

**Ethnic Differences in the Labour Market:
The Role of Education and Social Class Origins**

**Anthony F. Heath
and
Dorren McMahon**

Paper Number 2000-01

Anthony Heath, Department of Sociology and Nuffield College, Oxford
Dorren McMahon, University College, Dublin

May 2000
Sociology Working Papers
Editors: Diego Gambetta and Bridget Taylor
Electronic Editor: Edmund Chattoe
<http://www.sociology.ox.ac.uk/swps/2000-01.html>

Ethnic Differences in the Labour Market: The Role of Education and Social Class Origins

Abstract

The main aims of the paper are to explore how far class origins and qualifications can account for ethnic minority disadvantage in Britain and to explore whether they operate in the same way for the ethnic minorities as they do for the white majority. Thus the paper examines both the processes that promote inclusion into advantaged positions (in the professional and managerial classes of the salariat) and also the rather different processes that lead to exclusion - to unemployment and the disadvantaged and poorly paid jobs of the semi-skilled and unskilled working class. Interest also focuses on entry into the petty bourgeoisie, which has often been used by members of ethnic minorities as a way of escaping from unemployment or low status manual work.

The data cover first-generation men, that is men who were born overseas and migrated to Britain. With respect to social inclusion, the results show that class origins and educational qualifications can largely account for the overall disadvantages suffered by Irish men who have migrated to Britain. They also account for about half of the overall Caribbean and Pakistani disadvantage although still leaving substantial disadvantage unaccounted for. With respect to social exclusion, social origins and qualifications account for a much smaller proportion of the overall ethnic disadvantage.

Many of these inclusion and exclusion processes work in much the same way for members of ethnic minorities as they do for whites. In particular, contrary to theoretical expectations, advantaged class origins bring the members of ethnic minorities much the same occupational benefits as they bring whites. However, entry to the petty bourgeoisie is a major exception: ethnic minorities are not nearly as successful as the British-born whites in passing on to their sons resources that are helpful for self-employment.

Introduction

The main aim of this paper is to explore the relationship between the education and occupation of ethnic minorities in Britain. It is well known that, in general, ethnic minorities in Britain such as Black Caribbeans, Indians and Pakistanis are disadvantaged in the labour market (Stewart 1982, Drew *et al.* 1992, Jones 1993, Cheng and Heath 1993). They have inferior chances of reaching the professional and managerial jobs constituting the salariat and greater risks of suffering from unemployment. How are we to account for these disadvantages? It is likely that a major factor is discrimination by employers, but there might be other factors that could account at least in part for disadvantage. Even among the native white majority there are very substantial inequalities in labour-market outcomes, but these can largely be explained by factors other than direct discrimination. (By definition, they cannot be explained by discrimination on the grounds of colour.) In particular educational qualifications, social class origins and gender have proved to be major factors in influencing labour-market outcomes in contemporary Western societies (Shavit and Mueller 1998).

As a first step, we need to explore the possibility that ethnic minority disadvantage can be explained in part by class origins and educational qualifications. As has recently been shown by the thorough studies of ethnicity in the 1991 British Census, ethnic minority members diverge substantially from the white majority in their educational profiles, with relatively larger numbers lacking any formal qualifications (Karn 1997). If ethnic minorities receive the same benefits from their qualifications as the white majority, then these educational differences could account for some of the differences in occupational attainment. However, as Duncan (1968) has shown in a classic American study, this may well prove to be only a small part of the story. Still, it is rather important to know just how small a part it is.

Social class origins of ethnic minorities, however, have never received much study in Britain, partly because the main data sources (such as the Census) have not included a question on class origins. But class origins certainly play a part in white patterns of occupational attainment, even among people with similar qualifications (Heath *et al.* 1992), so there is every reason to suppose that class origins will play some role among ethnic minorities too. Since many migrants come from developing countries where farming and low-skill jobs are more prevalent than in Western Europe, it is likely that few will have the kinds of social advantages that assist entry to privileged positions in the West.

However, we cannot be sure that advantaged social origins and higher-level qualifications will be as advantageous to ethnic minority members, particularly to the first-generation members who have migrated to Britain, as they are to the native British population (Heath and Ridge 1983). In particular, social and physical capital may not be easy to import from the countries of origin, while even the human capital that derives from education may be culturally specific. What we might expect to find, therefore, is that there is a weaker link between social origins or educational qualifications and occupational success among the ethnic minorities, particularly those who are first-generation migrants. In principle, this could explain why ethnic minorities fare less well in the British labour market than their backgrounds and qualifications would lead one to expect.

The primary purposes of this paper are first to explore how far class origins and qualifications can account for ethnic minority disadvantage, and second to explore whether they operate in the same way for the ethnic minorities as they do for the white majority. In other words, are the processes that affect ethnic minority disadvantage ones that are shared with the white population?

We consider both processes of inclusion and those of exclusion (Ishida *et al.* 1995). Thus we look at the processes that promote inclusion into advantaged positions in the professional and managerial classes but we also consider the rather different processes that lead to exclusion - to unemployment and the disadvantaged and poorly paid jobs of the semi-skilled and unskilled working class. Interest also focuses on entry into the petty bourgeoisie, which has often been used by members of ethnic minorities as a way of escaping from unemployment or low status

manual work (Light and Bhachu 1993, Srinivasan 1993). What role does ethnic origin play in these processes?

Data and Variables

Whereas previous work in this area has drawn primarily on the 1991 Census and on the Labour Force Surveys, we turn to the General Household Survey for our analysis in this paper. The GHS is a large-scale representative survey of British households conducted by the Office of Population Censuses and Surveys (now Office of National Statistics). For our purposes, it has the crucial advantage that data on father's class were collected in the GHS.

In order to obtain sufficient numbers of ethnic minority members we use the combined GHS for the years 1985-1992. Before 1985, the data on father's class were not obtained in a form that enables us to construct the social class distinctions that we need. After 1992, a different classification of ethnic minorities was used and it is not sufficiently comparable to the earlier one to allow us to pool the later data. Throughout the analysis is restricted to economically active respondents aged 21-64. For space reasons we limit ourselves to men in the present paper. Work comparing male and female migrants is reported in Heath and McMahon (1997). After deletions we have a total of 46,479 respondents.¹

The key variables that we will use in our analysis are ethnicity, educational qualifications, social class and social class origins. These variables have been constructed as follows:

Ethnicity

The categorisation used in the General Household Surveys distinguished white, Indian, Pakistani, West Indian/Guyanese, Bangladeshi, African, Arab, and Chinese with a residual category for mixed and other ethnicities. The Bangladeshi, African and Arab categories are excluded from the present study because their sample size was too small for useful analysis. The category Mixed/Other is too heterogeneous for useful analysis. The number of Chinese in the sample is also very small, but they are of considerable substantive interest and have therefore been retained. We added another ethnic category, Irish (based on country-of-birth information), since the Irish represent the largest white ethnic minority in Britain and provide a valuable point of comparison with the other main ethnic minorities. (For a more detailed discussion of the Irish in Britain, see McMahon, 1993).

The majority of the ethnic minority members (and by definition all the Irish) had been born overseas. We term these the 'first generation'. The 'second generation' consists of respondents born in Britain. However, we should note that many of the first generation came to Britain when they were quite young and will have received some British education. The distribution for our six ethnic groups is shown below in table 1.

¹ In addition to the restriction for economically active respondents aged 21-64, we also exclude respondents for whom there is missing data on current occupation or ethnicity. As described below, some categories of ethnic group are also excluded.

Table 1: Ethnic Groups in Britain

	%	
White	95.4	(100.0)
Irish	1.3	(0.0)
Black Caribbean	0.9	(32.5)
Indian	1.6	(6.7)
Pakistani	0.6	(5.4)
Chinese	0.3	(4.4)
N	46,479	

Figures in brackets give the percentage of each group born in Britain.

Education

The GHS records the highest qualification obtained by the respondents. Table 2 shows the categorisation we employ in this paper.

Table 2: The Distribution of Qualifications

	%
No qualifications	31.8
CSE, foreign and other qualifications	13.5
Ordinary Level GCE and equivalent	18.1
Advanced Level GCE and equivalent	12.3
Professional-level qualifications	12.1
Degree-level qualifications	12.2
N	43,243

The professional-level qualifications are post-school ones but below degree level. They include teaching and nursing qualifications. In Britain Advanced Level in the General Certificate of Education is taken at the end of secondary education, usually at the age of 17 or 18. Ordinary Level was usually taken at the age of 15 or 16, 15 being the minimum school-leaving age for most of our respondents. (The school-leaving age was raised to 16 in 1973/4.) The CSE (Certificate of Secondary Education) was an examination, also taken at ages 15 or 16, but geared to less able pupils. CSE has now been combined with O Level to form the GCSE. (A pass at grade 1 at CSE has usually been regarded as the equivalent of an O Level pass, and the GHS has followed this convention.) The other low-level qualifications included with the CSE are apprenticeships and clerical and commercial qualifications plus an unspecified category of 'other' qualifications.

The GHS also includes a separate category of foreign qualifications but does not distinguish the level. Information from the ONS suggests that this category was used by interviewers when respondents reported an overseas qualification for which there was no direct British equivalent, and that overseas degrees, for example, would have been coded as degrees not as foreign qualifications.

Social Class

Our main concern in this paper is with the class origins and current class positions of the ethnic minorities. There are many alternative ways of treating social class; American researchers have tended to conceptualise class as a hierarchy of occupations classified according to their occupational prestige or socio-economic standing. European researchers in contrast have tended to use categorical classifications based on some conception of distinctive economic interests. This paper uses the categorical approach because different processes operate at different levels

of the labour market (Heath and Cheung 1998).

The main categorical scheme used in British academic research is that introduced by Erikson, Goldthorpe and Portocarero (1979) for comparative research on Sweden, Britain and France. This scheme distinguishes the following seven classes.²

- I Higher salariat (professional and managerial posts in large establishments).
- II Lower salariat (semi-professional and managerial posts in small establishments).
- III Routine non-manual class.
- IV Petty bourgeoisie (farmers, small-holders, employers and own-account non-professional workers).
- V Foremen and technicians.
- VI Higher working class (skilled workers).
- VII Lower working class (semi-skilled and unskilled workers in industry and agriculture).

This has sometimes been termed a neo-Weberian approach. Essentially it focuses on the employment conditions of three major formations - the salariat (or service class as it is sometimes termed), the petty bourgeoisie and the working class. The salariat hold relatively secure positions, often with career structures, promotion prospects and extensive fringe benefits. The working class have less secure positions, higher risks of unemployment, fewer benefits and are subject to a more restrictive labour contract. In contrast to both these formations, the petty bourgeoisie are directly exposed to market forces without the protection of salaried employment or trade union organisation. In between these three formations, Erikson *et al.* place the routine non-manual class, which is in a sense marginal to the salariat proper and shares only some of its advantages, and the foremen/technician class, which is marginal to (and somewhat more advantaged than) the working class proper.

This class schema is only partially hierarchical. While the salariat is general more advantaged than the other five classes and the semi-skilled and unskilled working class is more disadvantaged, the other classes (III, IV, V and VI) cannot easily be placed in a hierarchical relation to one another. They have essentially different employment relations and somewhat diverse packages of remuneration and benefit.

The Erikson *et al.* (EGP) schema is rather appropriate for an analysis of ethnic minorities: as is well known, some minorities are notable for their concentration in the petty bourgeoisie and entry to this class thus needs to be examined explicitly. Given our interest in processes of inclusion and exclusion, it is also important to distinguish the advantaged positions of the salariat and the disadvantaged positions of the lower working class.

However, we make two modifications to the EGP schema in order to deal with specific features of ethnic minorities. First, members of ethnic minorities have very high rates of unemployment and we therefore add an additional category for the unemployed. (For some purposes we shall group the unemployed together with the lower working class.) Second, many members of ethnic minorities come from farm backgrounds in developing countries. These backgrounds are

² Goldthorpe's class schema is not measured directly in the GHS but a good approximation can be derived from the variable SEG (Socio-Economic Group). The class categories are derived as follows:

- I Higher salariat (SEGs 1.1, 1.2, 3, 4)
- II Lower salariat (SEGs 2.2, 5.1, 5.2)
- III Routine non-manual class (SEG 6)
- IV Petty bourgeoisie (SEGs 2.1, 12)
- V Foremen (SEG 8)
- VI Skilled manual (SEG 9)
- VII Semi and unskilled manual (SEGs 7, 10, 11)

likely to provide little in the way of resources for occupational advancement in an industrial or indeed post-industrial Western economy, and it is important to distinguish these farm occupations from industrial and commercial occupations. In the case of social origins, therefore, we therefore add a further category covering farm occupations.³ However, since so few of our respondents, and virtually none of the ethnic minority members, are currently employed in farming, we do not need to make a corresponding adjustment to the schema used for the respondents' own class positions.

Given the relatively small numbers of ethnic minority members in our sample, we group classes together as shown in Table 3.

Table 3: The Distribution of Class Origins and Current Class Positions

	Class Origin (%)	Current Class (%)
Salariat (I+II)	20.4	31.0
Petty bourgeoisie (IV)	11.8	13.8
Skilled manual and non-manual (III+V+VI)	44.8	33.1
Semi-skilled and unskilled (VII)	17.9	13.5
Farm (IVc+VIIb)	5.1	-
Unemployed	-	8.5
N	37,687	46,479

As can be seen, there is substantial missing data on father's class and, to a lesser extent, on educational qualifications. In order to avoid selection biases we include categories for missing data in the multivariate analyses reported below.

The Education and Class Distributions of the Ethnic Minorities

Before turning to our main multivariate analyses it is useful to present summaries of the class origins, education and current class distributions of our main ethnic groups. These are shown in tables 4, 5 and 6.

Table 4: Class Origins by Ethnic Group

	Farm	Semi-Skilled and Unskilled	Skilled Manual	Bourgeoisie	Salariat	N
British-born White	4.6	17.8	45.6	11.3	20.7	36,034
Irish	24.7	20.3	31.8	12.2	11.0	408
Black Caribbean	11.9	24.7	35.6	18.1	9.7	320
Indian	10.8	16.3	26.5	29.8	16.6	601
Pakistani	17.9	31.6	21.7	16.5	12.3	212
Chinese	15.3	17.1	9.9	42.3	15.3	111

As table 4 shows, the class origins of the ethnic minorities are strikingly different from those of the British-born white population. In general terms, the British-born whites are more likely to

³ In later versions of the EGP scheme Erikson and Goldthorpe subdivide the classes IV and VII distinguishing farmers and farm managers (class IVc) from other employers (IVa) and own-account workers (IVb). They also distinguish farm labourers (VIIb) from other low-skilled workers (VIIa). What we have done is to group together farmers, farm managers and farm labourers in a single category. While this is not the ideal, the small numbers involved mean that it is not sensible to distinguish IVc from VIIb. We should also note that farmers in, say, Ireland or Pakistan are likely to have much smaller holdings and much less advantaged positions than farmers in Britain and are likely to be closer in their material resources to farm labourers.

come from advantaged origins in the salariat and from the skilled manual and non-manual classes III, V and VI. In contrast, all the ethnic minorities have higher proportions of their members coming from the petty bourgeoisie and from farm origins. The Indians and Chinese are particularly likely to come from petty bourgeois backgrounds (30% and 43% respectively) while the Irish and Pakistanis are particularly likely to come from farm backgrounds (25% and 18% respectively). The Black Caribbeans are the most similar to the British-born whites in their profile, but it must be remembered that a larger proportion of the Black Caribbeans are second generation, whose fathers may well have held jobs in the British labour market.

Table 5: Highest Educational Qualification by Ethnic Group

	None	Low	O Level	A Level	Professional	Degree	N
	%						
British-born Whites	31.4	13.1	18.4	12.5	12.3	12.4	41,342
Irish	48.8	24.3	9.9	5.4	5.8	5.8	535
Black Caribbean	46.2	14.9	14.9	10.1	10.1	3.8	368
Indian	29.2	24.0	12.1	11.1	8.4	15.1	667
Pakistani	47.7	25.0	11.4	8.6	3.6	3.6	220
Chinese	39.6	18.9	7.2	5.4	9.9	18.9	111

Table 5 shows that the educational distributions of the ethnic minorities also differ considerably, both from each other and from the British-born white population. For example, the Chinese are more likely than the British-born whites to have degrees, but they are also more likely to be unqualified. The Chinese are thus more polarised in their educational qualifications than the British-born. The Indians are fairly similar to the Chinese in their educational profile, whereas the Irish, Black Caribbeans and the Pakistanis all show a rather different profile. Nearly half of these three groups have no formal qualifications at all and around a quarter have only low level (including foreign) qualifications. These three minorities are clearly much more disadvantaged than the British-born whites, Chinese and Indians in their education.

The results shown in tables 4 and 5 are rather important for understanding patterns of ethnic minority occupational attainment. They also reflect in important ways the patterns of immigration to Britain, the social origins of the migrants, and the nature of the educational systems in their countries of origin. Our ethnic minorities may have come to Britain at a time when free second-level education was unavailable to them in their country of origin and when their society of origin was more rural and had a higher proportion of the population in farming or self-employment.

We move next to describe the current class position of the ethnic minorities in Britain. Table 6 reports the positions of the first-generation men aged 21-64. As noted above, we limit ourselves to the economically active, that is people in work or actively seeking work.

Table 6: Current Class Position by Ethnic Group

	Unemployed	Semi- and Unskilled	Skilled Manual	Petty Bourgeoisie	Salariat	N
	%					
British-born White	8.1	13.2	33.8	13.6	31.2	44,358
Irish	12.3	18.7	28.8	17.5	22.7	587
Black Caribbean	16.0	24.5	39.1	7.8	12.7	425
Indian	9.2	13.6	29.0	20.4	27.9	721
Pakistani	28.8	18.3	24.9	17.1	10.9	257
Chinese	12.2	16.8	13.7	30.5	26.7	131

It can be seen once again that there are major variations between the ethnic minorities. The most

'successful' minorities are the Chinese and Indians, who are the most likely to be found in the managerial and professional jobs of the salariat. However, despite their high educational qualifications they still lag somewhat behind the white British. Next come the Irish, while the Black Caribbeans and Pakistanis lag substantially behind in access to the salariat.

It might be expected that Indian and Chinese men would be relatively concentrated in the petty bourgeoisie, reflecting their family traditions of self-employment and their location in certain occupational sectors such as the catering trade. In fact, they do show much higher proportions in the petty bourgeoisie than do the British-born whites. Overall, over half the Chinese and just under half the Indians and British-born whites are in the salariat or petty bourgeoisie. In contrast only a fifth of the Black Caribbeans and less than a third of Pakistanis are in these classes. Moreover, even within the skilled and unskilled classes, the Black Caribbeans and Pakistanis are much more concentrated in the lower levels than are the British-born whites. For example, 21% of British-born whites were unemployed or in unskilled work while 34% were in skilled occupations, a ratio of 1:1.6. In contrast the ratios for all the ethnic minorities are much less favourable. Among the Irish and Black Caribbeans the ratio is around 1:0.9, while among Pakistanis it is much less favourable at 1:0.5.

Finally, turning to unemployment, we can see that the Pakistani men are again the most disadvantaged with rates of unemployment of 29%. It used to be argued that immigrant workers

"... are usually employed in occupations rejected by indigenous workers. In a situation of full employment, the nationals of the countries concerned have taken advantage of opportunities for moving into better-paying more pleasant jobs, usually in the white-collar or skilled sectors. The immigrants have been left with the jobs deserted by others. Typically such jobs offer low pay, poor working conditions, little security and inferior social status" (Castles and Kosack 1985, p. 112).

Such an account would appear to fit the Pakistanis best, and it is perhaps relevant that the Pakistanis are the most recent arrivals to Britain of the various ethnic minorities that the GHS distinguishes. But it is not an account that would appear to fit minorities such as the Chinese or the Indians who are also fairly recent arrivals. What tables 4, 5 and 6 bring out is the diversity between the ethnic groups. General accounts of ethnic minority disadvantage have to be qualified to take account of the distinctive occupational experiences of the different groups.

The Relationship Between Origins, Education and Current Class Position

The differing origin and educational profiles of the various ethnic minorities suggest that some differences in their current class distributions are also to be expected. In particular, the relatively disadvantaged class origins of the Irish, Black Caribbeans and Pakistanis, and their lack of educational qualifications, could help to account for their lack of success within the British labour market. A major question for us to try and answer, therefore, is how far their current economic disadvantages can be explained by their educational and class backgrounds.

To answer this question we use multivariate analysis in which we control for class origins and educational qualifications. Multivariate analysis can thus tell us whether ethnic minority members fare as well in the labour market as do British-born whites with similar qualifications and from similar class origins. We also need to take account of the age profiles of the different groups. The data reported in table 6 show the current class positions of our respondents, not their eventual positions. Younger people may be expected to advance further in their careers as they age, and an ethnic minority such as the Black Caribbeans which has a relatively youthful age profile may have higher eventual class positions than those shown in table 6. Again, a multivariate analysis that takes account of the relationship between age and occupational attainment can deal with this problem.

Since rather different processes are involved in access to the salariat/petty bourgeoisie and in the avoidance of disadvantaged positions, we employ three distinct sets of models. In the first set, reported in table 7, we look at the relative chances faced by our respondents of reaching the salariat (classes I and II) or entering some other class or unemployment (classes III to VII together with unemployment). In effect this first set of models explores the success of the different ethnic minorities in the competition to gain access to the salariat and to avoid the insecurity and poorer employment conditions of the other classes.

In table 8, people who were successful in reaching the salariat are excluded and we focus on access to the petty bourgeoisie among those who are left. In this model we therefore look at the relative chances of gaining self-employment in the petty bourgeoisie or entering skilled work, less-skilled work or unemployment.

Finally in table 9, people who were in the petty bourgeoisie are excluded and we focus on the relative chances of gaining employment in skilled work (classes III, V or VI) or entering disadvantaged work (class VII) or unemployment. This is not the conventional way of analysing occupational attainment but it is, we believe, faithful to the partially-ordered nature of the EGP class schema and also, and even more importantly, captures the different kinds of processes involved in these different areas of the labour market. The labour market should not be treated as a single, homogeneous entity and, as we shall see, our three sets of models suggest that very different processes are at work.⁴

In all these multivariate analyses we use logistic regression. This is the appropriate technique when we have a binary dependent variable and are concerned with the relative chances of entering one type of position rather than another. Formally, the dependent variable in a logistic regression is the log odds of entering one category rather than another. We explain this in more detail below.

Access to the Salariat

Table 7 shows the results for our logistic model of the relative chances of gaining access to the salariat or entering one of the other classes. Model 1 includes only ethnicity as an explanatory variable. Each of the five ethnic minorities is compared in turn with the native white British. In effect then Model 1 simply presents some of the information from the basic cross-tabulation given in table 6 but presents it in the form of log-odds ratios. Thus table 6 shows that the relative chances, or odds, of a native white Briton reaching the salariat and avoiding the less advantaged class positions were 31:69 (since table 6 shows that 31% reached the salariat and the other 69% failed to do so) which can be expressed as 1:2.2. In contrast, the odds of a Pakistani reaching the salariat were 11:89 or 1:8.1. The ratio of these two odds, setting the white British to 1, is 1:0.27. Taking the natural logarithm of 0.27 we obtain -1.31, the parameter estimate given for the Pakistanis in table 7. This can be interpreted as meaning that the odds for the Pakistanis were less than one third of the British-born white odds, or, turning it the other way round, the relative chances were over three times more favourable for the British-born whites than for the Pakistanis.

The parameter estimates from a logistic regression can thus be thought of as fitted log odds ratios. If we exponentiate the estimates, that is if we take the anti-logarithm, we obtain ordinary odds ratios which, as we have just seen, have a relatively straightforward interpretation. It is important to note, however, that we cannot directly interpret the logistic regression parameters in terms of probabilities but only in terms of odds. They tell us about the odds of one group, relative to that of some other group, in the competition to reach a particular destination and avoid other destinations.

⁴ The approach we have adopted corresponds to the theoretical conception of the labour market as a queueing process.

Table 7: Logistic Regression Models of Access to the Salariat (N=46,479)

	Parameter Estimates			
	Model 1	Model 2	Model 3	Model 4
Constant	-0.79 (.01)	-1.42 (.03)	-7.15 (.19)	-7.16 (.19)
Ethnic Group				
British-born White	0	0	0	0
Irish	-0.44 (.10)	-0.26 (.10)	0.05 (.11)	-0.48 (.28)
Black Caribbean	-1.14 (.15)	-1.01 (.15)	-0.70 (.16)	-1.26 (.31)
Indian	-0.16 (.08)	-0.13 (.09)	-0.17 (.10)	-0.93 (.28)
Pakistani	-1.31 (.20)	-1.18 (.20)	-0.74 (.22)	-1.42 (.34)
Chinese	-0.22 (.20)	-0.18 (.20)	-0.26 (.25)	-0.94 (.38)
Father's Class				
Missing	-	0.48 (.04)	0.33 (.05)	0.36 (.05)
Farm	-	-0.17 (.07)	-0.29 (.08)	-0.34 (.08)
Semi- and Unskilled	-	0	0	0
Skilled	-	0.43 (.04)	0.21 (.04)	0.21 (.04)
Petty Bourgeoisie	-	0.62 (.04)	0.38 (.05)	0.38 (.05)
Salariat	-	1.69 (.04)	1.05 (.05)	1.03 (.05)
Qualifications				
Missing	-	-	1.32 (.05)	1.34 (.05)
None	-	-	0	0
Other	-	-	0.62 (.05)	0.55 (.05)
O Level	-	-	1.36 (.04)	1.34 (.04)
A Level	-	-	1.98 (.11)	1.98 (.11)
Professional	-	-	2.69 (.11)	2.68 (.11)
Degree	-	-	4.38 (.11)	4.37 (.11)
Age				
Age	-	-	0.19 (.01)	0.19 (.01)
Age Squared (*100)	-	-	-0.19 (.01)	-0.19 (.01)
Age*Qual (*100)	-	-	-0.34 (.24)	-0.38 (.24)
Father's Class*Ethnicity				
Missing	-	-	-	-0.42 (.26)
Farm	-	-	-	0.49 (.29)
Semi- and Unskilled	-	-	-	0
Skilled	-	-	-	-0.01 (.24)
Petty Bourgeoisie	-	-	-	-0.03 (.25)
Salariat	-	-	-	0.50 (.26)
Qualifications*Ethnicity				
Missing	-	-	-	-0.16 (.29)
None	-	-	-	0
Other	-	-	-	1.16 (.23)
O Level	-	-	-	0.45 (.27)
A Level	-	-	-	0.85 (.27)
Professional	-	-	-	0.77 (.27)
Degree	-	-	-	0.97 (.31)
Model Improvement (df)	161.7 (5)	3133.4 (10)	15600.8 (19)	15678.1 (30)

Turning to the results of Model 1 in table 7, we can see that all five minorities have negative parameter estimates. The largest negative parameters are for the Pakistanis and Black Caribbeans, while the Irish are closer to the British-born whites. In the case of the Indians and Chinese the estimates are not significantly different from zero. The estimates in Model 1 thus give us a baseline measure of the overall differences between the ethnic groups and their success in the competition to reach the salariat. What we wish to see is whether the variables such as father's class (introduced in subsequent models) can account for some or all of these overall differences. Note that the apparent success of the Chinese and Indians in reaching the salariat does not mean that they compete on equal terms with British-born whites. Given their high levels of educational qualifications, it is possible that these two minorities should actually be exceeding the white British in their access to the salariat.

Model 2 then controls for father's class. Our interest here is in whether the disadvantaged positions of particular ethnic minorities such as the Irish, Pakistanis and Black Caribbeans can in part be explained by their social class origins. What we look for is whether the original ethnic group parameter estimates in Model 1 have been reduced in Model 2 when the control for social origins is introduced.

It is clear from the overall improvement in fit that father's class does indeed have a definite impact on access to the salariat. As might be expected, the strongest association is between salariat origins and a current position in the salariat. It is also worth noting that farm origins have a significant negative association, indicating that respondents from farm backgrounds fare even less well in the competition to reach the salariat than do people from lower working-class backgrounds (the reference category). It is also reassuring to note that the estimate associated with missing data on father's class is close to the average, suggesting that the missing data do not exhibit any major biases.

The inclusion of father's class in Model 2 reduces some of the ethnic parameters. In particular the Irish parameter estimate falls from -0.44 in Model 1 to -0.26 in Model 2. It thus appears that the disadvantaged class origins of the Irish can partly explain their relative lack of success in the competition to reach the salariat. For the Black Caribbeans and Pakistanis however the estimates, although somewhat reduced, nonetheless remain highly significant. Class origins, therefore, cannot account for their current disadvantages in the labour market to any great extent.

Model 3 then adds further controls for age and qualifications and their interaction. We can see that access to the salariat has the expected powerful, monotonic association with qualifications: the higher the qualifications, the lower the risks of failure. Age, however, has a non-linear association with access to the salariat: thus the odds improve as one reaches middle age but then begin to decline again in later life (shown by the negative sign associated with age squared). It should be noted that this non-linear relationship may in part reflect the labour-market opportunities available to people at the time they were looking for jobs and is not necessarily purely a life-cycle phenomenon.

There is also an important interaction between age, qualifications and access to the salariat.⁵ The negative sign of the interaction indicates that, among more-qualified respondents, age has a smaller effect on the odds of reaching the salariat than it does among less-qualified respondents. This may well be because a number of occupations within the salariat, particularly the professions, directly recruit highly-qualified young people, whereas less-qualified people cannot gain quick access when they are young but have to work their way up into the salariat over the course of their occupational careers.

⁵ We initially modelled this interaction with separate age parameters for each qualification level, but we found that almost as good a fit could be obtained by fitting two age parameters, one for less-qualified respondents with qualifications at O Level or below and one for more highly-qualified respondents.

The inclusion of age, education and their interaction in the model has no real impact on the parameters for the Indians and Chinese. Their parameter estimates have actually increased somewhat, reflecting our earlier point that we might have expected them to fare even better in the competition for access to the salariat given their high levels of education. However, the changes are so small that we should not attach great weight to them.

Model 3 does on the other hand show substantial reductions in the size of the estimates for the Black Caribbeans and Pakistanis. Both these estimates are now just over half their original size in Model 1, in the case of Black Caribbeans down from -1.14 to -0.70 and in the case of the Pakistanis down from -1.31 to -0.74. Age and education thus appear to have gone a substantial way towards explaining the disadvantages in access to the salariat experienced by these two minorities. Moreover, these variables seem to have wholly accounted for the disadvantages experienced by the Irish where the parameter estimate is now positive but not significantly different from zero.

Model 3 assumes that education and social class origins operate in the same way for the ethnic minorities in the inter-generational transmission of advantage and disadvantage as they do among the British-born white population. However, it is quite possible, as we noted in the introduction, that the experience of migration would disrupt these processes. Fathers who held salaried positions in India, for example, may not be able to use their social networks to help their sons succeed in the British labour market: social connections and social capital acquired in the country of origin cannot easily be transported. It is also likely that physical assets, such as land or commercial businesses will not have the same value in Britain as they did in the country of origin. Indeed, in many cases (such as Indian refugees from East Africa) the migrants would not have been able to bring much if any capital with them. Similarly, educational qualifications gained in India may not have the same reputation in the eyes of British employers that British qualifications enjoy. We therefore need to test whether privileged social origins or higher educational qualifications bring the same benefits to the members of the ethnic minorities (the great majority of whom in our sample, as we saw earlier, were born abroad) as they do to the British-born whites.

Because of the small numbers involved, we test this hypothesis by constructing a simple binary variable that distinguishes all the ethnic minorities from the white British and computing interactions between this binary variable and social class origins. Similarly, we compute interactions with each of the educational levels.⁶ In other words, these interactions test whether there are significant differences between the British-born whites and the ethnic minorities, treated as a whole, in the way that origins and qualifications translate into current class positions.

Model 4 shows a significant improvement in fit over Model 3, indicating that there are some significant interactions. Inspecting the parameter estimates and their standard errors, we can see that none of the interactions involving social class origins are significant. Contrary to our expectations, therefore, it appears that advantaged social origins bring the ethnic minorities the same kinds of advantage that they bring to British-born white men.

However, the interactions with qualification are all significant. The parameter estimates associated with these interactions are around 1.0 and all have positive signs. This means that qualifications of any level bring ethnic minority members larger benefits than they do to British-born whites. The interaction between 'other' qualifications and ethnicity is associated with a particularly large parameter estimate, but it needs to be remembered that this category covers a miscellaneous group of qualifications including foreign ones. Possibly, some of these foreign qualifications will be higher-level ones, hence the larger-than-expected payoffs.

⁶ We have also constructed interactions that distinguish respondents born abroad from those born in Britain, and that distinguish those with qualifications obtained after they arrived in Britain with those obtained in their countries of origin. None of these alternative formulations improve the fit of the model.

The finding that qualifications bring the ethnic minorities larger payoffs than they do to the British whites is contrary to our expectations, since we had supposed that human and cultural capital might not be easily imported from countries of origin. However, another way of looking at this, and perhaps a more informative way, is to focus on the ethnic minority members without qualifications. In effect what these interaction terms tell us is that these people suffer even larger disadvantages than do the British whites. We can see this if we turn to the parameter estimates associated with ethnicity in Model 4. Compared with Model 3, these estimates have all fallen by around 0.7 (reflecting the fact that the estimates for the interactions between ethnicity and qualifications are also on average around 0.7). These parameter estimates for ethnicity compare the relative success of ethnic group members in the reference categories, that is of ethnic group members who are young, unqualified and from lower-class backgrounds.

These interactions mean that we cannot generalise about the disadvantages experienced by the different members of the same minority. The disadvantages are substantially larger if the minority group member is unqualified. Putting the matter rather more forcefully, we can say that unqualified ethnic minority members come right at the back of the queue for places in the salariat, well behind their unqualified peers who happen to be white. Of course, in general unqualified individuals, whatever their ethnicity, have rather high risks of failure in the competition to reach the salariat, but ethnic minority individuals who are unqualified face especially high risks. If we exponentiate the parameter estimates, as described earlier, we can perhaps visualise the extent of this disadvantage better. For the Pakistanis, the estimate of -1.42 converts into a fitted log odds ratio of 4.14:1 or 1:0.24. Thus the odds of failure for the unqualified Pakistanis in the competition to reach the salariat are four times as high as those of the unqualified white British.

We seem to have got back to where we started, with unqualified Pakistanis and Black Caribbeans being severely disadvantaged in the competition to reach the salariat, the parameter estimates for these two groups in Model 4 actually being slightly higher than they were in Model 1. However, it is important to be clear what Model 4 tells us. It shows that unqualified minority group members do indeed fare a great deal worse in the competition than do unqualified British-born whites. However, qualified members of the ethnic minorities do obtain substantial payoffs from their qualifications and are not nearly so disadvantaged, relative to British whites, as unqualified members of the same ethnic group. For example, in the case of Pakistanis with degree qualifications, we can calculate that their odds are $\exp(-1.42+0.97) = 1.57:1$ or 1:0.64. In other words, their risks of failing to reach the salariat are about one-and-a-half times as great as those of white British graduates are.

Access to the Petty Bourgeoisie

Table 8 reports a similar series of models designed to explore entry into the petty bourgeoisie. In these models, we have excluded everyone who was successful in the competition to reach the salariat and the number of cases has thus fallen to 32,169. Model 1, as expected from the results in table 6, shows significant positive parameters for the Chinese and Indians and a negative one for the Black Caribbeans. This reflects the relatively high proportions of Chinese and Indians who have taken up self-employment in Britain and the relative rarity of self-employment among Black Caribbeans. This picture is also in accordance with the general patterns that have emerged from studies of self-employment among ethnic minorities (Light and Bhachu 1993, Srinivasan 1993).

We can see from Models 2 and 3 that access to the petty bourgeoisie follows very different processes from those that are involved with access to the salariat. Access to the petty bourgeoisie is not nearly so dependent on qualifications, the qualification parameters generally being rather low. Class origins do however have strong associations with entry into the petty bourgeoisie. Not surprisingly, there is a large and highly significant parameter associated with having a father from the petty bourgeoisie: as other research on the petty bourgeoisie has shown, there is a high degree

of inter-generational continuity in self-employment. There is also a large parameter associated with farm origins.⁷

Table 8: Logistic Regression Models of Education and Access to the Petty Bourgeoisie (N=32,169)

Parameter Estimates				
	Model 1	Model 2	Model 3	Model 4
Constant	-1.40 (.01)	-1.77 (.04)	-5.83 (.21)	-5.93 (.21)
Ethnic Group				
British-born White	0	0	0	0
Irish	0.17 (.11)	-0.02 (.12)	-0.09 (.12)	0.78 (.19)
Black Caribbean	-0.92 (.18)	-1.10 (.19)	-1.06 (.19)	-0.18 (.27)
Indian	0.47 (.10)	0.19 (.10)	0.14 (.10)	1.05 (.20)
Pakistani	-0.04 (.17)	-0.26 (.17)	-0.27 (.18)	0.55 (.24)
Chinese	1.06 (.21)	0.69 (.22)	0.67 (.22)	1.61 (.31)
Father's Class				
Missing	-	0.39 (.05)	0.33 (.06)	0.39 (.06)
Farm	-	1.35 (.06)	1.32 (.07)	1.40 (.07)
Semi- and Unskilled	-	0	0	0
Skilled	-	0.05 (.05)	0.03 (.05)	0.08 (.05)
Petty Bourgeoisie	-	1.27 (.05)	1.36 (.06)	1.45 (.06)
Salariat	-	0.45 (.06)	0.49 (.06)	0.54 (.06)
Qualifications				
Missing	-	-	0.53 (.06)	0.54 (.06)
None	-	-	0	0
CSE	-	-	0.33 (.04)	0.33 (.02)
O Level	-	-	0.42 (.04)	0.42 (.02)
A Level	-	-	0.13 (.14)	0.14 (.03)
Professional	-	-	0.10 (.15)	0.10 (.04)
Degree	-	-	0.19 (.17)	0.20 (.05)
Age				
Age	-	-	0.18 (.01)	0.18 (.01)
Age Squared (*100)	-	-	-0.19 (.01)	-0.19 (.01)
Age*Qual (*100)	-	-	0.87 (.34)	0.85 (.34)
Father's Class*Ethnicity				
Missing	-	-	-	-1.07 (.21)
Farm	-	-	-	-1.06 (.22)
Semi- and Unskilled	-	-	-	0
Skilled	-	-	-	-0.68 (.22)
Petty Bourgeoisie	-	-	-	-1.28 (.21)
Salariat	-	-	-	-1.01 (.30)

⁷ The association with farm origins may be partly artefactual as people who are currently farmers are included in the petty bourgeoisie.

Parameter Estimates				
	Model 1	Model 2	Model 3	Model 4
Qualifications*Ethnicity				
Missing	-	-	-	-0.17 (.21)
None	-	-	-	0
Other	-	-	-	0.11 (.17)
O Level	-	-	-	-0.19 (.22)
A Level	-	-	-	-0.12 (.27)
Professional	-	-	-	0.38 (.30)
Degree	-	-	-	-0.12 (.52)
Model Improvement	80.7	1202.0	1911.0	1957.6
(df)	(5)	(10)	(19)	(30)

Finally, in Model 4 we introduce the same interaction terms that we included in the analysis of the salariat. However, as we have already seen, the processes involved with entry to the petty bourgeoisie are very different from those for the salariat, and the pattern of interactions is very different too. In the case of access to the salariat, qualifications are the main route and it is the interactions between ethnicity and qualifications that prove significant. In the case of entry to the petty bourgeoisie, class origins tend to be more important than qualifications. Accordingly, few of the interactions with qualification are significant while those with father's class are highly significant but with negative signs. In effect, these interactions more or less wiped out the effects that father's class had in Models 2 and 3. Thus for the ethnic minorities, the parameter associated with petty bourgeois origins comes to $1.45-1.28 = 0.17$ while the parameter associated with farm origins comes to $1.40-1.06 = 0.34$.⁸ The ethnic minorities do not seem nearly as successful as the British-born whites in passing on to their sons resources that are helpful for self-employment. Here it does seem to be the case that the experience of migration has disrupted the inter-generational transmission of advantage.

This finding also has a rather remarkable implication. While tables 4 and 6 showed that large proportions of both fathers and sons from the Chinese and Indian minorities were to be found in the petty bourgeoisie, the results of Model 4 indicate that this has little if anything to do with the passing on of family traditions or resources. Among the ethnic minorities, unlike the British-born whites, the choice about whether to enter self-employment appears to be unrelated to one's father's experience.

Avoidance of Disadvantage

We now turn our attention to people who failed to gain access to the salariat or to the petty bourgeoisie. As table 6 shows, there are considerable differences in the success of the various ethnic groups in avoiding unemployment and in gaining access to more skilled work. Since semi-skilled and unskilled manual work entails rather high risks of unemployment, and is also quite disadvantaged in material terms, we group this kind of work together with unemployment. In other words, we contrast the skilled work of classes III, V and VI with the disadvantaged work of class VII and with unemployment. The analyses reported in table 9 thus focus on the avoidance of disadvantage, broadly construed.

In Model 1 we find that all the five ethnic minorities, including the Chinese and Indians, have statistically significant negative parameters, the largest in fact being for the Chinese. This is a rather different pattern from any that we have seen so far but reflects the polarisation of the ethnic

⁸ If we rerun Model 3 excluding the British-born whites we obtain a significant parameter estimate of 0.43 (se 0.21) for farm origins but a non-significant estimate of 0.20 (se 0.20) for petty bourgeois origins.

minorities that we discussed earlier. Thus although the Chinese and Indians have in general quite favourable chances (relative to British-born whites) of gaining access to the salariat and the petty bourgeoisie, the Chinese and Indians who compete in the manual labour market do not fare nearly as well as the British whites. As we saw from table 6, they have poorer chances of access to skilled work and are more likely than the British whites to be found in the lower levels of the working class or to be unemployed.

Moving on to Models 2 and 3 we find that avoidance of disadvantage is clearly related to qualifications although the estimates associated with education are in general somewhat lower than they were in table 7 for access to the salariat. However, there is an interesting curvilinear relationship between qualifications and the avoidance of disadvantage. Thus the parameter estimate for degree qualifications is lower than those for professional or Advanced Level qualifications. Degree qualifications, in other words, seem to offer less protection against unemployment than do these intermediate qualifications (Heath and Cheung 1998). Perhaps we see signs here of ‘over-qualified graduates’. However, it cannot be determined from these data whether the graduates’ failure to obtain skilled employment stems from employers’ dislike of over-qualified manpower or graduates’ unwillingness to accept jobs that do not match their qualifications.

Including social origins and educational level into the model does reduce some of the parameters associated with ethnic group, although not by all that much. In the case of the Pakistanis, for example, the parameter estimate is reduced from -1.09 in Model 1 only to -0.96 in Model 3: still a very substantial disadvantage.

Table 9: Logistic Regression Models of Avoidance of Disadvantaged Positions and Unemployment (N=25,759)

	Parameter Estimates			
	Model 1	Model 2	Model 3	Model 4
Constant	0.46 (.01)	0.23 (.03)	-3.21 (.17)	-3.26 (.17)
Ethnic Group				
British-born White	0	0	0	0
Irish	-0.53 (.11)	-0.41 (.11)	-0.38 (.11)	-0.02 (.18)
Black Caribbean	-0.49 (.11)	-0.41 (.11)	-0.37 (.11)	-0.02 (.18)
Indian	-0.21 (.11)	-0.19 (.11)	-0.24 (.11)	0.12 (.19)
Pakistani	-1.09 (.16)	-1.01 (.16)	-0.96 (.16)	-0.64 (.21)
Chinese	-1.20 (.29)	-1.22 (.29)	-1.22 (.30)	-0.83 (.34)
Father's Class				
Missing	-	0.02 (.04)	0.08 (.05)	0.11 (.05)
Farm	-	-0.09 (.07)	-0.06 (.07)	-0.03 (.08)
Semi- and Unskilled	-	0	0	0
Skilled	-	0.36 (.04)	0.28 (.04)	0.30 (.04)
Petty Bourgeoisie	-	0.30 (.06)	0.25 (.06)	0.30 (.06)
Salariat	-	0.64 (.05)	0.42 (.06)	0.45 (.06)
Qualifications				
Missing	-	-	0.70 (.05)	0.71 (.06)
None	-	-	0	0
CSE	-	-	0.63 (.04)	0.62 (.04)
O Level	-	-	0.95 (.04)	0.95 (.04)
A Level	-	-	2.42 (.13)	2.42 (.13)
Professional	-	-	2.59 (.14)	2.56 (.14)
Degree	-	-	1.43 (.16)	1.41 (.16)

Parameter Estimates				
	Model 1	Model 2	Model 3	Model 4
Age				
Age	-	-	0.14 (.01)	0.14 (.01)
Age Squared (*100)	-	-	-0.14 (.01)	-0.14 (.01)
Age*Qual (*100)	-	-	-0.03 (.34)	-2.89 (.34)
Father's Class*Ethnicity				
Missing	-	-	-	-0.54 (.19)
Farm	-	-	-	-0.48 (.24)
Semi- and Unskilled	-	-	-	0
Skilled	-	-	-	-0.42 (.19)
Petty Bourgeoisie	-	-	-	-0.71 (.22)
Salariat	-	-	-	0.60 (.29)
Qualifications*Ethnicity				
Missing	-	-	-	-0.04 (.20)
None	-	-	-	0
Other	-	-	-	0.25 (.17)
O Level	-	-	-	0.04 (.20)
A Level	-	-	-	0.02 (.26)
Professional	-	-	-	0.85 (.41)
Degree	-	-	-	0.39 (.51)
Model Improvement (df)	117.5 (5)	394.4 (10)	2038.0 (19)	2058.5 (30)

In Model 4 we then include the interactions with ethnicity. Unlike the case with access to the salariat and to the petty bourgeoisie, the inclusion of these interactions does not improve the fit of the model by very much, and the improvement is of only borderline statistical significance. (The improvement in fit compared with Model 3 is only 20.5 for an increase of 11 degrees of freedom). The general pattern of the interactions is for qualifications to be rather more important for the ethnic minority members than for the British-born whites: a pale reflection of the interaction that we observed in access to the salariat. Social origins tend to be less important than among the white British, all the interaction parameters having negative signs.

What we now find is that the ethnic parameters themselves (which it will be recalled give the relative success of young, unqualified respondents from lower-class backgrounds) have a rather unusual pattern. The estimates for the Irish, Black Caribbeans and Indians are not significantly different from zero, whereas those for the Pakistanis and Chinese are negative and highly significant. Paradoxically, although the qualified Chinese were the most successful group in gaining access to the salariat, the unqualified Chinese are the least successful in avoiding disadvantaged positions.

Conclusions

The patterns that this paper has shown are quite complex and at the very least suggest that any blanket conclusion about ethnic minority disadvantage will be a half-truth. What is clear is that rather different processes of inclusion and exclusion operate in different areas of the labour market. For example, in competing for positions in the salariat, qualifications are of primary importance and highly qualified Chinese are relatively successful and compete on more or less even terms with the British-born whites. However, within the manual labour market the Chinese are not notably successful in gaining access to skilled work and avoiding unskilled jobs or unemployment.

Much the same pattern seems to apply to the Irish and to the Indians: educated members of these minorities appear to compete on reasonably equal terms with British-born whites of similar backgrounds and educational levels in trying to gain access to the salariat. However, those who are left to compete in the manual labour market do appear to be disadvantaged relative to the British.

The Black Caribbeans and Pakistanis on the other hand appear to be disadvantaged in comparison with the Indians and Chinese (and of course with the British-born whites) in the salaried labour market but are not so distinctive in the manual labour market. And while their disadvantages in both labour markets can be explained in part by lack of qualifications and disadvantaged social origins, significant ethnic penalties remain even after controlling for age, education and social origins.

How are we to account for these rather diverse patterns? One possibility is that there are various omitted variables such as fluency with the English language that could help to account for some of the disadvantages suffered by the less-educated Indians, Chinese and Pakistanis (Dustmann 1994, Chiswick and Miller 1995). While the educated migrants from Asia are quite likely to have learned English to a high standard, this is unlikely to be the case for the unqualified. This could well account for the interaction between education and ethnicity that we found for access to the salariat. However, this kind of explanation clearly cannot apply to the Irish and to the Black Caribbeans, who speak English as their first language.

Another possibility is that the experience of migration in itself makes it difficult for people to gain the occupational advantages that might be expected to accrue to the native-born. This could apply particularly to social or physical capital, but it might also apply to human and cultural capital. The knowledge and skills that one acquires through education may be specific to a particular societal context and may not be very helpful in negotiating entry into a different labour market. These kinds of arguments seem to have considerable force in the case of people from petty bourgeois origins: among the British-born whites there are major processes of inter-generational tradition in self-employment but these seem to be almost entirely absent among the ethnic minorities (most of whom are first-generation immigrants).

However, there is little sign that overseas qualifications bring less benefit than British ones or that salaried class origins lose their efficacy among the ethnic minorities, at least as regards access to the salariat or the avoidance of disadvantaged positions in the class structure. This of course suggests that the mechanisms involved are not so culturally specific after all.

A third possibility is that there are selection biases. For example, if Chinese or Indians are particularly prone to enter self-employment, this will not only leave fewer of them in the manual labour market. It is also likely to mean that the ones who do enter the manual labour market are more of a residual group, perhaps lacking the skills and competencies that are necessary for successful self-employment. This kind of selection bias could in principle explain why the Chinese and Indians who are left to compete in the manual labour market do not fare especially well. A study of Indian entrepreneurs suggests that this may well be the case and that self-employment is chosen as a means of avoiding downward mobility (Srinivasan 1993). The high rates of self-employment among Indians and Chinese may thus reflect the barriers that they face in entry to skilled manual and non-manual work and their determination to avoid as far as possible unemployment or unskilled labour.

This kind of selection bias, which appears quite plausible in principle, would also suggest that groups like the Black Caribbeans should fare relatively better in the manual labour market since so few were able to enter the salariat or petty bourgeoisie. A comparison of the parameter estimates for the Black Caribbeans in tables 7, 8 and 9 suggests that this interpretation may have some empirical backing. The parameter estimates for the Black Caribbeans do in general seem to be smaller in table 9, both relative to the British-born whites and to the other ethnic minorities, than they are in tables 7 and 8.

It is likely that there is a complex interplay between the processes at work in the different labour markets. Thus difficulties in gaining success in one labour market may affect the number of entrants to another labour market and *vice versa*. The patterns of ethnic minority inclusion and exclusion in the British labour market would appear to reflect their assets (both physical and cultural) that they brought with them, the value that these assets have in different areas of the British labour market, the barriers to entry that they face in gaining access to particular kinds of work and the strategic choices that they have made in resolving these difficulties.

Acknowledgements

A version of this paper first appeared in French in the journal *Formation Emploi* (1999). We are grateful to the editor for permission to publish the paper here as a working paper. The General Household Surveys were made available through the Data Archive at the University of Essex, and permission to use these data is gratefully acknowledged. We would also like to thank Jane Roberts for her help in organising the data.

References

- CASTLES, S. and G. KOSACK 1985. *Immigrant Workers and Class Structure in Western Europe*, 2nd ed. Oxford: Oxford University Press.
- CHENG, Y. and A. F. HEATH 1993. 'Ethnic Origins and Class Destinations'. *Oxford Review of Education*, 19: 151-166.
- CHISWICK, B. and P. MILLER 1995. 'The Endogeneity Between Language and Earnings: International Analyses'. *Journal of Labour Economics*, 13: 246-288.
- DREW, D., J. GRAY and N. SIME 1992. 'Against the Odds: The Education and Labour Market Experiences of Black Young People'. *Youth Cohort Series* number 19. Sheffield, Department of Employment.
- DUNCAN, O. D. 1968. 'Inheritance of Poverty or Inheritance of Race', in D. P. Moynihan (ed.) *On Understanding Poverty*. New York: Basic Books.
- DUSTMANN, C. 1994. 'Speaking Fluency, Writing Fluency and Earnings of Migrants'. *Journal of Population Economics*, 7: 133-156.
- ERIKSON, R., J. H. GOLDTHORPE, and L. PORTOCARERO 1979. 'Intergenerational Mobility in Three Western European Societies'. *British Journal of Sociology*, 30: 415-441.
- HEATH, A. F. and S. CHEUNG 1998. 'Education and Occupation in Britain', in W. Mueller and Y. Shavit (eds.) *From School to Work: A Comparative Study of Educational Qualifications and Occupational Destinations*. Oxford: Clarendon Press.
- HEATH, A. F. and J. M. RIDGE 1983. 'Social Mobility of Ethnic Minorities'. *Journal of Biosocial Science Supplement*, 8: 169-184.
- HEATH, A. F. and D. McMAHON. 1997. 'Education and Occupational Attainments: The Impact of Ethnic Origins', in V. Karn (ed.) *Ethnicity in the 1991 Census, volume 4: Employment, Education, and Housing Among the Ethnic Minority Populations of Britain*. London: HMSO.
- HEATH, A. F., C. MILLS AND J. ROBERTS 1992. 'Towards Meritocracy? Recent Evidence on an Old Problem', in C. Crouch and A. F. Heath (eds.) *Social Research and Social Reform*. Oxford: Clarendon Press.
- ISHIDA, H., W. MUELLER, and J. M. RIDGE. 1995. 'Class Origin, Class Destination and Education: A Cross-National Study of Ten Industrial Nations'. *American Journal of Sociology*, 101: 145-193.

- JONES, T. 1993. *Britain's Ethnic Minorities: An Analysis of the Labour Force Survey*. London: Policy Studies Institute.
- LIGHT, I. and P. BHACHU. 1993. *Immigration and Entrepreneurship: Culture, Capital, and Ethnic Networks*. New Brunswick, New Jersey: Transaction Publishers.
- KARN, V. (ed.) 1997. *Ethnicity in the 1991 Census, volume 4: Employment, Education, and Housing Among the Ethnic Minority Populations of Britain*. London: HMSO.
- McMAHON, D. 1993. The Assimilation of Irish Immigrants in Britain. D. Phil. thesis, University of Oxford.
- SHAVIT, Y. and W. MUELLER (eds.) 1998. *From School to Work: A Comparative Study of Educational Qualifications and Occupational Destinations*. Oxford: Clarendon Press.
- SRINIVASAN, S. 1993. The Asian Petty Bourgeoisie in Britain. D. Phil thesis, University of Oxford.
- STEWART, M. 1982. *Racial Discrimination and Occupational Attainments in Britain*. London: Centre for Labour Economics, London School of Economics.