Life Course Risks, Mobility Regimes, and Mobility Consequences: A Comparison of Sweden, Germany, and the United States[1]

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The analysis of intergenerational mobility has primarily used measures of social position that are functions of an individual's occupation. Occupation-based models of social mobility, however, have limitations that arguably have grown in recent decades. Meta-analysis of available evidence for Sweden, western Germany, and the United States concerning occupational mobility, household income mobility, job displacement, union dissolution, and poverty dynamics shows the limitations of the individual-level occupation-based career-trajectory approach to life course mobility. This article develops an alternative formulation at the household level, which focuses on cross-national variation in the extent to which societal institutions influence the rate of events with the potential to change a household's life conditions via the manipulation of incentives for mobility-generating events, and the extent to which they mitigate the consequences of these events through social insurance. The combination of these institutional processes produces the distinctive characteristics of the mobility regimes of these countries.

INTRODUCTION

Sociologists have long sought to identify a parsimonious taxonomy of mobility regimes that can provide a satisfactory institutional explanation

for observed cross-national variation in social mobility. While early attention focused mostly on intergenerational mobility, the emergence and continued development of the "life course approach" in social stratification (e.g., Rosenfeld 1980; DiPrete 1981; Sørensen and Tuma 1981; Carroll and Mayer 1986; Sørensen 1986, 1996; Mayer and Schöplin 1989) made the study of life course mobility regimes an important topic in its own right.

Despite the availability of increasingly sophisticated statistical tools, however, success in this endeavor has not come easily. In response, some have questioned the dominant methodological strategy of "third generation" mobility research (Ganzeboom, Treiman, and Ultee 1991; Kelley 1990), while others debate the utility of specific class categories or status scales used in this research. Both types of critiques, however, continue to assume the adequacy of an individual's occupational or class position as a satisfactory basis for the analysis of national-level mobility regimes.

This article challenges that assumption and instead argues that an adequate theoretical treatment of national mobility regimes must be conceptualized and operationalized in terms of the life conditions of the individual's household. Mobility in household life conditions is determined by changes in the labor market conditions of all household adults, by changes in household composition, and by state policies that mitigate the socioeconomic consequences of events that potentially alter a household's standard of living. A reconceptualization of comparative mobility regimes is developed in terms of societal mechanisms that control the rate of potentially class-altering events via the manipulation of incentives for mobility-generating events and those that mitigate their socioeconomic consequences through some form of social insurance. These ideas are tested via a comparative analysis of life course mobility in Sweden, Germany, and the United States.

OCCUPATIONAL STATUS, PERMANENT INCOME, AND CLASS AS LIFE CONDITIONS

Before the implications of trends toward higher female labor force participation and higher levels of household instability across industrialized countries became apparent, stratification theory generally assumed that the family was the appropriate conceptual unit of stratification and that the class or status position of the family could be identified with the class

position of the male breadwinner. In the past 25 years, this position has been challenged. As Annemette Sørensen notes in her excellent review of this controversy (Sørensen 1994*a*), the feminist solution to the conceptual problem created by the rise in female labor force participation was to abandon the family as the unit of analysis, to treat the individual (whether man or woman) as the appropriate unit, and to treat the individual's work position as the appropriate measure of position in the stratification hierarchy (Acker 1973). Some researchers responded to this critique with a spirited defense of the "conventional" approach, which defines class for all family members as equal to the class of the breadwinner (Goldthorpe 1983; Erikson 1984). Other researchers argued that women can potentially have both "direct" (own) and "mediated" (male partner's) job-based class positions and that the relative importance of one or the other is to be determined through empirical inquiry across different outcome variables and different countries (Wright 1997). That none of these positions is fully satisfactory can be appreciated through reflection on the underlying concept that these approaches attempt to measure.

Aage Sørensen (2000) recently argued that class defined in terms of "life conditions" has been the conceptual basis for most empirical research in stratification and mobility. Instead of identifying groups based on antagonistic interests (e.g., Wright 1979, 1985), class as life conditions "make[s] claims about the empirical existence of observable groupings with identifiable boundaries [that] . . . may be detected by identifying different lifestyles associated with different living conditions" (Sørensen 2000, p. 1526). Sørensen argued that a principal goal of this research program has been the search for "homogenous groupings" of persons on the basis of their life conditions, whether "approximated by a variety of class indicators such as occupation, education, income, sources of income, and residence," or through a class scheme such as that developed by Goldthorpe (1987) or Wright (1985), or through a classification system based upon relatively disaggregated occupations (Grusky and Sørensen 1998), or even through continuous hierarchical measures of socioeconomic status based on an individual's occupation.[2]

While material conditions are not the sole determinant of "life conditions" ("cultural capital," as indicated by education and other measures of participation in elite culture, also plays an important part) they are certainly a central component. Sørensen himself argued that life conditions

[2] Sørensen argued that "there is no fundamental difference between what is measured by a class schema . . . and by socioeconomic status, except that the discrete class schema may capture nonvertical variation ignored by socioeconomic status measures. . . . There is some debate about whether discrete class schemes miss some socioeconomic effects" (Sørensen 2000, p. 1538).

reflect a person's total wealth, by which he appeared to mean the sum of those assets that generate a material return (i.e., income). In Sørensen's view, the "assets controlled [i.e., wealth] will determine their incomes and the variability in their incomes," and "by shaping welfare and well-being, as well as economic opportunities and the investments that maximize these opportunities, the total wealth and its composition create the behavioral dispositions that are accountable for the inoculation and socialization mechanisms associated with class as life conditions" (p. 1534).

If, however, welfare and well-being are indeed a fundamental expression of life conditions, it follows that class indicators based on the breadwinner's job, occupation, income, or personal wealth can only be "approximations" (to use Sørensen's term) of life conditions. Welfare and well-being are fundamentally (even if not exclusively) about material standard of living, and standard of living also depends on the number of dependents supported by a breadwinner's income-producing assets and on the income streams from other adults in the household. By the standard of life conditions, therefore, all of the solutions to the "unit" problem of stratification discussed at the start of this section are problematic. The proposal to abstract individuals away from their status as members of households is both conceptually and empirically unsatisfying, because, despite the growing importance of female economic activity, half of all partnered adults are not the primary breadwinners in their household.[3] Goldthorpe's solution, which maintains the household as the conceptual unit of analysis but operationalizes this in terms of the class or occupational status of the dominant breadwinner also makes a strong and problematic assumption, namely that the life conditions of the household (including the breadwinner's own life conditions) are accurately derivable from the breadwinner's occupational or class position. Wright's solution, which identifies class position with the "totality" of direct and mediated class relations, in effect reduces the issue (particularly as it affects women) to a contest between the relative salience of own and breadwinner's class position. But this "contest" perspective is still a problematic characterization of life conditions: the issue is not whether own class or partner's class is a better prediction of life conditions, but whether either measure is accurate enough to be theoretically and empirically satisfactory.

The identification of life conditions with own or breadwinner's occupational or class status is frequently justified by the claim that occupation

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[3] Families (nuclear or extended) are often defined in terms of legal or biological relationships. Households in the sense used in this article consist of individuals who are related by birth, marriage, or adoption along with unmarried persons who are living in the household for an indefinite time and who share income and expenses. Frequently such unmarried persons are in a cohabiting relationship.

is strongly linked to long-run (so-called "permanent") income. Hauser and Warren, for example, argued for the importance of occupational status because "occupations can be ascertained reliably, even by proxy" and because "occupational status . . . appears to indicate a reliable and powerful characteristic of persons or households by dint of its temporal stability and substantial correlation with other social and economic variables. . . . occupational status may be a better indicator of long-term—or, as economists call it, permanent—income than is income at a single point in time" (Hauser and Warren 1997, pp. 178, 198).[4]

This argument has several limitations when applied to persons, and even greater limitations when applied to households. First, occupation or class may be an increasingly unreliable measure of permanent individual income if forces of globalization and rapid technological change lead to rising within-occupation and within-class earnings inequality and to diminished job security even in well-paying jobs (Neumark 2000). Second, even if occupation and class remained reasonable measures of "permanent" *individual* income, they do not adequately measure "permanent" *household* income, because they fail to incorporate the work activity of other adults in the household (Szelényi 1994). In Sørensen's terms, the income-producing "assets" of the household are broader than those of the breadwinner. On the positive side, secondary income streams can enhance a household's standard of living and provide insurance against interruptions in breadwinner income. But on the negative side, household members (including the breadwinner) who depend on secondary income streams for current consumption become more vulnerable to disruptions in these streams due to job displacement, childbirth, or union dissolution (Oppenheimer 1997; McManus and DiPrete 2001). Finally, a household's standard of living in a modern welfare state often depends upon social welfare programs whose eligibility rules and generosity are not direct functions of own or breadwinner's occupation or class. These realities suggest a growing inconsistency between the life conditions definition of class and the most common operationalizations of this concept found in empirical sociology.[5]

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[4] Income mobility is clearly more volatile than is occupational mobility. As Gittleman and Joyce (1999) noted, the correlation between log household equivalent income in the United States even across adjacent years is only around 0.75, which means that the variance among households who in year $t-1$ have identical equivalent incomes is actually 50% as high as is the variance across the entire population.

[5] Burtless (1999), e.g., recently demonstrated that only one-third of the growth in size-adjusted personal income inequality in the United States since 1979 can be accounted for by changes in the earnings distribution per se (which, because it has occurred within as well as between occupations, cannot be wholly attributed to occupation-level processes). Thirteen percent is estimated to have arisen from growth in the positive

My call for a more theoretically consistent approach to the subject of class mobility treats as problematic not just the strength of the link between occupation or class and permanent income, but also the adequacy of the concept of permanent income as a behavioral (as opposed to purely statistical) reality. The notion of permanent income assumes that mobility is predictable and therefore that individuals and households can a priori adjust their consumption patterns in order to achieve a particular standard of living. Sørensen (2000), for example, argues that "it is important to consider not the cross-sectional distribution of income, but the long-term wealth profile that determines what economists call *permanent income and consumption patterns*. A person who obtains a higher education will orient her lifestyle not to the level of income in her youth, but to the long-term expected living conditions corresponding to the wealth associated with her human capital" (p. 1539; emphasis in original).

Permanent income (or standard of living) always has meaning when taken in purely arithmetical terms as the long-run average income or standard of living of a particular individual.[6] But as a behavioral concept, it requires that individuals be able to anticipate the future accurately. Such anticipation is relatively easy for the high-probability changes in life circumstances (e.g., the career mobility expected for one of higher education). It is also easy to anticipate that small or obviously temporary fluctuations in year-to-year income will average out over time. However, unpredictable (i.e., low, or seemingly low, probability) changes that have large and potentially durable effects offer a challenge to the behavioral theory implicit in the concept of permanent income. Given the possibility of such events, even an individual with a completely accurate probabilistic understanding of the future cannot easily use this information to sustain consumption at one's presumed permanent income. If one chooses the expected trajectory based on, for example, one's educational level, one faces a certain probability that this trajectory is unsustainable because of adverse events. If one chooses the lowest standard of living that is sustainable with high probability, then one will with high probability underconsume over the life course (the level of underconsumption will be a function of the rate and consequences of adverse actions in the society). If we go back to Sørensen's example of the person who obtains a higher-level education and who "orient[s] her lifestyle not to the level of income

[6] Transient income is then typically defined as deviations from this long-run average. In a slightly more complex version, permanent income is the income along an individual's expected age-earnings curve, with transient income being deviations from this curve.

in her youth, but to the long-term expected living conditions corresponding to the wealth associated with her human capital," we see that the issue of whether this lifestyle is her "permanent income" depends very much on the cost of (self-financed through savings or otherwise) insurance against the life course risks noted above. A high cost of such insurance implies underconsumption. Inadequate savings or insurance implies a risk of downward mobility. In short, permanent income, taken as a behavioral theory of consumption patterns, is meaningful in stable societies. The higher the level of unpredictability, the narrower the applicable scope for a behavioral theory about sustainable life conditions based on the concept of permanent income.

Furthermore, when a portion of society lives in a marginal state that is difficult (but still possible) to escape from, the concept of permanent income is especially problematic. Even if objective prospects for eventual escape were good, individuals and households in this status certainly could not "orient their lifestyle to . . . long-term expected living conditions" if for no other reason than that they could not get access to the loans needed for a higher standard of living that may or may not be their long-term average. It has been argued (most recently by Sørensen 2000) that individuals at low socioeconomic levels have a shorter time horizon than others, but these are the very individuals who experience the largest short-term earnings mobility (Gittleman and Joyce 1995, 1996). If true, this implies that even common "transitory" fluctuations in income may not be adequately anticipated by many people.

COMPARATIVE LIFE COURSE MOBILITY REGIMES: THEORETICAL CONSIDERATIONS

The comparative study of mobility regimes in sociology has also relied heavily on individual-level measures of class or status, whether these measures are conceptualized as purely individual measures or as measures of the life conditions of the household. Two influential comparative studies of social mobility, which in important respects are otherwise quite different, illustrate this approach. For Erikson and Goldthorpe (1992), the theoretical starting point for the comparative study of mobility was the liberal theory of industrialism, which predicted different mobility structures for preindustrial and industrial societies. Distinct mobility regimes for societies at the same level of development were recognized as a possibility in mobility research, they noted, but these differences were accounted for via "ad hoc hypotheses" based on cultural or political differences across countries. An alternative theoretical perspective is found in the investigation by Esping-Andersen and collaborators (Esping-Andersen

273

1993) on whether social closure over the life course has intensified as a consequence of the transition from industrial to postindustrial society. The Fordist production system of industrial society had created relatively stable careers for working- and middle-class males and had thereby linked household life chances with the career chances of the male head of household. The authors argue that postindustrialism, by disrupting the Fordist production system, has undermined the position of lower-educated males in particular, while the rising importance of the service sector "loosen(s) women's identification with their familial role; they allow women to design career scenarios and life-cycle destinies independently of any male partner" (Esping-Andersen 1993, p. 229).

While the approaches of Erickson and Goldthorpe (1992) and Esping-Andersen and colleagues (1993) are otherwise quite different, their empirical approaches are similar in their focus on individual-level career processes and in the attributes of labor markets that affect these processes.[7] Erikson and Goldthorpe attempted no specific conceptual model for cross-national differences, but, noting that far more variation in mobility between first job and current job exists across countries than is found in intergenerational mobility tables, they argued that "cross-nationally varying institutional contexts" leads individuals and families to pursue "differing strategies . . . which lead[s] them to apply such resources as they are able to devote to enhancing their mobility chances in differing ways and at differing life-course stages" (p. 307). Esping-Andersen and colleagues, with their focus on the occupational trajectories of men and women, perceived "substantial international divergence: a distinct North American, Scandinavian and German model" (Esping-Andersen 1993, p. 236), which corresponds to the three welfare regimes of Esping-Andersen's (1990) well-known taxonomy. According to Esping-Andersen, the principal differences in these mobility regimes concern the service sector labor market. The Scandinavian regime is highly gendered but offers good opportunities for upward mobility to women; the American service sector is less gendered and less closed to intersectoral mobility; and the German service sector is sharply divided by skill, with poorly educated or trained individuals unable to move to higher skill occupations.

Cross-national differences in labor markets must, of course, be a crucial component of comparative mobility research. However, cross-national variation in the multiple factors that create potential divergence between a breadwinner's class or occupational status and household standard of

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[7] Later, Esping-Andersen (1999) pays more explicit attention to families. This treatment remains incomplete, however, because it suggests that family-level processes are a socioeconomic issue only for females and because the mobility implications of these family-level processes are not drawn out.

living may not be tightly linked to cross-national differences in the occupational mobility structure. The association between occupation and wages depends in part upon nation-specific wage-setting mechanisms. Countries differ in the stability of labor force attachment by secondary earners in the household (Blossfeld and Hakim 1996). The stability of household composition also differs across nations (McLanahan and Casper 1995). Finally, the impact of changes in labor earnings or in household composition on a household's standard of living will depend upon the extent to which welfare state tax and transfer policies buffer the material consequences of these events (Esping-Andersen 1999; DiPrete and McManus 2000). These multiple and perhaps loosely coupled dimensions of cross-national variation mean that the exclusive focus on occupation-based metrics is a problematic strategy for comparative research into the life course mobility structure of life conditions.

If conceptual schemes based on strategies for timing job mobility (Erikson and Goldthorpe 1992) or on the organization of the service sector (Esping-Andersen 1993) are too limited by themselves to provide a framework for the comparative study of mobility in life conditions, an alternative approach is needed. One alternative would be to abstract away from the mechanisms producing mobility and focus directly on mobility tables for household standard of living, subjecting them to the type of statistical analyses used for occupational or class mobility. This approach could provide a sophisticated description of the structure of mobility across societies and thereby highlight the cross-national differences that need to be explained. But while this approach is a necessary step, mobility tables by themselves cannot explain the cross-national similarities or differences they reveal.

A more informative approach lies in directly considering the factors that potentially create major and not always predictable changes in household standard of living. Upward and downward changes in standard of living can occur through the accumulation of small events, for example, gradually increasing wages, increasing or decreasing profits in one's business, changes in available overtime, and so on. I focus here, however, on life course mobility produced by discrete events involving employment or household composition such as job change, job loss, union formation, or union dissolution, because these are common sources of significant changes in living standards. I further argue that it makes sense to distinguish conceptually between the rates of these events and their socio-economic consequences, for two reasons. First, the societal factors that influence the distribution of rates may differ from the factors that influence the consequences, even taking into account the likelihood that these two sources of mobility are interdependent. Second, industrialized societies universally have tax and social welfare policies in place that modify the

socioeconomic consequences of labor market events and shifts in household composition. I also argue for distinguishing conceptually between events that potentially generate upward mobility and those "life course risks" that potentially generate downward mobility in living standards. Even if mobility tables based on occupational events are roughly symmetrical or quasi-symmetrical with respect to upward and downward mobility (Sobel, Hout, and Duncan 1985), there is no reason to expect the socioeconomic consequences of the broader class of events that affect life conditions to operate symmetrically; to take only one example, the negative tax consequences of socioeconomic gains are not a mirror image of the positive tax and social welfare consequences of socioeconomic losses.

Individual-centered perspectives on life course mobility focus attention on conceptual schemes based on the labor market characteristics of different industrialized societies. These schemes would distinguish the extent of "dualism" in the labor market, the extent to which "good" jobs are located in occupational or firm-based labor markets, the mobility opportunities and limitations that derive from these alternative structures, the extent of employment protection against job loss and unemployment, the level of occupational sex-segregation, the life-course pattern of female labor supply, and the shape of the wage distribution. The household approach would include these factors but would also incorporate cross-national variation in rates of union formation, patterns of cohabitation, rates of childbirth, rates of union dissolution in the presence and absence of children, the level of "assortative mating," and interdependencies between the labor force activity of household adults.

The household approach also recognizes the potential importance of the welfare state in shaping the life course mobility regime. Theoretical predictions about welfare state effects derive from well-known taxonomies first articulated by Titmuss (1958) and later elaborated by Esping-Andersen (1990). Esping-Andersen's taxonomy distinguishes between liberal welfare regimes, "conservative" regimes, and "social-democratic" regimes. Esping-Andersen (1999, p. 83) argued that by the early 1970s, the nonliberal welfare states had "arrived at a fairly similar level of comprehensiveness as far as cash benefit programs are concerned." For him, the big difference between the social-democratic and the conservative systems comes from "social services and generous income support for working women" (Esping-Andersen 1999, p. 83). The consequence of the social services emphasis is the large amount of public employment that allows Sweden to avoid the insider-outsider labor market (in which insiders have secure jobs, while outsiders find it difficult to get a job) via the strategy of public employment, while the effective Swedish family policies produce a high level of female labor force participation as compared with Germany (see also Orloff 1993; Gauthier 1996; Sainsbury 1994, 1996). This conclu-

sion is consistent with that reached by Esping-Andersen and collaborators in their comparative analysis of occupational mobility discussed above (Esping-Andersen 1993).

For present purposes, however, we are specifically interested in how much states mitigate the negative socioeconomic consequences of adverse events and in useful conceptualizations for characterizing the extent of variation in this regard. In Esping-Andersen's (1999) view, the effectiveness of welfare mechanisms for collectivizing risk even in social-democratic societies has been called into question by what he refers to as the two "Trojan horses" of the modern welfare state, namely (1) the risks arising from "flexibilization" of the labor market (particularly in liberal welfare regimes) and the inability of countries with more regulated labor markets to maintain adequate employment levels and avoid long-term unemployment, and (2) family instability as evidenced by the decline of births that occur within marriages and the rise of union dissolution rates. As he admits (p. 157), the life course implications of these developments are still unclear.

With so many different causes of mobility in household life conditions, it could be that parsimonious theories for cross-national variation in the structure of this mobility do not exist. This position, I believe, is too pessimistic. Instead, I suggest a conceptual scheme based on the level and sources of stability in life conditions that are achievable in a given society. The theory of permanent income implies that individuals seek stability in living conditions, and (where possible) they average their consumption over time in order to smooth fluctuations in living standards. In reality, individuals and households no doubt differ not only in the extent to which their income fluctuations can be foreseen but also in the extent to which they actually seek stability via deferred consumption and various forms of insurance against fluctuations. Similarly, it is possible that societies also differ in the extent to which their institutional structure promotes stability in household living conditions over the life course, and in the mechanisms for achieving this stability.

The above considerations call attention to two probably overlapping but nonetheless distinct groups of societal mechanisms. One group affects the rates at which mobility-generating events occur, sometimes by changing the vacancy structure itself (e.g., through the creation of public-sector jobs to reduce unemployment), but more commonly by increasing or decreasing the incentives of individuals or corporate actors to initiate events (e.g., by altering the costs and benefits of divorce or the costs and benefits of employer- or employee-initiated job mobility). The other group affects the consequences of events, either by directly influencing the variance of outcomes (e.g., a compressed wage distribution reduces the earnings consequences of job change), or through insurance against the potential con-

sequences of adverse effects and through taxation against the potential gains of positive effects.

The potential for such mechanisms to affect a nation's structure of mobility in household life conditions is easily recognized by considering life course risks for downward mobility. Life course risks in a country will be low to the extent that the societal rate of adverse events is low. With low potential risks, individuals are better able to anticipate their earnings stream and can live like the forward-looking highly educated young woman in the example quoted above from Sørensen (2000). Life course risks will also be low if the level of social insurance against adverse actions is high, because the socialization of risk weakens the link between adverse events and class mobility. A third mechanism for reducing life course risks is the opportunity for rapid recovery provided by counter-mobility events such as reemployment, upward occupational mobility, or remarriage. If a society's mobility regime allows for rapid recovery from adversity, then the individuals who suffer adversity have a better chance of maintaining their class position through borrowing or through withdrawals from savings until they have reestablished their earnings potential. In effect, the possibility of rapid recovery converts the consequence of the adverse event to a "transitory" as opposed to a "permanent" change in standard of living.

Mechanisms affecting the rates and consequences of mobility-generating events are clearly interdependent, because changes in the consequences of events will generally change the incentives of individuals and corporate actors to initiate events. Furthermore, both groups of mechanisms are internally heterogeneous. Rates of job mobility and rates of union formation or dissolution, for example, are not controlled by identical institutions, and the level of control may not be equal for different types of events. Similarly, insurance may not be equally comprehensive against all types of adverse actions, and the extent of state suppression of favorable consequences via tax policy need not parallel state insurance against unfavorable consequences.

The appeal of the above conceptual scheme as the basis for the comparative study of life course mobility depends principally on two issues. The first is the strength of the relationship between breadwinner occupational or class mobility and class mobility defined in terms of household life conditions. The arguments of the previous section cast doubt on the ability of occupational mobility by itself to account for mobility in household life conditions, but they require supporting empirical evidence to be decisive. The second issue is whether the multiple potential causes of mobility in household life conditions admit parsimonious characterization of comparative mobility regimes in terms of each nation's structure of rates and consequences. In the next section, therefore, I consider empirical

evidence on household mobility in living standards and the rates and consequences of some major classes of events that produce household mobility for Germany, Sweden, and the United States. In the final section, I evaluate the potential utility of the conceptual tools developed here for interpreting this evidence.

THE UNITED STATES, GERMANY, AND SWEDEN: A COMPARISON

One reason why the mobility regimes of major industrialized countries have resisted adequate characterization is the difficulty of obtaining adequate data to address the major components of life course mobility. The data sources necessary to directly analyze these events are too numerous and, in some cases, too inaccessible to readily allow a direct computation of the relevant parameters. Instead, I draw on a large number of findings from the research literature to produce a holistic view of each society's life course mobility structure. While gaps in our knowledge about life course mobility in these countries still exist, the available evidence from an increasingly extensive research literature produces a comparative picture that, as I will argue, meets the test of reasonableness for both parsimony and plausibility.

The comparisons that follow focus on Sweden, the United States, and the western states of Germany. Eastern Germany continues to have distinct mobility patterns from western Germany, which are partly a legacy of the largely dismantled government institutions in the east and partly a consequence of the disruptions created by unification. To avoid the complications raised by these issues (and in any case, far fewer comparative studies have analyzed data for eastern Germany), I limit attention to studies that focus on the western states of Germany.[8]

First, I test the ability of individual-level occupational metrics to adequately capture cross-national differences in mobility in household living standards in the United States, Germany, and Sweden. Then, in subsequent subsections, I examine three factors aside from occupational mobility that may account for differences between these two comparative views of life course mobility, namely, union dissolution as an entry to single-parenthood status, job displacement and its consequences, and poverty dynamics.

[8] To avoid excessive repetition, I often refer to western Germany as "Germany" in the text. It should be noted, however, that the statistics in question apply to West Germany before reunification and to the states that constituted West Germany after reunification.

Mobility as Defined by Occupation-Based Career Trajectories

The standard frame for comparing occupational mobility in Sweden, Germany, and the United States derives from a labor market perspective. The comparative story told from this perspective is well known. German labor markets are characterized as being more stable than those of Sweden or the United States. This stability is said to arise from two main sources. First, the German labor market is highly credentialed; these credentials regularize the transition from school to work and reduce occupational mobility over the life course (Kappelhoff and Teckenberg 1987; Blossfeld 1987; Blossfeld, Giannelli, and Mayer 1993). In contrast, Sweden and the United States have moderate to low linkages between school and work (Müller and Shavit 1996), which generates a higher rate of job and occupational mobility, especially in the early career. Second, jobs are held to be more stable in Germany than in Sweden or the United States, where firms in the latter two countries resort more quickly to layoffs—even of experienced workers—as a method of adjustment (Björklund and Holmlund 1987; Standing 1988; de Neubourg 1990; Büchtemann 1993; Grubb and Wells 1993; OECD 1994). Grubb and Wells in particular ranked Germany higher on their employment protection scale than Sweden, and the literature suggests that the United States has the lowest level of employment protection among these three countries.

Empirical studies of class or job mobility generally support this view of Germany as a low-mobility society, with the United States having relatively high mobility and Sweden occupying a middle position. Kappelhoff and Teckenberg (1987) performed a direct comparison of (first to current occupation) career mobility of men in the two countries using tabulations published by Featherman and Hauser (1978, app. E) from the 1973 Occupational Changes in a Generation (OCG II) data for the United States and the ALLBUS 1984, ZUMA-BUS 1982, and the Wage-Earning Survey of 1980–81 for West Germany. Kappelhoff and Teckenberg found much higher rates of both upward and downward mobility in the United States than in Germany.[9] While no comparable published study exists for Sweden, I compared Kappelhoff and Teckenberg's results with comparable analyses performed by Michael Tåhlin (personal communication; see also Tåhlin 1993) of mobility from first occupation to current occupation for men employed as of 1991 from the Swedish Level

[9] As described in Kappelhoff and Teckenberg (1987 pp. 16–29), they began with Featherman and Hauser's 17 group occupational group classification, recoded the German data to render it as comparable as possible, and then collapsed the data for both countries into a five class scheme (Kappelhoff and Teckenberg 1987, table 6a, p. 29).

of Living Survey.[10] The outflow percentages from first occupation in upper nonmanual, lower nonmanual, upper manual, and lower manual classes are reproduced in table 1. These results show that Sweden is roughly midway between the United States and Germany in the overall level of mobility; Sweden's rate of upward mobility is as high or even higher than the American rate, while a much smaller proportion of Swedish men were downwardly mobile than was true in the United States.

Other published studies report similar results. Examining short-term mobility with data for men in the 1980s, DiPrete et al. (1997) found that Swedish rates of job and class mobility were generally intermediate between those of Germany and the United States, and slightly more similar to the German than the U.S. rates. One might also note Allmendinger's (1989) study, which compared career mobility dynamics for men born between 1929 and 1931 in the United States, West Germany, and Norway, the last a country that in many respects is comparable to Sweden. She found German careers were more orderly than either those in the United States or in Norway, having fewer job shifts and proportionately more upward shifts.

These results support the conventional wisdom that the United States has high occupational life course mobility especially (relative to Sweden and Germany) in the downward direction, that German careers are relatively stable, and that Sweden has an intermediate level of mobility that is predominantly upward in direction. The question of immediate interest, however, is whether these studies of male occupational mobility accurately capture the comparative structure of household mobility in living standards for these three countries.

Household-Level Mobility in Income and Standard of Living

Approaches to household income or living standards mobility differ along several dimensions in the research literature.[11] I focus here on studies that use the methodology proposed by Shorrocks (1978) to study mobility in terms of disposable income (i.e., after taxes and state transfers are taken

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[10] Tåhlin's tabulations use the 12-class EGP classification. I recoded these 12 classes into an upper nonmanual/lower-nonmanual/upper-manual/lower-manual scheme that was designed to be as comparable as possible with the Featherman and Hauser and Kappelhoff and Teckenberg results.

[11] The major differences are (1) whether they have analyzed individual or household income, (2) whether or not they have adjusted income for taxes and transfers, (3) whether they have adjusted for household size, (4) the time frame that they study, and (5) the method used to analyze the data and, in particular, whether income changes are measured in some absolute sense or whether they are relative to the society's income distribution.

TABLE 1
Outflow Percentages from First Occupation to Current Occupation for
Men in Germany, the United States, and Sweden.

	Upper Nonmanual	Lower Nonmanual	Upper Manual	Lower Manual
Upper nonmanual:				
Germay*	90.9	7.3	1.0	0.9
Sweden†	86	12	2	0
United States‡ ...	79.9	7.6	5.7	6.0
Lower nonmanual:				
Germany	21.1	71.8	1.8	5.3
Sweden	39	44	8	8
United States	36.7	25.9	15.3	21.2
Upper manual:				
Germany	11.8	12.8	63.3	12.0
Sweden	15	23	49	12
United States	17.2	9.1	49.4	23.2
Lower manual:				
Germany	7.6	10.6	22.5	56.8
Sweden	21	20	27	31
United States	13.2	10.5	25.5	48.7

 * From Kappelhoff and Teckenberg (1987), table 6a. Data are for men and come from ZUMA-BUS 1982, ALLBUS 1984, and the Wage-Earner Survey 1980–81.
 † Data are for currently employed men, as computed by Michael Tåhlin (personal communication). The data come from the 1991 Level of Living Survey. Tåhlin's analysis used EGP categories. I converted these to upper and lower nonmanual and manual groupings to achieve comparability with the German and American results.
 ‡ Data are for men and come from Featherman and Hauser (1978), app. E.

into account), which (where available) is adjusted for household size.[12] The Shorrocks measure compares the level of income inequality at a point in time (computed using the Gini coefficient, the Theil index, or some other measure of inequality) with the level of inequality that would be obtained if one averaged income over a longer period of time. The extent to which inequality in average income over the longer period of time is lower than inequality at a single point in time is a measure of the level of income mobility in that society.[13] My focus on studies using the Shor-

[12] Adjusted (for household size) household income takes into account scale economies in household expenditures, which reflect the fact that it costs less for a group of individuals to live together in a single household than if they lived alone (Buhmann et al. 1988).

[13] More formally, let y_{it} be the income of person (or household) "i" at time t. Let $y_i = \frac{1}{T}\sum_{t=1}^{T} y_{it}$ be the average income over the T time periods. Let μ_t be the mean income at time t, and let μ be the mean of the average incomes across the individuals. Let $I(y_{it})$ be the inequality of income at time t computed using the Gini coefficient, the Theil index, or some other measure of inequality, and let $I(y)$ be the inequality of the average incomes over the T time periods. Then if we form the ratio $M = 1 - I(y)/[\sum Tt=1 \frac{\mu_t}{\mu} I(y_t)]$, this index varies from 0 when there is no mobility to 1 when the

rocks measure is dictated by the availability of pertinent recent comparative results for all three countries, but it should be noted that cross-national comparisons using other methodologies have arrived at similar results.[14]

Table 2 provides a summary of the pertinent results from Aaberge et al. (1996) and from Burkhauser and Poupore (1997), supplemented by data from Gottschalk and Smeeding (2000) and by my own calculations. This table reveals a much different picture than that provided by the occupational mobility matrices of table 1. The values in rows 1 and 3 in the first three sections of table 2 are taken from tables 1*b* and 2*b* of Aaberge et al. (1996).[15] Row 1 gives their estimate of the average inequality over the four-year period in the two countries. Row 3 is their estimate of mobility, based on Shorrocks's measure as computed from the Gini coefficient. The yearly measure of inequality (a weighted average of the cross-sectional measures for each year) is obtained by dividing the value in row 3 by the value in row 1. These data show that household income mobility was actually higher in Sweden than in the United States during these years. The final two sections of table 2 present similar information from Burkhauser and Poupore (1997) for western Germany, using the

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mobility perfectly equalized the cross-sectional inequality so that inequality in average income over the period T is zero. It should be noted that this measure of mobility is a relative mobility concept, in that it measures inequality reduction, relative to the level of cross-sectional inequality found in that society.

[14] See Fabig (2000) for a western Germany and U.S. comparison, and see Fritzell (1990) for a comparison between Sweden and the United States. Fabig (2000) computed per person equivalent household income by dividing household income by the sum of the equivalence weights of all household members (using the OECD equivalence scale). He then created seven income brackets: unemployment, adjusted income below 50% of the population mean, 50%–75% of the mean, 75%–100% of the mean, 100%–125% of the mean, 125%–150% of the mean, and greater than 150% of the mean, and compared countries using the Bartholomew Index (Bartholomew 1973) of the amount of mobility off the main diagonal for persons ages 18–59 in the 1990–95 period. Fabig, like Burkhauser and Poupore, found that mobility of gross equivalent income is higher in West Germany than in the United States, while mobility of net equivalent income is lower in West Germany than in the United States. Fritzell (1990) compared the United States using 1971–78 PSID data with Sweden using data from the 1974/1981 Level of Living Surveys. His measure was household equivalent income using weights from the U.S. Poverty Scale, and mobility was measured using income quintiles. He found that relative income by this measure was similar in the two countries. See also McMurrer and Sawhill (1998) for similar conclusions involving a broader set of countries.

[15] Their data for Sweden are from the Level of Living Surveys. All the income information that they use come from tax-based registers. Their data for the United States come from the Panel Study of Income Dynamics (PSID). Their sample includes individuals born between 1927 and 1951.

TABLE 2
A Comparison of Earnings and Income Mobility in Sweden, Germany, and the United States

	Sweden	Germany	United States
Earnings, unadjusted for household size (1986–90):			
Gini (long-term)	.250		.356
Gini (yearly)	.262		.375
Relative mobility	.045		.051
Absolute difference	.012		.019
Market income, unadjusted for household size (1986–90):			
Gini (long-term)	.211		.383
Gini (yearly)	.229		.408
Relative mobility	.078		.062
Absolute difference	.018		.025
Disposable income, unadjusted for household size (1986–90):			
Gini (long-term)	.183		.310
Gini (yearly)	.202		.330
Relative mobility	.094		.060
Absolute difference	.019		.020
Market income, adjusted for household size (1983–88):			
Theil (long-term)		.161	.281
Theil (yearly)		.210	.326
Relative mobility		.235	.138
Absolute difference		.049	.045
Disposable income, adjusted for household size (1983–88):			
Theil (long-term)		.094	.233
Theil (yearly)		.124	.271
Relative mobility		.241	.139
Absolute difference		.030	.038

Note.—See text for sources.

Shorrocks measure as computed from the Theil index (see their table 2).[16] Their research yields the—from an occupational mobility perspective—surprising result that the United States has lower mobility than Germany.

[16] Both the Gini coefficient and the Theil index are most sensitive to the middle part of the income distribution, and thus are relatively comparable (Kuga 1979). Burkhauser and Poupore's sample consists of all households with positive income in the PSID and in the German Socioeconomic Panel (SOEP) in all years 1983–88. Household size is adjusted using the U.S. poverty weights. Burkhauser and Poupore report a slightly different version of Shorrocks's index. They report 1-M instead of M. I have adjusted their results to present their value of M in table 2.

The apparent inconsistency between the results of Aaberge et al. or Burkhauser and Poupore and the standard result from studies of occupational mobility stems partly from the focus by Aaberge et al. and Burkhauser and Poupore on relative rather than absolute mobility. The denominator of the Shorrocks formula, which equals the cross-sectional income inequality in a country, is much larger in the United States than in either Sweden or Germany, because the United States has the higher income inequality. Consequently, a smaller difference between long-term and cross-sectional inequality in Sweden and Germany is magnified by the relatively (to the United States) small income inequality denominator. One might instead standardize the Shorrocks formula by using the same base for the three countries, which is equivalent to comparing the absolute difference in long-term and cross-sectional inequality in each country. Row 4 of each section in table 2, which contains my standardization, shows considerably greater absolute mobility in earnings or market income in the United States than in Sweden. But absolute mobility in disposable household income in the two countries is, perhaps surprisingly, rather similar. A comparison of absolute mobility in adjusted (for household size) household market income between Germany and the United States shows slightly higher mobility in Germany than in the United States, while the United States has somewhat higher absolute mobility than Germany after government taxes and transfers are taken into account.

The difference between the results from table 2 (especially concerning the comparison between Germany and the United States) and the results from the occupational mobility matrices of table 1 stems in large part from the use of household-level as opposed to individual-level metrics for mobility. The findings from McManus and DiPrete (2000) reconcile the apparent conflict in the German-American results of table 1 and table 2 by showing that the earnings of women who are partnered are more unstable in western Germany than in the United States (a fact which raises the pregovernment income instability of German households). McManus and DiPrete (2000) also show that German tax and transfer policies provide greater levels of stabilization than do U.S. programs, which explains why absolute mobility is higher in the United States than in Germany after these programs are factored into the calculation (table 2, last section).

A comparison of these three societies based on mobility in household income or living standards gives a much different picture than does comparative analysis of male occupational mobility. This fact underscores the potential danger of focusing excessively on the breadwinner's occupation in order to understand intragenerational mobility in household life conditions, a danger that arises from the failure of occupational mobility to

285

capture significant employment transitions and changes in household composition that can have a major impact on a household's standard of living.

Union Dissolution as an Entry to Single-Parenthood Status

In this section, I produce stylized estimates of major life course risks associated with marital and nonmarital separations for Sweden, western Germany, and the United States. Published country differences in incidence rates of single parenthood (e.g., Casper, McLanahan, and Garfinkel 1994) have limited utility for present purposes, because incidence rates tell little about entry and exit rates. Incidence rates furthermore potentially overstate downward mobility because many individuals (particularly in the United States) who move to single parenthood status from a nonmarital status were already marginalized in a socioeconomic sense.[17] My strategy instead is to define the risk population as couples and then estimate the likelihood of a move into social marginality as a function of changes in household composition.

To compare these countries, I used a simple simulation to compute the impact of union dissolution on standard of living. First, I took the yearly rate of divorce (as a fraction of married women) in the three countries in 1985 (1990 for the United States), obtained from Prinz (1995) and from McLanahan and Casper (1995). I then took into account the proportion of all unions that are consensual unions in the three countries, also from Prinz (1995). Most research has found that dissolution rates are higher for cohabitants than for married couples. Prinz found that the rate of "dehabitation" (dissolution for cohabitants) was about four times as high as the rate of divorce (see also Hoem and Hoem 1992; Nilsson 1992). Taking this value as also a reasonable estimate of the relative risk of union dissolution for cohabitants versus married couples in Germany and in the United States gives an adjusted dissolution rate as reported in row 3 of table 3.[18] The next step was to use this yearly rate to simulate a survival

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[17] Incidence rates also sometimes ignore the distinction between marriage and cohabitation (thus treating children of cohabiting couples as if they were in a single-parent household) The incidence rates reported in Casper et al. (1994) define single parent status in terms of marriage for the United States and Germany, and in terms of marriage or cohabitation for the case of Sweden. They report cross-sectional rates of single parenthood status of 0.041 in West Germany (1984), 0.072 in Sweden (1987), and 0.141 in the United States (1985).

[18] Note that this adjustment in effect gives much greater weight to "durable" cohabitations than to short-lived cohabitations. In societies such as Sweden, where virtually all unions begin as consensual unions, the survival curve for all unions becomes the same as the survival curve for cohabitations (Andersson and Philipov 2001). For example, Andersson and Philipov show that only 54% of all unions (including those begun as cohabitations) are still together 15 years after the start of the union.

TABLE 3

Union Dissolution and the Risks of Entering Poverty in Sweden, Germany, and the United States

	Sweden	Germany	United States
Divorce rate per 1,000 married women*	.012	.008	.021
Proportion of all unions that are consensual unions[†]	.199	.047	.066
Adjusted dissolution rate	.019	.0098	.025
Simulated probability of dissolution within 15 years	.29	.17	.37
Yearly rate of movement into poverty[‡]	.007	.031	.043
Proportion of families that fall into poverty who simultaneously experience a divorce or separation[§]	.15	.16	.08
Probability of entry into poverty, given separation/divorce and children in the household	.088	.62	.17
Stylized probability of poverty entry within 15 years of union formation and a birth	.025	.11	.063

* From Prinz (1995) and McLanahan and Casper (1995).

[†] From Prinz (1995).

[‡] From Duncan et al. (1993), table 5. Data are from the Swedish Household Income Survey (1980–88), the SOEP for western Germany (1983–86), and the PSID for the United States (1980–86). Poverty is defined as 50% of the country's median. Household income is computed after taxes and transfers and is adjusted for household size using weights of 1.0, 0.7, and 0.5. Base is all families at ≥60% of median in the base year.

[§] From Duncan et al. (1993), table 6. Proportion of families with size adjusted family income ≥60% of median in t and <50% of the median in $t + 1$ who also experienced a separation or divorce.

curve in the three societies to approximate the shape found for the relationship between duration of marriage and divorce rates in the United States (Clarke 1995). In all three societies, the curves were constructed to give a median time to dissolution of seven years for those couples who dissolved their partnership.[19] These curves imply a probability of dissolution within 15 years as given in row 4 of table 3.[20] The impact of children on divorce rates is not entirely clear (Waite and Lillard 1991). But, assuming that the estimates of divorce rates are affected by the presence of children in roughly the same way in each country, these rates imply a larger probability that a woman becomes a single mother via union dis-

[19] The median time to divorce in the United States was 7.2 years for married couples, which implies a somewhat longer median time to dissolution if the period of cohabitation was added into the duration calculation.

[20] This estimate compares favorably with the estimate from Ott (1992) that 18% (my calculation from his estimated survival curve plot in table 1*a*) of all marriages begun in West Germany in 1980 would dissolve by the end of 15 years.

solution in the United States than in Sweden, with Germany's rates being much lower than in the other two societies.[21]

The impact of union dissolution on a women's socioeconomic standing is generally large and negative. DiPrete and McManus (2000) found that the mean loss two years after a union dissolution in adjusted (for household size) household income was 25% for American women and 32% for western German women. Here I instead use the above simulation to estimate the impact of union dissolution on entry into poverty, defined in the conventional (for international comparisons) way as 50% of the median income of a society. Row 5 of table 3 reports results from Duncan et al. (1993) about the probability of moving below the 50% threshold in equivalent household net income (including taxes and government transfers), given that one was at 60% of the median or higher in the previous year, for the three societies. Duncan et al. (1993) also report the proportion of families with children who move into poverty and who at the same time experience a divorce or separation. These figures are reported in row 6 of table 3. This information can be used to compute an estimate of the probability that a family who experiences a separation or divorce will move into poverty, using the 50%-of-median threshold. According to Bayes' formula,

$$\mathrm{prob}(\mathrm{PE} \mid S \text{ or } D) = \mathrm{prob}(S \text{ or } D \mid \mathrm{PE})$$

$${}^{*}\mathrm{prob}(\mathrm{PE})/\mathrm{prob}(S \text{ or } D), \qquad (1)$$

where PE represents poverty entry, S or D represents separation or divorce, and all factors are conditioned on the presence of minor children. The first factor on the right of equation (1) is given in row 6 of table 3. The second factor is given in row 5. Accepting row 1 as a reasonable estimate of the probability of separation or divorce, given the presence of children, I compute the probability of poverty entry, given separation or divorce, as shown in row 7.

The impact of separation or divorce on entry into poverty is dramatically different in the three countries, according to these calculations. Swedish women are relatively protected, while German women are very vulnerable to the socioeconomic consequences of union dissolution. American women are intermediate, but more like Swedish women than German women. Multiplying row 4 by row 7 gives an estimate of the probability of entry into poverty within 15 years for a woman who has a child in each of the three societies. This result, which is presented in row 8, implies

[21] Another important route to becoming a single mother in the United States is through a nonmarital/nonconsensual union birth. Bumpass and Raley (1995) estimated that 39% of all entries to single parent status in the United States were via nonunion births in the 1980–84 period. This route is probably less common in Germany or Sweden.

that German women have the greatest vulnerability: their low rates of union dissolution are apparently offset by the greater socioeconomic consequences of these events.

The greater vulnerability of German women to union dissolution stems largely from their lower rates of working, and particularly of working full time. Data from Ruspini (1998) for Sweden and western Germany, and from the Census Bureau for the United States (Grall 2000) are presented in row 1 of table 4. Clearly, it is the German female lone parents who have the lowest employment rates in the three countries. Data from Smeeding and Ross (1999) further demonstrate the relationship between employment and poverty in the three countries. Germany does the best job of eliminating poverty via the market for all households who have a full-time/full-year worker (table 4, rows 4 and 5). But Sweden's more protective tax and transfer policies do a better job of preventing poverty for households that contain only a part-time/part-year worker (table 4, rows 5 and 6). German households with part-time/part-year workers are clearly better protected against poverty than are American households. The cross-national difference between Germany and the United States in the rate of falling into poverty conditional on union dissolution and the presence of children might instead be due to the following factors: (1) there is greater income inequality in the United States than in Germany, and consequently, the typical household in the United States that has at least 60% of the median income is further away from the 50% threshold than is the typical German household, (2) full-time employment is more common among lone household heads in the United States than in Germany, and (3) it might take longer for German women than for U.S. women to raise their hours of work following divorce or separation.[22] Thus, despite the greater protection offered by the German welfare state, German women appear to be more vulnerable than their American or Swedish counterparts.

The last five rows in table 4 provide evidence about the rate of escape from marginality for women experiencing union dissolution. Results from DiPrete and McManus (2000) show that German women tend to recover faster than American women from union dissolution, though this recovery is from a more negative position, and only allows German women to achieve parity with American women after several years (table 4, rows

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[22] DiPrete and McManus (2000) found evidence of a delayed work response by German women. The Duncan et al. (1993) results concern one-year transitions. In contrast, the DiPrete and McManus (2000) results are for two-year transitions. They also find greater vulnerability for German women than for U.S. women, but the differences are not as large as the one-year results from Duncan et al. (1993).

289

TABLE 4
Lone Parenthood and the Risks of Escaping from Poverty

	Sweden	Germany	United States
Employment rates for lone mothers who are heads of households*	.962	.651	.786
Percentage of employed lone mothers who are employed full time†	.935	.574	.597
Household poverty rates with a full-time/full-year worker, based on adjusted market income‡	.044	.014	.065
Household poverty rates with a full-time/full-year worker, based on adjusted net income after taxes and transfers‡	.018	.014	.062
Household poverty rates with only part-time/part-year worker based on market income‡	.342	.428	.437
Household poverty rates with only part-time/part-year worker based on net income‡	.136	.239	.354
Three-year decline in net household income (%)§ ...	NA	−44	−32
Five-year decline in net household income (%)§	NA	−36	−30
Increase in own labor earnings (%)‖	NA	69	10
Repartnering rate within five years (%)#	NA	52	47
Proportion of lone-parent spells lasting less than three years**	.946	.376	NA

* From Ruspini (1998), table 3 for Sweden and Germany. Data for the United States are from U.S. Census Bureau (Grall 2000, fig. 1).
† From Ruspini (1998), table 4, for Sweden and Germany. Data for the United States are from the Dept. of Commerce News, Oct. 13, 2000.
‡ From Smeeding and Ross (1999), table 1. Data are for households headed by an adult age 25–64. Poverty is measured as less than 50% of median adjusted household disposable income. Incomes are adjusted for household size.
§ From DiPrete and McManus (2000), table 6. Regression estimates, net of other factors.
‖ From DiPrete and McManus (2000), table 7. Regression estimates, net of other factors.
From DiPrete and McManus (2000), table 5.
** From Ruspini (1998), table 12.

7–10). Results from Ruspini (1998) suggest that German women do not repartner as fast as Swedish women (table 4, row 11).

It is important to put these results into the broader context of overall poverty rates in the three societies. Annemette Sørensen (1994b), using data from the 1980s, computed the proportion of German, Swedish, and American single-mother households that were below 50% of median income, and these figures are presented in row 2 of table 5. Ruspini (1998), using more recent data, computed the proportion of German and Swedish lone mothers who were poor, and these results are presented in row 3 of table 5. By comparison, Duncan et al. (1993) computed the overall poverty rates in the three societies for households with children, which are shown in row 4. Duncan et al. also computed the proportion of poor households with children that were headed by single mothers, and these figures are

TABLE 5
SELECTED POVERTY RATES

	Sweden	Germany	United States
Overall proportion of the population who are poor* …………………………………………	.067	.056	.177
Proportion of single mother households who are poor[†] …………………………………………	.049	.289	.56
Proportion of lone mothers who are poor[‡] ………	.058	.28	NA
Proportion of households with children who are poor[§] …………………………………………	.027	.078	.20
Proportion of poor households with children that are lone mother households[‖] …………………	.25	.31	.51
Proportion of households with single parent status[#] …………………………………………	.13	.14	.23
Probability of being poor, given a single parent ….	.065	.22	.56

  * Household equivalent income less than 50% of median, using OECD household weights, for all households (Jäntti and Danziger 2000, table 2) from the LIS for Sweden in 1992, Germany in 1989, and the United States in 1991.
  [†] From Sørensen (1994b), table 1.
  [‡] From Ruspini (1998), table 7. Data are from the HUS for Sweden (1984–93) and the SOEP for western Germany (1991–95). Poverty is less than 50% of the median household income after taxes and transfers, and adjusted for household size using OECD weights. Cohabiting children are no older than 16 in Germany and 18 in Sweden.
  [§] From Duncan et al. (1993), table 1.
  [‖] From Duncan et al. (1993), table 2.
  [#] From McLanahan and Casper (1995, table 1.3) for 1988 and including only the former West Germany.

in row 5. Finally, McLanahan and Casper (1995) give the proportion of households with children that are headed by a single parent, which is shown in row 6. If one makes the reasonable assumption that 80% of single parent households were lone-mother households, one obtains the results in row 7, which are qualitatively similar to the directly computed results in Ruspini (1998), but which also give an estimate for the United States, which is absent from Ruspini's analysis. Clearly, the rate of poverty among single mothers is much higher in the United States than in Germany, which in turn is much higher than the rate in Sweden.[23] The results

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[23] Statistics that might appear to conflict with the results in table 5 can be found in Jäntti and Danziger (2000), who report that poverty rates for female-headed households in Sweden were 15.4% vs. 16.9% in Germany and 42.8% in the United States (using LIS data for 1992 in Sweden, 1989 in Germany, and 1991 in the United States, along with the 50%-of-median poverty threshold, and OECD household weights). However, these calculations include all female-headed households, including those without children. Many such households consist of elderly women. As Jäntti and Danziger also show (table 6), poverty rates for those 65 and older in Sweden (at 8.6%) are much higher than German rates (4.2%); they are even higher than the rates for the United States (8.4%).

imply that most single-parent poverty in the United States does not come from downward mobility out of the middle class, but rather arises in families who were already socially marginal (i.e., with incomes below the 60% of the median threshold used in the Duncan et al. analysis; see also Bane 1986).

In summary, these results provide a consistent picture of the qualitative ranking of these three countries. German woman are protected from the socioeconomic decline that follows union dissolution primarily by virtue of the low rates of union dissolution in that country. Rates of dissolution are higher in Sweden, and higher still in the United States. American women are not as adversely affected by union dissolution as German women primarily because they work more. German women, in dissolving unions, get greater benefits from the welfare state than American women, but these benefits are not large enough to offset the adversity caused by their low participation in the labor market. Swedish women are clearly the best off; their rates of union dissolution are moderate, and the impact of union dissolution is relatively small compared with the other two countries. These advantages stem from their very high rates of participation in the labor market and from the generosity of Swedish tax and transfer policies. Furthermore, Swedish women repartner quickly in comparison with their German counterparts. The combination of these three processes appears to give German women the greatest life course risk of downward mobility into poverty of the three populations. American women, meanwhile, have the greatest risk of social marginality, though this risk cannot be directly attributed to union dissolution; it may better be characterized as an inability to escape marginality rather than an inability to retain middle-class status.

Job Displacement and Its Consequences

Loss of one's job is also a major life course risk in industrialized societies. While job exits in the early career are common in countries like Sweden or the United States, and while involuntary job exits are generated by the use of fixed-termcontracts in societies with strong employment protection (DiPrete et al. 2001), the life course impact from mobility generated by industrial restructuring has a potentially greater impact on class mobility than do these other typically early-career events. High tenure workers suffer higher financial loses from displacement, and it is often difficult for workers displaced by contracting industries to secure new employment in the same occupation or industry (DiPrete 1993; Farber 1993; Hipple 1999). To analyze the impact of job displacement on households, I again draw upon multiple sources to create a stylized picture for Sweden, Germany, and the United States.While national unemployment statistics offer

very useful information, their utility for present purposes is limited; they offer only a static snapshot of a very heterogeneous population. Much unemployment is relatively short-term, and much of it involves young workers, some of whom are experiencing unemployment as a "normal" part of the process of searching for a career. A portion of the unemployed, furthermore, are low-skill marginalized workers for whom unemployment is an endemic aspect of their work experience and is closely linked with poverty dynamics, which I consider in the next section of the article. In this section of the article, I focus primarily on life course risks by those embarking on a "career" with a given employer.

A very large literature now exists on worker displacement in the United States, which has been made possible by repeated displaced worker surveys conducted as supplements to the Current Population Survey (e.g., Fallick 1996). Here I rely largely on recent results from Hipple (1999), who presents analyses of the 1998 Displaced Worker Survey for workers who were displaced from their old jobs during the calendar years 1995 and 1996. Less research on worker displacement has been done in Germany. For knowledge about the German situation, I rely primarily on recent analyses by Bender et al. (1999) and secondarily on results from Burda and Mertens (1999).[24] Even less research on this topic is available for Sweden. The strategy I employ, therefore, is to compare rates and consequences of worker displacement in Germany and the United States, and then to benchmark Sweden against these results based on indirect sources of information about this country.

Hipple presents data on the relationship between displacement rates and job tenure that allow the estimation via synthetic cohort methods of displacement over a 15-year period of time (i.e., I assume that at each level of job seniority, the worker would have a displacement risk equivalent to the risk observed for workers with that seniority level in 1995–96).[25] Bender et al. provide similar data that also allow a synthetic

[24] Bender et al. (1999) analyze data from the Institut für Arbeitsmarkt und Berufsforschung (IAB) for western German male workers ages 25–50 in 1984 who had at least four years of tenure with their employer. Hipple's results are presented by age, tenure, and sex, among other variables, but do not allow separate calculations for men and women. However, Hipple reports that women had displacement rates that were about 15% higher than male rates, that women's median unemployment duration was 20% longer than male durations, and that a woman's probability of earning less on the new job than on the old job was approximately the same as a man's probability. By comparing combined rates in the United States to male rates in Germany, I will make the United States look slightly worse than it would otherwise, but the qualitative comparisons should not be affected.

[25] Hipple (1999, table 3) found a two-year displacement rate of 5.5% for those with fewer than three years of job tenure. For higher tenured groups, the two-year displacement rate was: 3.7% (for 3–4 years of tenure), 3.3% (for 5–9 years of tenure), 2.4% (for 10–14 years of tenure), and 2.5% (for 15–19 years of tenure).

estimate of the risk of displacement over 15 years.[26] These results are in rows 1 and 2 of table 6, the difference being that for row 2 the 15-year period begins after the individual has already accumulated between three and four years of tenure on the job. Hipple also reports weeks without work before finding a new job, while Bender et al. present a survival curve for time to reemployment.[27] These data allow the estimation of the probability of quick reemployment and also the probability of a period of substantial unemployment following displacement. These estimates are shown in rows 3–6 of table 6. Hipple (1999, table 14) reports that 24.3% of workers ages 25–54 who were displaced in 1995–96 and who were reemployed in a full-time wage and salary job in February 1998 were earning 20% or more below their predisplacement earnings. Bender et al. (1999, p. 50) estimate that displaced workers in Germany who find new jobs relatively quickly experience only a 1%–2% wage loss, while those who take more than a year to find a new job suffer a permanent additional wage penalty of 19%.[28] Assuming a symmetric pattern to the wage losses leads to the rough estimate that 50% of the German workers who took more than a year to find a new job were earning 20% or more below their predisplacement level. In row 7, these estimates are combined with the probability of displacement to yield estimates of the probability of experiencing both displacement and significant wage losses in the subsequent job.

These results imply perhaps surprisingly similar rates of worker displacement in Germany and the United States, with the chances being about one in five that a worker will be displaced over a 15-year period. The German worker experiences longer unemployment spells after displacement on average than does the U.S. worker.[29] However, the U.S

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[26] Bender et al. (1999, table 4) report that, of male workers ages 25–50 in 1984 who had worked for the same establishment for at least four years by 1984, and who had fewer than six years of seniority in 1984, 5,246 were continuously employed from 1984–90, 689 were displaced, and 3,596 separated for other reasons. For workers with more than 10 years of seniority in 1984, 14,304 were continuously employed, 863 were displaced, and 3,136 separated for other reasons.

[27] These statistics are right censored, but the right censoring problem is reduced by the fact that the survey date is 14 months after the end of the reference window.

[28] Burda and Mertens (1999) analyzed the earnings consequences of displacement in Germany using data on full-time workers in western Germany who were not civil servants, who were not previously self-employed, who did not work for nonprofit organizations, and who had not just completed an apprenticeship. Like Bender et al. (1999), their analysis of data from the SOEP and the IAB social security file also found relatively modest earnings declines because of displacement.

[29] Especially in the German case, these long unemployment spells following displacement sometimes end in retirement once the unemployed worker qualifies for pension payments.

TABLE 6
STYLIZED RATES AND CONSEQUENCES OF WORKER DISPLACEMENT OVER A 15-YEAR
PERIOD

	Sweden	Germany	United States
Probability of displacement in a 15-year period*	(.22)	.22	.23
Probability of displacement in 15 years, given at least three to four years of tenure at the starting point		.21	.20
Proportion of long-tenured displaced workers ages 25–54 who found work within 5 weeks of displacement[†]		.40	.39
Probability of displacement plus some unemployment	(.14)	.14	.14
Probability of one year or more of unemployment, given displacement[‡]	(.11)	.37	.11
Probability of displacement, plus at least one year of unemployment	(.04)	.083	.040
Probability of displacement, plus earnings at least 20% lower on the new job than on the old job		.041	.058
Probability of displacement plus entry into poverty[§] ...	0−.019	0−.033	?−.050
Probability of a household experiencing job displacement plus entry into poverty[§]	0−.013	0−.030	?−.035

NOTE.—Data in parentheses for Sweden are imputed at the mean of the German and the American values. See text for further explanation. A question mark is used to signify that the lower bound for the United States is unclear from the available data.

* U.S. estimates computed from Hipple (1999), table 3. German estimates are from Bender et al. (1999), table 4. The U.S. sample consists of workers who reported displacement in the 1998 Displaced Worker Survey. The German sample, which is taken from the employment sample (Beschaftigungss-tichprobe) of the Institut für Arbeitsmarkt und Berufsforschung (IAB), consists of male workers 25–50 years of age in 1984 who had at least four years of tenure in 1984. Bender et al. report the total displacements during the next six years, the number continuously employed, and the number who separated for other reasons. I treated the other separations as censored observations, and gave this group 50% of the weight of the continuously employed. The six-year survival rate was then converted to a 15-year survival rate. Displacement rates for seniority years 1–4 were assumed to be 50% higher than in years 4–6.

[†] Bender et al. (1999), p. 35.

[‡] U.S. estimate from Hipple (1999), tables 5 and 14.

[§] The poverty probability would be zero if severance pay kept the household above the 50% threshold. It would be at the right boundary of the given range if households with displaced workers had the same probability as a typical family with no full-time/full-year worker (Smeeding and Ross 1999).

worker has a higher probability of experiencing the combination of displacement plus a 20% or larger decline in earnings.

I have not been able to find any systematic study of worker displacement in Sweden. Clearly, however, Sweden's unemployment picture changed dramatically in the 1990s following the deep recession of 1991–92.[30] As DiPrete et al. (2001, table 1) show, the big change in Sweden

[30] A comparison of Sweden, Germany, and the United States that uses data primarily from the 1980s (DiPrete et al. 1997) for men ages 18–64 shows that Sweden had lower

between the 1980s and the 1990s was not in the rate of separation from employers, but rather in the rate of moving quickly to a new job, given a separation from the previous employer. This reduction in reemployment probabilities moved the Swedish unemployment rates to levels more similar to those of Germany than to the low U.S. rates of unemployment (OECD 1994; Eurostat Yearbook 2000). It also greatly reduced the proportion of Swedish men and women who were employed on a full-year basis, and raised the proportion of Swedes who were unemployed for a full year (Lundborg 2000, fig. 5). However, the delay in finding a new job remained much less than in Germany; rates of long-term unemployment in Sweden were comparable to those in the United States, and much lower than were the rates of long-term unemployment in Germany (OECD 1994; Eurostat 2000). The limited available information suggests that Sweden is probably intermediate between the United States and Germany in its levels of displacement and the unemployment consequences of this displacement (see also Ackum-Agell 1991; Wiklund 1999). For illustrative purposes, I have filled in the mean of the German and American experience in the Swedish column and have placed these numbers in parentheses to indicate their tentative status.

Next, I explored the poverty implications of the displacement event. For this exploration, I start with the figures from Smeeding and Ross (1999) on poverty rates for households that lack a full-time/full-year worker (table 4, row 6). Row 8 of table 6 derives the high-end estimate of the probability of displacement plus poverty (table 6, row 4 multiplied by table 4, row 6) from the assumption that households with a recent displaced worker face the same average poverty risk as do households that lack a full-time/full-year worker. The existence of unemployment benefits and severance pay makes these assumptions too pessimistic for U.S. workers and even more so in Sweden or Germany, where limited severance pay is required by law, and where unemployment benefits cover a larger fraction of the unemployed and replace a larger fraction of lost earnings than is the case in the United States (OECD 1994; 1999).[31] If these relatively generous social welfare benefits eliminate the poverty risk, the low-end estimate for Sweden and Germany in row 8 becomes zero, while a "?" is used for the United States, where the benefits are smaller

exit rates from employment than the United States for all categories except professional and managerial jobs (EGP class I), and that Sweden's rates were lower than Germany's in all categories. Employment exit rates in the United States and Germany were very similar, being higher for two class categories in Germany, and being higher for three class categories in the United States

[31] In contrast, only 15% of American employees in small private establishments and 36% in medium or large establishments receive some form of severance pay (U.S. Bureau of Labor Statistics 2001).

and far less comprehensive.[32] Row 9, which adjusts these ranges for the existence of secondary workers in the household, narrows somewhat the German-American difference, while maintaining the gap between Sweden and the other two countries.[33]

The results in table 6 suggest different structures of displacement risk in the three countries. Both Germany and the United States, and presumably also Sweden, have nontrivial risks of job loss over a 15-year-period of time. The German worker appears to have the highest probability of displacement followed by long unemployment. But the risk of poverty as a consequence of this displacement is mitigated by the relatively generous German welfare benefits. Furthermore, German workers who are reemployed are less likely than American workers to suffer serious earnings losses. Less information is available for Sweden, but it is reasonable to conjecture that Swedish displaced workers enjoy the greatest protection against poverty, by virtue of that country's social welfare policies.

Poverty Dynamics

Poverty dynamics in the United States, Germany, and Sweden were studied extensively by Duncan et al. (1993). Their essential findings are contained in table 7, below. As is well known, the United States has considerably higher poverty rates than either western Germany or Sweden, while Sweden's poverty rates are lower than those of Germany (Smeeding, Rain-

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[32] However, there appears to be a rising trend in the proportion of German unemployed workers who receive only the less generous Arbeitslosenhilfe instead of the more generous Arbeitslosengeld, so the risks of poverty for displaced workers in Germany may be higher than is commonly believed (Bleses and Seeleib-Kaiser 1999).

[33] According to tabulations performed by the Economic Policy Institute using 1997 data from the CPS, families (excluding one-person families) in the fourth highest quintile worked an average of 3,974 hours per year, which is the equivalent of two full-time, full-year workers (Economic Policy Institute 2001). In 1996, three-quarters of American households had more than one person (U.S. Bureau of the Census 2001). If, drawing from the Economic Policy Institute analysis, we assume that 40% of families with more than one person have two full-time/full-year workers, we arrive at a figure of 30% of all households having two full-time/full-year workers. The ratio of male to female weekly hours in Sweden is similar to that in the United States, while in Germany, women work significantly fewer hours (United Nations 2000). For illustrative purposes, I assume that 30% of Swedish households but only 10% of German households have more than one full-time/full-year worker. The probability that a household with at least one full-time/full-year earner experiences a job displacement that involves a spell of poverty is then approximately equal to the probability of only one full-time/full-year worker in the household times the probability of a displacement (from table 6, row 4) times the proportion of households who are poor, given that they have only a part-time or part-year earner (from table 4, row 6). The result is presented in row 9 of table 6.

TABLE 7
Poverty Dynamics in Sweden, Germany, and the United States

	Sweden	Germany	United States
%nonpoor becoming poor between t and $t + 1$* ...	0.7	3.1	4.3
Percentage of spells still in progress after:[†]			
1 year	NA	67	62 (59)[‡]
2 years	NA	42	46 (17)
3 years	NA	22	37 (7.8)

Source.—Statistics taken from Duncan et al. (1993).

* Percentage of those with incomes ≥60% of median in year t becoming poor in year $t + 1$. From Duncan et al. (1993), table 5.

[†] From Duncan et al. (1993), table 3, based on poverty defined as <50% of the median income.

[‡] Numbers in parentheses are the durations in "absolute" poverty, as defined by the U.S. Department of Agriculture poverty line, from Gottschalk et al. (1994), fig. 4.1.

water, and Burtless 2001). Row 1 shows that the rate of mobility into poverty is higher in the United States than in either Sweden or Germany. The high rate of poverty entry in the United States is what one expects of a high-mobility society. However, Sweden, which in other respects has intermediate mobility levels between the United States and Germany, has much lower entry rates into poverty than does Germany, whose entry levels approach those in the United States despite the much lower incidence of poverty in Germany. Germany's relatively high rates come in part from the impact of union dissolution, which was discussed earlier. In addition, however, German workers also become at risk of entering poverty through job loss and reductions of work hours. Duncan et al. (1993) found that 38% of German households who moved into poverty experienced a reduction in annual work hours of at least 250 hours, which is low in comparison with the 60% of American households who experienced such a reduction as they moved into poverty, but is still substantial.

Average rates of mobility out of poverty are actually higher in Germany than they are in the United States (cf. rows 2–4), which is not what one expects to find, given the conventional wisdom that the United States is the high-mobility society. Other research (e.g. Gottschalk, McLanahan, and Sandefur 1994) has shown that the poverty population in the United States is heterogeneous and not accurately describable by a single mobility process (the same is true for Germany; see Leisering and Leibfried 1999). Some individuals and families have relatively short spells, while others have much longer spells. Clearly, predictions based on the oversimplified characterization of the United States as a high-mobility country do a poor job of capturing the structure of its poverty dynamics. The reasons for the large yet heterogeneous risks in the United States are complex and (in gross outline, at least) well known. Rates of "working poverty" are high because of the wide earnings distribution that is marked by so many

298

low-wage jobs. Those in low-paying jobs find it difficult to exit from poverty because their earnings in these jobs are inadequate. Social benefits are too low to provide an escape route by themselves, and (with the exception of the Earned Income Tax Credit) U.S. law makes it difficult to escape from poverty by means of a combination of low wage work and social benefits. Therefore, those with low skills must either find a way to acquire additional skills or to partner with someone whose earnings are high enough to permit an escape.[34] Meanwhile, comparatively high rates of entry into poverty via union dissolution or worker displacement provide a reservoir of people with relatively high rates of escape. The two groups combine to form a very heterogeneous poverty population.

MOBILITY REGIMES RECONSIDERED

This article has made the case that a country's life course mobility regime must be defined in broader terms than the structure of occupational career trajectories. It is also shaped by labor market mechanisms that enhance or constrain occupational mobility, by the wage distribution, by the factors that determine employment instability, by those labor market and welfare state mechanisms that influence the length and outcome of unemployment spells, by the institutions that influence the rate of union formation and dissolution, and by the institutions that influence the socioeconomic consequences of union dissolution, including social welfare benefits, enforcement of child support from ex-partners, and the provision of child care so that single parents can more easily work.

While such an array of institutional mechanisms in combination with the volume of comparative facts presented in this article may appear to argue against the possibility of conceptual parsimony, I think the reality is otherwise. The most important differences between the life course mobility regimes of Sweden, Germany, and the United States can be stated rather concisely in terms of rates of events and their consequences. Ger-

[34] Direct evidence on this point comes from Fabig (2000). He compared workers who were at least 18 in 1990 and at most 59 in 1995, who earned more than 100DM/\$33.33 per month, and who were either full- or part-time employed or unemployed at the beginning of the observation period. Comparing 1991 and 1992 rates of one-year mobility in gross individual labor income for west Germans and Americans using SOEP and PSID data, he found much lower mobility out of unemployment for Germans, but clearly lower escape rates from low income by American workers than by west German workers. For example, 79.6% of low income American workers in 1989 were still in the state of low income or unemployment by 1990. In contrast, only 67.6% of German low income workers were still in a low income state the following year. Presumably, some of this difference comes from young German workers who were finishing their apprenticeships and moving into journeymen positions, but this is still genuine income mobility.

many can be characterized as a country whose institutions suppress the rate of class-altering events but do not uniformly suppress the consequences of negative events. Sweden is the opposite. Relative to Germany, Swedish institutions do not suppress the rate of events, but they effectively mitigate the consequences of negative events. The United States is low on both dimensions. U.S. institutions do not suppress the rate of events, and, relative to Sweden or Germany, they also do not suppress the consequences of negative events.

Rates and consequences are interdependent but distinguishable products of a country's institutional structure. Some institutional mechanisms affect the extent to which individuals and households are insured against the negative consequences of events. Other mechanisms affect the incentives that produce the events in the first place. Clearly the lack of insurance against an event such as exit from a job or from a partnership can be a major disincentive for experiencing an event, but insurance (or its lack) is not the only form that disincentives can take. Strongly credentialed labor markets create disincentives against voluntary job mobility by increasing the difficulty of finding a new job. Employment protection regulations create high firing costs for employers and thereby constitute a disincentive for employer-initiated job mobility. Tax systems that favor marriage produce disincentives for marital dissolution, as do complex and costly divorce procedures or policies and practices that make it difficult for women to combine childrearing and career. By influencing the costs and benefits of mobility-generating events for all concerned actors, the institutional arrangements discussed above affect the rate at which these events occur through mechanisms other than social insurance. Thus, despite the fact that social insurance policies affect the incentive structure for mobility-generating events, one can conceptually distinguish between systems that primarily insure against negative outcomes from those that attempt to suppress the rate of negative events by creating disincentives.

Either an insurance or an incentives strategy can strongly influence the structure of socioeconomic mobility, but it should not be surprising to find differences in the distribution of their impacts. While incentives-based systems may effectively suppress the rate of mobility-producing events, the mobility costs will be high for the relatively few individuals or households who experience the negative events, so long as the costs involved are at least partially assigned to the individuals or households who experience the event (such assignment is of course the defining element of an incentives-based system). Insurance systems, in contrast, do not have this mobility "loophole," though there may be high system costs if institutional arrangements cannot regulate the overall rate of events that generate insurance payments.[35]

[35] Thus, while Sweden clearly appears to have an advantaged position from the analyses

In this article, I am primarily concerned not with the system costs, but rather with the mobility consequences of alternative institutional arrangements and with the potential of the insurance-incentive contrast for elucidating the different pattern of life course mobility in these three societies. By this latter test, the conceptualization appears to perform well. The insurance-based Swedish mobility regime goes the furthest of the three societies in restricting downward mobility over the life course and thus preserving the conceptual utility of "permanent income" within the relatively narrow (though widening) boundaries of the Swedish income distribution. The mixed insurance/incentive-based German mobility regime is characterized by paradox, in that the perhaps surprisingly high levels of life course mobility in class position may be a by-product of institutional arrangements intended to provide stability to the life course. Highly structured linkages between education and occupation provide stability in stable times, but may contribute to longer-duration unemployment in an era of persistent economic turbulence. Similarly, the "pro-family" policies of the German state doubtless reduce the rate of union dissolution. However, these policies do not reduce the impact of class mobility connected with union dissolution, because the lower rates of dissolution are offset by the greater negative consequences, given a dissolution. The United States, a market-oriented society with a comparatively weak welfare state, lacks comprehensive insurance against the consequences of mobility, lacks strong disincentives to mobility apart from the insurance-based disincentives, and also contains relatively many low-paying jobs in its labor market. This combination creates high mobility in the job and marriage markets, but relatively low household mobility out of social marginality for a substantial share of the households who occupy this status at any one point in time. For all three countries, therefore, the distribution of potential outcomes for mobility, the distribution of incentives, and the level and comprehensiveness of insurance programs jointly determine the country's mobility regime.

I have used the risks of union dissolution and worker displacement to estimate a crude but nonetheless informative index of "middle class" risk for the three societies, based on the implications of union dissolution for falling into poverty and the implications of worker displacement for extensive unemployment or significant earnings declines in a subsequent job. The results suggest that a country's ranking on a "middle-class risk" index depends in important respects upon gender. The probability of a substantial downward move as a result of these two life course risks for

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reported in this article, some critics argue that generous Swedish welfare policies involve a trade-off against economic growth and job creation (e.g., Lindbeck et al. 1994).

a Swedish male may be as low as one chance in 50 over a 15-year period. For a Swedish middle-class woman, the chances of a large downward move appear to be more like one in 20. This risk, however, is low compared to that for an American woman, who has about a one in 15 chance of poverty via union dissolution if she has a child, plus about a one in 15 chance of a serious reduction in living standards either through unemployment following displacement or through a serious reduction in earnings. If we took these two events as statistically independent, we would arrive at a 15-year risk of about one in eight, which is higher than Sweden both because rates of union dissolution are higher and because social protection is lower. Germany is the most complex of the three cases because of the different nature of family and employment risks. German women do not face the double risk that American women do because of the greater German protection in the employment sphere, but their high risk from union dissolution offsets their low risk from market adversity. In contrast to the situation for women, the country ranking of life course risks for men is derived mainly from the level of labor market risk and the level of welfare state protection against labor market risk; male life course risks from union dissolution are relatively (compared with women) low.

If one examines all sources of risk for movement into poverty (at least for families with children), the United States clearly has the lead, though Germany is closer in this respect to the United States than it is to Sweden. But it is arguably the difficulty in escaping poverty rather than the risk of entering it that most distinguishes the United States from either of the other two countries. The empirical comparisons discussed above did not include incarcerated populations, many of whom would be below the 50%-of-median poverty line if they were not in jail or prison.[36] With incarceration rates so much higher in the United States than in Germany or Sweden, and with incarcerated populations likely to face special handicaps in the socioeconomic mobility process, the inclusion of the incarcerated population in the calculation might further enhance the disparity between the United States and Germany or Sweden in rates of movement out of poverty.

These characterizations are tentative, however, because, despite the very large literature, our comparative knowledge is still limited. I have had to make a number of assumptions in order to produce the synthetic characterization of life course mobility that was presented earlier. While these assumptions are certainly defensible, it would be desirable to replace

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[36] As Western and Beckett (1999) note for the U.S. case, 36% of the incarcerated were unemployed before their incarceration in 1995, and 65% of all prisoners in 1991 had not completed high school.

them with facts. At present, we do not have good comparative societal-level estimates of downward mobility or of the structure of countermobility. Related to this question is the issue of how the mobility comparison between these countries varies by class. Given limitations in the available research literature, I have had to rely on relatively crude proxies for class (e.g., conditioning poverty entry on being above 60% of the median income, or conditioning the probability of job displacement on having obtained a certain number of years of tenure with the employer). But clearly the mobility events that I have discussed in this article vary by class, and country comparisons probably also vary by class. Mobility tables by their very nature allow the computation of comparative mobility rates by class of origin. A goal of comparative research should be to obtain class-specific direct estimates of the other important mobility rates discussed in this article. The fact that data limitations have forced me in some cases to restrict attention to men (e.g., in the three-country comparison of occupational mobility, or the presentation of analyses of job displacement in Germany) calls attention to the continuing need for better comparative data on women's mobility.

While the scope of this article in terms of mobility events is broad, the scope in principle could be extended even further. While intragenerational occupational mobility tables clearly reveal one aspect of upward mobility, while the results on household income mobility certainly include upward as well as downward mobility, and while transitions out of poverty are an important aspect of upward mobility, there clearly are other aspects of upward mobility (e.g., via self-employment earnings or capital gains) that are not developed in this article. It is also important to address the extent to which welfare state mechanisms suppress the socioeconomic consequences of positive events through tax mechanisms or through a reduction in social welfare benefits. For the three countries examined in this article, it is highly probable that effective suppression of the consequences of negative events correlates with the mitigation of the socioeconomic consequences of positive events, though the extent of mitigation would no doubt depend upon the particular event in question (e.g., earnings gains from job change might be treated differently from income gains via marriage).[37] These issues certainly deserve further research and theoretical development in a comparative context.

Finally, it is illuminating in light of these results to return to the "unit of analysis" controversy in stratification research, namely, whether class was properly conceptualized at the individual level, or whether the individual should be assigned the class position of the household as mea-

[37] See DiPrete and McManus (2000) for evidence on these issues in connection with the German and American cases.

sured by the position of the household's dominant earner. The results discussed in this article make apparent that the alternatives in this debate were not well-specified. Life conditions cannot adequately be defined at the individual level; in this sense, the traditional focus on the household as the unit of class analysis is correct. At the same time, the traditional assumption that all members of the household share the same life chances is clearly not applicable to contemporary industrialized societies. Adults in the same household at any point in time can have distinctly unequal life chances because they may not remain together over their life course. Life course risks to the household may also affect the future life conditions of household children. Class as life conditions is therefore best defined at the individual level, which can distinguish individuals by education, gender, and other factors that influence the trajectory of life conditions. But class as life conditions must be measured in terms of household as well as individual resources and risks, because household resources and household risks are a major determinant of individual life conditions and of changes in these conditions over time. Clarification of this issue can benefit research in both intergenerational and life course mobility.

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