequally distributed. Portes (1998) criticizes the logical circularity of this concept of social capital – that is, social-network resources are not distinguished from the ability to access to these resources. When Coleman-inspired studies asserts that those who have more social capital will have better educational and labour market outcomes (see for example Flap 2004:6), it is like “saying that the successful succeed” (Portes 1998:5). Following Portes, Morrow (1999) warns of a ‘deficit theory syndrome’ that can become a label for unsuccessful families, communities and neighbourhoods. Such a definition, Portes and Landolt maintain (1996), strongly emphasizes only positive outcomes from social capital transformations, and neglects the ‘dark’ side of social capital. The benefits of social capital to one group in competitive situations, such as getting a job, actually enable them to exclude others from access to scarce resources; for example, when people in a specific social network recruit new workers from their own group, they penalize those without the ‘right’ contacts, regardless of their competence and merits (Granovetter 1974). Thus, one group’s social capital gain may mean another group’s loss (Erickson 2001). As Wall et al. (1998: 312) put it, when the empirical works of scholars inspired by Putnam and Coleman explain the differences between advantaged and disadvantaged communities in the light of a culture of trust and tolerance, along with norms of reciprocity (as important components of social capital), and at the same time disregard “class structure, dependency and exploitation”, they echo “a ‘culture of poverty’ thesis” (see also Jackman and Miller 1998). In a similar vein of thought, Lin (2001b:10) argues that social capital, “as a relational asset”, must be distinguished from collective or public goods such as culture, norms, trust, and so on.

Social capital as a source of benefits

In the same way that the notion of social capital used by Bourdieu differs from those that are mainly used “in American sociology and economics” (Bourdieu 2005:246), Bourdieu’s concept of ‘cultural capital’ differs from the notion of ‘human capital’ proposed by Gary Becker (1964). Bourdieu (2005:2) regards Becker’s ‘human capital’ as “vague and flabby”, and “heavily laden with sociologically unacceptable assumptions”.

According to neoclassical economics (which focuses on the optimizing individual agent), workers are paid in accordance with their productivity,
and the worker’s productivity depends on the quality and quantity of his or her stock of ‘human capital’, which is, first, composed of the individual’s innate ability and, second, acquired through formal education and/or job training. Some workers obtain a high level of education while other workers drop out at an early age. About the components of ‘human capital’, Borjas argues that concerning innate ability we must be aware that

There exist various types of abilities, and each of us may be particularly adept at doing some things and quite inept at doing others. Some persons have a knack for doing work that is best learned in college; while other persons have a knack for doing ‘blue-collar’ work. Put differently, some workers have a comparative advantage at doing skilled work, while other workers have a comparative advantage at doing unskilled work. (Borjas 1996:241)

Regarding education, Borjas (1996:220) suggests, as mentioned earlier, that there are differences between the ‘present oriented’ and the ‘future oriented’, with the former less likely to invest in schooling. Such an individualistic account of inequality disconnects human agency from the constraints of social structure.

Bourdieu maintains that, if the old way of reproducing social structure was a direct one, whereby power was transmitted within the family via economic property, the reproduction system in complex societies is school-mediated (Wacquant 1996), that is, the sorting and allocation of people into different social groups and the resulting inequalities between them are presented in terms of talent, effort, and desire of individuals (Ibid.). Bourdieu (1996; 1984) emphasizes consequently that educational ‘ability’ and ‘gift’ are products of family background and social inheritance rather than a ‘natural’ or genetic ones. Moreover, Bourdieu points out that the ‘cultural capital’ accumulation process is quite similar to the economic capital accumulation process. With reference to Bourdieu, Harker (1984) points out that in the same way that the structure of economic institutions favours those who already have economic capital, the structure of the educational system favours those who already have cultural capital. To this may be added that the cultural capital of the dominant groups tends to be taken for granted and ‘naturalized’, with consequences for the system of education in ways that support the reproductive processes of hierarchical relations in complex societies (Harker 1984:118).

More important, Bourdieu underlines that the full economic and social
rewards from education depend on social capital, which is also inherited (1996). When one has strong educational credentials, with which one can potentially obtain a high-status job, but does not originate from higher social groups, and thereby lacks the ‘proper’ contacts, one cannot obtain a full return from one’s education (Bourdieu 1984). As an example Bourdieu mentions “a law graduate who, for lack of social capital, becomes a community cultural worker” (Bourdieu 1984:50).

Bourdieu defines social capital as the “totality of resources…activated through a more or less extended, more or less mobilizable network of relations” (2005:194). Further, social capital is “the aggregate of the actual or potential resources which are linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance and recognition” (1986:248-9). This in turn includes membership of a group – “which provides each of its members with the backing of the collectively-owned capital, a ‘credential’ which entitles them to credit, in the various senses of the word” (Ibid.). For Bourdieu, social capital is one of three forms of capital (economic, cultural and social) which, taken together, “explain the structure and dynamic of differentiated societies” (Bourdieu & Wacqant 1992:119). He emphasizes ‘institution rites’, ‘the alchemy of consecration’ and gift giving as the heart of the transformation of “contingent relations, such as those of neighbourhood, the workplace, or even kinship, into relationships that are at once necessary and elective, implying durable obligations subjectively felt” (1986:249). Access to social capital gives people connections to individuals in their network who, because of their possession of greater amounts of economic and cultural capital, might help them with advice, further connections, information, loans, and so on (Bourdieu 1986). Capital in social connections, Bourdieu writes, “is shared by all members of the group, in such a way that individuals have their own share and all members together have the entire sum” (1998:293).

The main difference between Bourdieu’s (2005) definition of social capital and those of ‘American sociology and economics’ is that it takes into account not simply the network connections but also the volume of different kinds of capital that individuals can mobilize with their social connections and the various benefits which are accessible through these contacts. In Bourdieu’s view, the profitability of accumulating and maintaining social capital increases in proportion to the amount of the economic and cultural capital in the network (1986). Accordingly, for Bourdieu (1986:249) “the volume of the social capital possessed by a given agent…depends on the size
of the network of connections he can effectively mobilize and on the volume of the capital (economic, cultural or symbolic) possessed in his own right by each of those to whom he is connected”. Thus, when a member of the group obtains a better position in the hierarchical social space, the social capital of all the others in the group improves and, as the saying goes, “their stocks go up” (1996:286).

The strategies of reproduction, Bourdieu maintains, (1996:272), are the strategies through which “dominants manifest their tendency to preserve the status quo”, or generally strategies that various social groups develop to maintain or improve their position in class structure. Among these strategies of reproduction Bourdieu (1996) specifies fertility strategies, education strategies and purely economic strategies. Two other strategies which are identified by Bourdieu, and are important in the context of social capital, are, first, social investment strategies, which are oriented towards the “establishment and maintenance of directly mobilizable and utilizable social relations” (1996:273), with arranging activities, organizations and institutions such as rallies, cruises, hunts, parties, receptions, smart neighbourhoods, select schools, clubs, smart sports, parlour games, cultural ceremonies, and so on (Bourdieu 1996), and, second, marriage strategies which ensure homogamy and the “biological reproduction of the group without threatening its social reproduction through mismarriages” (1996:274).

Networks of family relations are one important source of social capital. Solidarity among the members of a family can be the best place for the circulation of capital. The “family spirit”, Bourdieu stresses, contributes to securing a share in the sum of the assets of all family members (1998:292). There are countless examples that show the impact of social capital (inherited from the family) in, for example, the recruitment process. “Bureaucratization obviously excludes neither the hereditary transfer of privileges nor nepotism, which can sometimes take completely open forms” (1996:307). Beside a network of family relations, Bourdieu (Ibid.) mentions networks of connections between classmates in universities and corps solidarity (which is also related to family) as two important modes of social reproduction. Lane (2000:173), reading Bourdieu’s *The State Nobility*, suggests that the family mode of reproduction was in part being supplanted by this new “school-mediated mode of reproduction” during the changing economic and educational landscape of the 1970s and 1980s. In *The State Nobility* Bourdieu writes about elites, but as Morrow (1999:755) writes, “the concept can (and should) be expanded to include working class as well as middle class”.

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To summarize so far, social capital (resources embedded in one’s network of relations) can play a vital role in determining the social position of an individual. For Bourdieu, social capital, like other forms of capital, is synonymous with power. Thus, the initial position of an individual and his/her social background plays an important role in providing access to social capital (just as in the case of economic and cultural capital); the higher the position of the individual in the social hierarchy, the more social capital that individual possesses. Social capital enables the children of dominant groups to optimize their benefits from their educational credentials in the labour market and to reproduce the positions held by their parents. Social capital accelerates the effect of social origin and the education that goes with it. Social capital is consequently one important device to exclude individuals/groups without the ‘right’ contacts from access to other types of resources, and to reproduce the existing hierarchical structure of society as well as the distinct power position of different social groups.

**Recent research on social capital in the field of stratification**

Related ideas have guided a number of researchers who emphasize the function of social capital as a source of benefits. Researchers who come close to Bourdieu’s definition of social capital, for whom “social capital refers to assets gained through membership in networks”, examine this concept in the field of stratification (Portes 1998:12). In these studies (for example, Granovetter 1974; 1995, Waquant & Wilson 1989; Lin & Dumin 198;., Lai et al. 1998; Lin 2001b; Lin et al 2001c; Erickson 2001; 2004) researchers investigate the impact of access to social capital on the probability of obtaining a job, the quality of the jobs obtained, and promotion for different social groups.

Granovetter’s (1974) pioneering research into the efficiency of different job-search methods in getting employment has attracted extraordinary attention in recent studies of the labour market. This line of research emphasizes the influence of social networks in labour market processes and links the use of informal job-finding methods to labour market outcomes such as wage and job quality (Granovetter 1995). As Forsé (2004:256) puts it, even if Granovetter did not use the concept of social capital, we can consider his study (and those that followed him) as “a more refined idea of the relationship between social capital and status in a broad sense”.
Further development of the theoretical and empirical studies in this field is associated with Nan Lin and his colleagues, who link social status to social resources in the individual’s network, and emphasize that the very potency of one’s network depends, above all, on the position that the one occupies in the social hierarchy. In this understanding, the initial position of an individual in a hierarchical structure plays a crucial role in access to social capital (‘strength of position’), when for example parental socioeconomic resources “promote the likelihood of reaching better social resources” (Lai et al. 1998:160). At the same time, the authors underline that the composition of an individual’s network to a large extent is shaped by the “homophily principle”, which means that interactions usually occur among actors with similar resources and lifestyles (Lin 2001b; Fram 2004). If individuals need different resources from those available in their own network, then they may search for these distinct resources in other social circles. Granovetter’s theory of the ‘strength of weak ties’ (1974) is about the use of weaker (between circles) rather than stronger (within circle) ties, because weak ties allow access to resources in other social circles and to wider resource heterogeneity. However, as Lin (2001b:73) points out, “there is a little doubt that the structure places constraints on opportunity and choice” indicated by the strength-of-weak-ties proposition.

Concerning measurement of social capital as resources available to individuals in social networks, Lin (2001a:14) suggests methods focusing on “valued resources (e.g., wealth, power, and status) of others accessed by individuals in their networks and ties”. To measure access to social capital, the position generators methodology is used in the empirical studies of this line of work. To utilize this method, the researcher develops a list of occupations that range from high to low in the hierarchical structure of a society or a workplace, and asks respondents whether or not they know anyone in each of these occupations. Under this method, occupations are assumed to reflect important aspects of contact persons’ social location, such as their power, class background and educational status (Lin et al. 2001b). Inequality in access to social capital, which is a consequence of a process whereby differential opportunities result in one group having less capital than another, brings about social inequality, such as in socioeconomic status (Lin 2000b). In addition to the social class association (as a determinant of the quality of resources in one’s network), Lin (2004) points to gender and race/ethnicity as decisive features of one’s social networks; so long as the stratification system is gendered and racialized, social networks – formed largely on the
homophily principle – will continue to be gendered and racialized as well (Lin 2004).

As Forsé (2004:258) maintains, proponents of a meritocratic approach (such as Blau and Duncan 1967) favoured explanations of status attainment according to a “three-step sequence of education, which largely determines occupation, which in its turn largely determines income”. In the later models of status attainment, education (the crucial factor for status attainment) was seen as the mediating factor between ascribed status (socioeconomic background) and the outcome variables, such as income or occupational status (Ibid). Subsequent empirical results reveal that educational achievements are strongly dependent on ascribed resources (for Swedish studies, see, for example, Erikson and Jonsson 1993; Erikson and Jonsson 1996).

Studies which incorporate social capital as a new factor to explain social status have shown that “when the mediated effects of parental status through social capital are taken into account, ascribed status might be just as important, if not more so, than achieved status” (Lai et al 1998:165; see also Lin et al., 1981).

Figure 1. The status attainment process for young people with different socio-economic/ethnic backgrounds
Consequently, in the intergenerational reproduction processes in the labour market, incorporation of social capital may offer an opportunity to assess more exactly the relative contributions of ascribed and achieved statuses in the status attainment process. Figure 1, based on Lai et al (1998:163), illustrates this. The effect of ascribed status is here identified by measuring the direct effect of parental resources (socio-economic/ethnic background) on status attainment (income or occupational status in the first job) as well as its indirect effects via educational achievements and social capital of young people at the time of obtaining their first jobs. Such an analysis should yield more refined estimates of the relative contributions of ascribed and achieved statuses in the status attainment process than those provided by previous efforts.

5. Social capital and labour market outcomes of immigrants

As mentioned above, mainstream economic theories state that the economic success of immigrants (indicated by their wage income and employment ratio) is principally determined by their human capital, that is, their education level and work experience. At the same time the foreign origin of the skills of many immigrants (in particular those from ONW countries) may possibly be a cause of employers’ ‘suspicions’, undervaluation and thus downgrading of immigrants (Le Grand and Szulkin 2001). In addition, in applying the concept of human capital to immigrant economic attainment, economists suggest that duration of residence in the new country (in our case Sweden) leads to an increase in immigrant status in the labour market due to greater fluency in language (Swedish) and the accumulation of country-specific skills. Portes (1995:23) maintains that the aforementioned individual characteristics (educational level, work experience, fluency in language of the new country of residence and duration of residence) definitely have an impact on the labour market outcomes of immigrants, “but they are not sufficient to fully explain occupational mobility and earnings” of these groups.

Immigrants are not atomized individuals but rather members of groups embedded in complex social contexts in particular time and place. The socio-historical contexts affect their labour market outcomes in many ways, interact with the individual skills of these people and affect the process of their inclusion/exclusion and their position in social space. Among these
contextual factors are, Steinberg (2001:83) suggests, the time of immigrants’ arrival and the patterns of their settlement. Furthermore, he writes: “immigrant groups encounter different opportunities, as well as different external obstacles to their economic advancement” (Ibid., my emphasis). Last but not least, “the experience of the immigrant generation, tended to establish a foundation that placed next generation at greater or less advantage” (Ibid.). Concerning different external opportunities/obstacles, Portes (1995:24) points out three different levels of reception of newcomers. The first is “the government’s policy toward different immigrant groups”, that is, some groups gain legal entry and access to the same welfare programmes available to the natives, and others become undocumented and illegal immigrants. The second reception level involves civil society and ‘public opinion’, that is, whether natives are positive or indifferent towards the presence of newcomers or if host communities actively resist their arrival. Note that this second level of reception is not necessarily dependent on the first, because, for example, the political concern in the government’s policy to give legal status to some immigrant groups does not change ‘public opinion’ about the ‘inferiority’ of stigmatized immigrants (Ibid.). The third reception level is the historical background of the ethnic minority community. Some immigrants join communities composed primarily of manual workers or communities with many unemployed, which provide few economic opportunities. Other immigrants join communities where their former co-nationals have successfully become members of the middle class or professionals, or get on in the world of business (Ibid.). The opportunities and obstacles presented by these three reception levels (the polity, the society at large and the ‘co-ethnic community’) to individual economic action could be interpreted, as maintained by Portes (1995), as structural or relational embeddedness. The effect of these kinds of embeddedness shapes to a certain extent individuals’ social networks, which assume the character of a micro-structural context for social action. To summarize:

- Regarding individual human capital characteristics of immigrants and their children, methodological individualism, applied in neoclassical theories, is not adequate for explaining educational achievements and the possibility of obtaining labour market experiences.
- Conventional economic theories depicting individuals as atomized agents acting independently to attain the best opportunities in the labour market likewise cannot adequately explain labour market outcome differences between disadvantaged ethnicized groups and the majority popula-
tion. We need to take into consideration the fact that each individual is socially situated, and one’s access to social networks with valuable resources (social capital) has a crucial impact on one’s status in the labour market (Lin 2001). As with other forms of capital (economic and cultural), the distribution of social capital between individuals in society is neither equal nor even (Fram 2004).

• I favour a relational approach to the ethnicity concept (in contrast to an essentialist one), emphasizing that ethnicity signifies and symbolizes social conflicts and interests by referring to different types of human bodies or different ‘cultures’. I propose using Goffman’s concept of ‘stigma’ for understanding the identity of disadvantaged minority groups, associated with inferiority in the public imagination. Stigmatization not only calls into question the productivity qualifications of these people, but devalues their worth as equal human beings (Loury 2002). Stigmatization in this way not only causes unequal treatment of members of disadvantaged minority groups on the basis of their ‘ethnic status’ in the labour market, but also leads to unequal treatment of them in the social relationships that are formed among individuals in everyday social interactions (Ibid.). Consequently, stigmatization produces and reproduces segregated social networks, which can be transmitted even to successive generations and also affect the opportunities of newly arrived immigrants from the same minority groups.

• The concept of social capital, as I use it, takes inspiration from, among other, the work of Bourdieu. Based on it, I can ask whether or to what degree immigrant status impedes individuals’ access to social capital and creates segregated social networks for immigrants, whether or to what degree the social networks of immigrants with less valuable resources work against achieving equality of employment opportunities, and to what degree the social capital of immigrants is rewarded in the labour market vis-à-vis their education and work experience compared with natives. Social capital, as defined here, consists of the resources embedded in one’s social networks, and it is accessible through one’s direct and indirect ties (Lin and Dumin 1986).

• The subject of the empirical studies of this thesis falls within the general research field known as the status attainment process. This is the relationship between socio-economic and ethnic background, educational achievements and social capital on the one hand and class or status desti-
nations in the other hand. In this thesis, however, I examine the connections between education and work experience, on the one hand, and social capital, on the other hand, only in connection with status attainment in the labour market.

6. Outline of studies

The purpose of the three studies presented in this dissertation is to examine the impact of social capital on the labour market outcomes of immigrants and their children in the Swedish labour market. The studies are written as self-contained articles, which together form a relatively coherent whole. In the empirical studies of this thesis I have used data from three different sources, which are described brief below and in detail in the essays. Even though working on three data-sets demands much more time, it indeed offers a richer picture of the object being studied from different sources.

Throughout the empirical studies of this thesis, as with many other studies in this field, I distinguish between the impact of on the one hand formal education (or academic qualifications, which is only one form of Bourdieu’s notion of ‘cultural capital’) and on the other hand social capital (which contains Bourdieu’s definition of social capital and another form of Bourdieu’s, 1986, notion of ‘cultural capital’, namely, the embodied state of cultural capital, that is, “in the form of long-lasting dispositions of the mind and body”). Jenkins (1986) labels the ‘embodied state of cultural capital’ as ‘acceptability’ in the process of recruitment. Acceptability, as Jenkins defines it, is a (not explicitly described or formally specified) spectrum of criteria ranging from appearance, attitude, ability to “fit in”, to a manager’s “gut feeling”, and therefore “[it] seems probable that the realm of acceptability is the most likely setting for the operation of discrimination in employment recruitment” (Ibid:50). According to Jenkins (1986:49), “The specific content of acceptability alters with the nature of job, its position within the class hierarchy of organisation and occupations and the nature of the organisation concerned”. (See also Lin (2001b:61-62) for a comprehensive discussion about why a job-seeker’s access to better-positioned contacts with highly valued resources leads to more successful results).

Differences in labour-market achievements between young people born in Sweden with two native-born parents and those with various immigrant backgrounds is examined in the first study, ‘Unequal Opportunities for Young People with Immigrant Backgrounds in the Swedish Labour Market’.
This essay focuses on young people who were aged 18–20 during 1990, and their labour-market status after eight years, in 1998. Young people of immigrant descent in our sample were those who have lived their lives in Sweden and passed through the Swedish education system. The data used in this study came from the longitudinal register database LOUISE, which is administered by Statistics Sweden (SCB).

First of all, along the lines of the earlier studies, I assumed in this study that, ceteris paribus, parents’ access to valuable social networks has a great impact on their children’s entry into the labour market and the quality of their first jobs. To capture the ethnic homogeneity/heterogeneity aspect of social network composition of the young people in this study, I compared those who have two foreign-born parents and those who have only one foreign-born parent with a reference group with no foreign-born parents, assuming that social networks are ethnically segregated. Differences between children of NW and ONW immigrants on the one hand and children of natives on the other hand were aimed to capture the effect of the socio-economic resources of the people in the social network, based on previous studies of the social positions of these groups. The empirical results of this study indicate that these two aspects of one’s social network composition have a considerable effect on the labour-market outcomes of young people, regardless of their human capital characteristics.36

The impact of having a native-born father and having a native-born mother among those young people with only one foreign-born parent has also been investigated in this paper. According to Chiswick (1977), native-born mothers contribute more to knowledge about the language and ‘culture’ of a country than the fathers when children are growing up.37 But when men (fathers) in the workforce occupy more powerful positions than women (in a highly segregated labour market such as the Swedish one), this means that a native-born father has a more valuable social network to offer his children than a native-born mother. Furthermore, a young person’s family name (when having a foreign-born father) can signal ‘Otherness’ and perhaps higher risk of suffering from discrimination. The results of this study do not confirm the importance of the knowledge of the country’s language and ‘culture’ transmitted by mothers. Instead, it gives some support to our hypothesis about the importance of social networks and discrimination.

The second essay, ‘Informal Recruitment Methods and Disadvantages of Immigrants in the Swedish Labour Market’, examines the probability of success of different methods of finding employment in the Swedish labour
market. This study follow the line of researchers who, like Granovetter (1974), emphasize the influence of networks of interpersonal ties in labour market processes and link the use of informal strategies for job finding to labour market outcomes such as wage or social status of the position. The data used in this study came from the Swedish Labour Force Surveys (AKU), conducted by Statistics Sweden. The object of study in this essay was those individuals in AKU who have been in their current jobs for one year or less at the end of each year between 1991 and 1998 and had answered the question ‘what job seeking method helped you to obtain your current job?’. The main explanatory variable in this study is the job-finding methods, with informal method as the reference method which compares with other job-finding methods (formal channels, direct application to employers and others).

The main purpose of the second essay is to investigate to what extent natives and immigrants use informal methods to find a job, and to examine returns to various methods of job finding for natives and immigrants. From earlier studies we know that (a) the use of informal job-finding methods increases the likelihood of finding any job (Marsden and Gorman 2001), and (b) informal job-finding methods produce lower wage returns than other methods when disadvantaged minority groups find their jobs via their segregated social ties: “Finding jobs through contacts may be one’s best option, yet the jobs found still be of poor quality by general standards if this is all the group can provide. You cannot get blood from a stone” (Granovetter 1995:151).

The empirical results of this paper indicate that immigrants are less likely than natives to find their jobs through their social networks. If informal job-finding methods (as a proxy for one’s social capital) may facilitate the transition to employment, immigrants lesser ability to use informal methods to find a job may explain part of the differences in employment rate between immigrants and natives in the Swedish labour market.

We find, furthermore, that there is evidence of a lower payoff to informal job-finding methods for ONW immigrants. That is, when natives use informal methods, they obtain a wage which is higher than the wage for natives who do use other methods, while informal job-finding methods do not lead to better outcomes for ONW immigrants – rather the opposite. If the composition of social networks affects wages and job quality, then the observed payoff to using of informal methods (in the form of a positive wage premium for natives and a wage discount for ONW immigrants) indicates the differe-
ences in resources embedded in the social networks of these two groups. In other words, native and ONW immigrants do not have access to similar amounts of social capital in their social networks. ONW immigrants have a social capital deficit, because they are embedded in social networks that constrain their ability to obtain valuable social resources.

Informal methods of job-finding (such as the help of friends or relatives, and direct offers from employers) in this line of work are assumed to be merely a proxy for social capital (Frosé 2004), since just recording the job-finding methods and the use of personal contacts clearly does not include detailed information about individuals’ networks composition. Social capital improves one’s labour market outcomes even if a person finds the job with other than informal methods. This happens when, for example, access to better-placed individuals in one’s social network itself enhances the job-seeker’s confidence and self-esteem, and improves his or her conduct in job interviews which are processed by formal methods, or when socialization with better-placed individuals elevates the applicant’s “acceptability” by teaching him or her about speech style, manner, aesthetic preferences and generally about the “taste” of the people in advantaged socio-economic positions (Lin 2001:60). Besides, as Lin (2004:145) suggests, individuals at the upper and lower ends of the social hierarchy seem to use informal methods for finding jobs to a lesser extent than those in middle-range positions, since those in the upper positions “routinely receive useful job information in their social circles and refrain from active job seeking”, while those at the bottom of the hierarchy tend to make contacts in inferior structural positions with higher unemployment rates or unstable job positions.

The third essay, ‘The Distribution and Return of Social Capital: Evidence from Sweden’, investigates the connections between education and work experience (‘human capital’) on the one hand and social capital on the other, in so far as they affect status attainment in the labour market. More precisely, how well is social capital rewarded in the labour market compared with education and work experience? And does immigrant status have an impact on access to and return on social capital? In view of Granovetter’s argument (1995) that any investigation of the hiring process must be located within a specific industry or organisation, this study is about the hiring process in the substantial public sector municipal services in Malmö. All individuals who obtained a job and continued working in Malmö municipality during 2001–2003 were given a copy of a questionnaire, which contained, *inter alia*, questions about their social capital designed by the ‘position generator’ method.
This study demonstrates that access to social capital is positively associated with more work experience, higher educational levels, active membership of voluntary associations and having a partner. The results also indicate that being an immigrant is associated with a substantial social capital deficit, which arises because immigrants are embedded in social networks that constrain their ability to gain valuable social resources. Regarding return on capital, the results demonstrate that education, labour market experiences and social capital are rewarded with higher wages and more adequate jobs. Further, the results indicate that social capital goes with better outcomes whether or not a person reported getting the current job with someone’s help. The results also suggest that, despite a substantial social capital deficit for immigrants, the returns on accessed social capital are similar for natives and immigrants. The most important limitation of this study is that we analysed the labour market outcomes only of individuals who were hired. It is plausible that immigrants in our sample are a positively selected group as compared with the entire group of immigrants in the Swedish labour force.

One serious methodological constraint regarding data and quantitative methods employed in the empirical studies of this thesis is that we have observed only the outcomes of possession of different amounts of social capital on employment status, wages, and other labour market outcomes. But the processes that produce these alternative outcomes are not detected. We do not know about the dynamic processes of conversion of social capital into successful results. Given that resources embedded in one’s social networks play an important part in hiring and reward in the labour market in general, we need to know much more about this process, that is, how does social capital work in different forms of job finding and in different stages of the recruitment process.

Another limitation is that, like many other quantitative studies in this field, the models used in the empirical studies are often on linear models. As Bourdieu (1984:107) puts it, such linear thinking “only recognizes the simple structures of direct determination”, while “the structural causality of a network of factors is quite irreducible to the cumulated effects of the set of linear relations, of different explanatory force, which the necessities of analysis oblige one to isolate” (Ibid.). The variable ‘ethnicity’, for example, in fact cannot be extracted from other attributes such as gender or class and measured separately except in a superficial way, because they are interwoven with each other (Rattansi 2005). One possible way to overcome these restrictions is to combine both quantitative and qualitative research methods.
(such as ethnographic observations or in-depth interviews) to obtain more knowledge about the complex structure of interrelationships.\footnote{37}

Our results have yielded useful information about the impact of social capital on the Swedish labour market, and demonstrate that inequality between immigrants (and their children) and natives (and their children) in access to networks with valuable resources of social capital is an important issue in their labour market outcomes. Such differential accesses to social capital deserves much greater research attention. Inequality of social capital offers fewer opportunities for immigrants and their children to mobilize better social resources to attain and promote careers. More research (for example, about the marriage strategies of natives and immigrants and homogamy) is needed to identify the sources of variations in access to social capital.\footnote{40}

Very few research projects have been undertaken in Sweden into the social networks and labour market outcomes of immigrants. Research into inequality of social capital generally seems to be just beginning in Swedish studies, and much remains to be done in this subject. The crucial issue is to examine the dynamics of the interconnections between economic, cultural and social capital.

Notes

1. In this context it is important to underline, as Tilly and Tilly (1998:15) put it, first “the payoff to education varies by race and gender” and second, “the credibility of human capital theory rests on the assertion that wage equals marginal product. In the absence of direct measures of individual productivity, strong tests of human capital models are impossible.”

2. Applying human capital theory to immigrant labour market outcomes, Barry Chiswick (1978) suggests that the duration of residence in the new country leads to an increase in immigrants’ wage/employability, because over time they procure greater fluency in the language of the new country and accumulate more country-specific skills (see also section 5).

3. Proponents of the meritocratic approach argue that, when societies evolved from ‘traditionalism’ to ‘industrialism’, criteria of ‘achievement’ necessarily replace criteria of ‘ascription’ in all forms of social selection. Achievement or merit, defined as ‘IQ plus effort’, objectified in one’s formal educational achievements or labour market experience, would be criteria for allocating individuals to different positions. Consequently what you can do, rather than who you are (your
social origin, gender or ethnicity/race), is the factor determining your position in the social hierarchy (see Goldthorpe 1996).

4. Throughout the text, I use the terms ‘race’ and ‘ethnicity’ together and interchangeably to emphasize the strong interrelation between them. Even though the concept of ‘race’ has a biological and ‘ethnicity’ a cultural referent, as Hall (2000:223) puts it, “the biological referent is …never wholly absent from discourses of ethnicity, though it is more indirect. The more ‘ethnicity’ matters, the more its characteristics are represented as relatively fixed, inherent within a group, transmitted from generation to generation, not just by culture and education, but by biological inheritance, stabilized above all by kinship and endogamous marriage rules that ensure that the ethnic groups remains genetically, and therefore culturally ‘pure’”. See section 2 below for discussion on the concepts of ‘ethnicity’ and ‘race’.

5. See, for example, Ekberg (1990), Ekberg & Gustafsson (1995), Rooth (1999), Scott (1999), Gustafsson & Östberg (2005).


7. Cain (1986:743) criticizes the theoretical vagueness that underlies most of these empirical specifications, because (a) there is no consensus about which individual characteristics determine the productivity variable; (b) productivity, according to the theory, “should not be determined by the process of discrimination”, but, for example, it is possible that shorter labour market experience or poor language skills are consequences of discriminatory exclusion from the formal labour market; (c) we know that if the productivity of inferior groups is already affected by labour market discrimination (for example, when the return to education for blacks and women is low), then they lose the incentive for schooling; and (d) it is also possible that lower productivity among inferior groups “reflects …pre-labour-market discrimination” (Ibid. 744).

8. ‘Test scores’ here may comprise information contained in the applicants’ resumes including school grades, type of education, or other screening tests.

9. Altonji and Pierrret’s (2001) study provides an interesting way of testing ‘statistical discrimination theory’ empirically. They argue that a ‘statistically discriminating’ firm uses race/ethnicity to predict the productivity of newly hired workers. But when the productivity of the workers become apparent over time and employers learn more about them, they must rely less on the ‘easily observable variable’ of race/ethnicity. The wage gap between ‘blacks’ and ‘whites’ should become smaller than at the time of recruitment, based on the greater information that the firm accumulates with experience. In other words, the wage effect of race/ethnicity should fall with time in the labour market. But Altonji and
Pierrret’s empirical result shows quite the reverse, that is, the race gape in wages widens with more experience in the labour market.

10. See also Barry R. Chiswick (1983; 1984) about the Chinese and the Japanese.
12. As Steinberg (2001:80) suggests, culturalist theories treat culture “as fixed – that is, as a relatively permanent and immutable entity that operates as an independent force in history”.
13. Etienne Balibar considers that the culturalist perspective amounts to a new academic *racism* which has admitted that the behaviour of individuals and their ability and competence can no longer be explained in terms of their blood and genes, “but are the result of their belonging to historical ‘cultures’”. Ålund (1991) also describes the culturalization of social inequality as a new form of racism. See also Philomena Essed (1987:15) who, concerning culturalization, states that the common sense attitudes and ideas of ordinary people about the ‘cultural inferiority’ of disadvantaged ethnic minority groups “are gathered, analyzed, supported, and then legitimated by” these researchers. Regarding the Swedish version of this perspective ‘cultural distance’ and its relationship with the new academic racism, see Arai et al. (2000:22).
14. Regarding these controversies, see also Le Grand (1999) and Nekby (2006). As well as ‘statistical analysis of observational data’ (mainly based on Mincer’s human capital/wage equation), two other methods have been developed by proponents of discrimination theories. The first is ‘laboratory experiments’ which measure psychological mechanisms that lead to discriminatory behaviour. The second is ‘field experiments’ or ‘paired-testing methodology’. Using such a methodology in a study of recruitment, “testers have identical résumés and apply for jobs” and “researchers use the differences in treatment experienced by the testers as an estimate of discrimination” (Blank et al. 2004:104). Because hitherto the use of these methods in Swedish studies has been extremely limited, I have not discussed them here. To my knowledge only two Swedish studies have used laboratory experiments up to now (Holm 2000 and Ahmed 2005), and there is no study which uses the paired-testing methodology. On the most recent development of culturalogical theories about poverty and labour market achievement of minority groups, see below (section 4, The concept of social capital).
15. See also Bourdieu (1990b:68), who maintains that one cannot enter every social field and circle “by an instantaneous decision of the will, but only by birth or by a slow process of co-option and initiation which is equivalent to a second birth”.
16. Should race relations be distinguished from the study of ethnicity and ethnic relations? Eriksen (1997:34) does not think so and suggests, “In societies where ideas of race are important, they may therefore be studied as part of local discourses on ethnicity”. And Rattansi (2005:272) maintains that “the fact that the modern concept of race has always included biological and cultural elements and that cultural elements have increasingly come to the fore in the wake of developments in modern genetics… has meant that distinctions between race, ‘ethnicity’, and ‘nation’, always blurred, have became murkier still”.

17. Beside this type of stigma, Goffman (1963) defines two other sorts of stigma: various physical deformities (such as disabilities), and blemishes of individual character (such as homosexuality and alcoholism).

18. Bourdieu (1986) mentions the ‘pronunciations characteristic of a class’ as another sign of distinctive value and symbolic distinction.

19. Stigmatized individuals who attempts to modify the problems that arise from their Otherness and improve their condition of life by, for example, changing their name are subject to what Bourdieu (1992) aptly calls the characteristic logic of symbolic domination: “anyone who wants to ‘succeed in life’ must pay for his accession to everything which defines truly humane humans by a change of nature, a ‘social promotion’ … a process of ‘civilization’… a leap from nature to culture, from animal to the human; but having internalized the class struggle…he is condemned to shame, horror, even hatred of the old Adam, his language, his body and his tastes, and of everything he was bound to, his roots, his family, his peers, sometimes even his mother tongue” (Bourdieu 1984:251).

20. Another side of Western modernity, as Rattansi and Westwood (1994:3) mention, has been “Western genocide against aboriginal peoples, slavery, colonial domination and exploitation, and the Holocaust, in all of which Western doctrines of ‘racial’ and cultural superiority have played a constitutive role”. Rattansi also emphasizes that in the modern Western societies the notion of racial/ethnic stigma coexists with other discourses such as democracy, equal opportunities and citizenship rights at home, and have been subjected to practices of regulations, struggle and resistance (Rattansi 1994).

21. In the 19th century it was sections of the ‘native’ working class in Britain and France that were regarded by the ruling class as a ‘race apart’ and in need of ‘civilisation’. They were viewed as ‘urban savage’ and ‘barbarian’, a distinct type with “a set of somatic characteristics which expressed their supposed physical and moral degeneration”, and their class position was “the consequence of ‘something’ that was in the blood” (Miles 1993:93, see also Balibar 1991). For Sweden see Sheiban (2002), who describes how the newly immigrated peasants working in Stockholm during the second half of the 19th century were charac-
terized by politicians and officials as ‘like savages’, those whose material conditions of existence were interpreted as a symbol of their ‘inner nature.

22. Regarding the inclusion of southern Europeans, Irish and Jews in the United States US during the 19th century, Omi and Winant (1986:65) argue that it was the result of a political and ideological struggle and consequently: “Nativism was only effectively curbed by institutionalisation of a racial order that drew the colour line around, rather than within, Europe”.

23. Countries defined as NW in this study are: Denmark, Finland, Norway, Island, UK, France, Italy, Germany, Netherlands, Belgium, Spain, Portugal, Austria, Ireland, Luxemburg, Switzerland, Japan, Canada, Australia and the United States. The rest are defined as ONW.

24. For a discussion about the historical roots of the concept of social capital, see Portes and Sensenbrenner (1993).

25. Henk Flap (2004:5), for example, distinguishes between two different notions of social capital: one introduced by Coleman “from a utilitarian, rational choice point of view” and one launched by Bourdieu “from a Marxist and neo-Weberian stance”.

26. Lundberg and Startz (2000:270) call this line of research “the new economics of race”.

27. Borjas applies the term ‘ethnic capital’ instead of ‘social capital’ to the average stock of human capital in the ‘ethnic communities’.

28. To my knowledge the only economic study applying such a definition of social capital in Sweden is that by Torun Österberg (2000:94), which concludes, among other things, that “the fact that some children with immigrant background have lower levels of education than natives cannot be entirely explained by ethnic externalities. The ethnic capital instead seems to work in a positive direction for at least some immigrant sons and daughters.”


30. Bourdieu warns against the ordinary use of the notion of strategy which calls attention to rational calculation, interest, and so on, and “inclines one to a naively finalist conception of practice”. He explains “via the notion of habitus for instance, how it is that behaviour… takes the form of sequences that are objectively guided toward a certain end, without necessarily being the product either of a conscious strategy or a mechanical determination” (Bourdieu 1990a:90).

31. These strategies are not the “product of a deliberate strategic intention, even less of a collective conspiracy” (Wacquant 1992:27).
32. See, for example, Lin (2001b) and Lin et al. (2001). See also Bourdieu (2005:198).

33. Concerning the relationship between agent and structure Bourdieu maintains, “social agents are neither particles of matter determined by external causes, nor little monads guided solely by internal reasons, executing a sort of perfectly rational internal program of action. Social agents are the product of history, of the history of the whole social field and of the accumulated experience of a path within the specific subfield… social agents will actively determine (on the basis of these socially and historically constituted categories of perception and appreciation), the situation that determines them. One can even say that social agents are determined only to the extent that they determine themselves. But the categories of perception and appreciation which provide the principle of this (self-) determination are themselves largely determined by the social and economic conditions of their constitution” (1992:136, emphasis in original; see also Bourdieu 1990b).

34. About ‘duration of residence’ and ‘fluency in language’, see, for example, Barry R. Chiswich (1978).

35. Regarding the United States, Portes (1995:24) mentions “immigrants from Britain and north-western Europe have typically experienced the least amount of resistance, while those of phenotypically or ‘culturally’ distinct background have endured much greater social prejudice”.

36. In a new study about these groups of young people (Behtoui 2006), in addition to controlling for human capital characteristics of individuals, I have controlled for the socio-economic position and education of their parents as well as their average marks from upper secondary school and their marks in Swedish language and literature. The results are roughly the same as reported in this essay.

37. Comparing these groups in Behtoui (2006), I came to the conclusion that in fact those with a native-born mother had slightly (and significantly) higher marks in Swedish language and literature than those with a native-born father. But note that an uncritical and straightforward reading of Chiswick’s argument regarding the role of mothers indeed appears problematic. The contention that mothers perform the main task of transmitting language to the children in our societies appears not to be free from normative assumptions.

38. Bourdieu et al. (1991:36) make an important point in emphasizing that the researcher trying to analyse the material collected with reference to another problem knows that “even the richest of data can never fully and adequately answer the questions for which, and by which, they were not constructed”.

39. As Goffman (1963:138) puts it, the distinction between the ‘stigmatized’ and
‘normals’ is sometimes a two-role social process, in which some individuals may “participate in both roles”, for example in the case of a middle-class immigrant male and an unemployed immigrant female and their relations with the wider society.

40. Bourdieu himself made more extensive use of ‘correspondence analysis’ in preference to multivariate regression because he believed that “correspondence analysis is a relational technique of data analysis whose philosophy corresponds exactly to what…the reality of the social world is” (1992:96).

41. Bourdieu (1992:119) suggests that in old social democratic nations such as Sweden we ought to investigate the peculiar form of social capital based on working membership of the Social Democratic Party, “which has the capacity to yield considerable profits and privileges” not least for people with a ‘simple background’.

References


