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Gender and Employment Transitions among Nicaraguan Immigrants in the United States

1. Introduction

Nicaragua is a country with a bipolar migration pattern, with Costa Rica being the most popular destination for migrants, and the U.S. in second place. With increasing economic dependence between Nicaragua and the U.S., in large part due to the ratification of a free trade agreement, the migration of Nicaraguans to the U.S. is likely to increase. This paper examines the effect of several predictors on the probability of experiencing upward, downward, or no mobility between three types of work: unemployment, blue collar work, and white collar work, and how this differs by sex. We find that age has a negative effect on the probability of experiencing either upward or downward mobility, but this effect is stronger for women. Education has a positive effect on upward movement, more so for men, and a negative effect on downward mobility that is more marked for women. Education, therefore rewards women less than men when it comes to upward mobility, but protects them more than men from negative mobility. Finally, becoming legalized has a positive effect on upward mobility, which is stronger in men, and it has a positive effect on downward mobility that affects women more strongly.

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2. Background on Nicaraguan immigration

Nicaragua is the only country in Central America that exhibits a clearly "bipolar" migration behavior (Vargas 2003). The majority of Nicaraguan immigrants live in neighboring Costa Rica, and the United States is only the second destination for them. The amount of remittances that Nicaraguans send back is high, and it is the second source of foreign exchange earnings in the country (Funkhouser 1992).

The history of Nicaraguan migration to the United States is closely related to its political environment. The country was ruled many decades in the 20th century by dictators from the Somoza family, a condition that gave rise to a movement of political resistance, specifically the creation of the Sandinista revolutionary group. The Sandinistas took over Managua, the capital city, in 1979, thus ending decades of dictatorship in the country. In the United States, president Reagan came to power in 1981, and under his government a counterinsurgency of Nicaraguan expatriates (termed the Contras) was funded and trained, to protect United States political and economic interests in Nicaragua, as well as to stop the spread of socialism in Central America.

Funkhouser (1992) identifies three main migration waves in Nicaragua. The first occurred at the peak of the Sandinista revolution, in 1979, when those allied with the Somoza regime left the country. The second occurred in the years following the revolution, as the government was restructured. The third one is linked to the civil war caused by the Contra counterinsurgency and the worsening economic situation. The mass migration of Nicaraguans to the U.S. is closely linked to this third wave. During the 1970's, migration from Nicaragua (and the rest of Central America) was small. During the Contra counterinsurgency, particularly the second half of the 1980's, the number of Nicaraguan immigrants grew dramatically (Lundquist and Massey 2005). Massey and Sana (2003) identified 1988 and 1989 as the modal years of migration for Nicaraguan immigrants, which coincides with the peak of violence of the Nicaraguan civil war.

Today, while Nicaragua is at peace, the economic situation has not improved. Many impoverished Nicaraguans seek better opportunities elsewhere, and Costa

Rica continues to be their first country of choice, and the U.S. second. The number of Nicaraguans who migrate to the U.S., however, is likely to rise. Over the past two years, the five countries of Central America (Guatemala, Honduras, El Salvador, Nicaragua and Costa Rica), as well as the Dominican Republic, have ratified a free-trade agreement with the United States, named CAFTA-DR. As occurred previously with NAFTA, the North American Free Trade Agreement, debate has risen over the effect of CAFTA-DR on migration in the region. Before NAFTA was ratified, some scholars doubted that it would increase Mexican migration to the U.S. (Cornelius and Martin 1993), yet it did. NAFTA increased poverty among peasants, farmers, and in other sectors of the Mexican economy, which led to a dramatic rise in the level of Mexican migration to the U.S. (Garcia Zamora 2001). Because CAFTA contains several clauses that will also affect agriculture and other sectors of the Central American economy, scholars predict that Central American migration to the U.S. will rise as well (Lungo 2003).

3. Immigrants and job transitions

The labor market adjustment of immigrants has been subject of extensive research, particularly the topics of occupational attainment, earnings (Nee et al 1994) and the employment/self-employment/unemployment trichotomy (Carrasco 1997). How immigrants adjust occupationally to their new society provides insight into the economic well-being of immigrant families, their contribution to public treasury, and their impact on the native-born labor force (Chiswick and Lee 2005; Green 1999; Myers and Cranford 1998). The initial job that immigrants obtain in their new society depends on a host of factors, including the skills and education of immigrants and its transferability, as well as their legal status and access to formal sector jobs.

After migration, changes in the opportunity structure of the host economy can affect immigrant employment (Rosenfeld 1992). More importantly, immigrants explicitly and implicitly make investments that complement their original skills and increase their transferability, including learning about the new labor market, and

acquiring the necessary language, education, licenses (Chiswick and Lee 2005), as well as legalizing their situation in the host country. Similarly, changes in the household formation of immigrants (marriage or divorce, birth of children) can impact the employment trajectories of immigrants (Sandefur and Scott 1981).

We focus on the differences between men and women for two reasons. First, in the general population, the earnings of women can be significantly less than those of men (Hachen Jr. 1990). This difference has been noted especially so among immigrant women. A study in Canada found that there was a double negative effect on the earnings of women who were more highly-educated (Beach and Worswick 1993). In the U.S., Schoeni (1998a, 1998b) found that immigrant women are less likely to participate in the labor force, and that this varies by country of origin for women and their assimilation to U.S. society. Beyond earnings and labor force participation, we are interested in understanding the mobility of women between different types or categories of jobs.

4. Data and Methods

We use data from the Latin American Migration Project (LAMP) Nicaraguan sample. These data were gathered from nice communities in Nicaragua. The survey collected information on the migration experience of the household head, and his or her spouse or a child if the head had no migration experience. We limited the sample to household heads with migration experience to the U.S. Although this limits the conclusions that can be made about this population, it nevertheless allows for comparisons between the occupational mobility of male and female heads of households. The sample contains a total of 162 heads of households.

We coded individual occupations as unemployed or not in the labor force (a category that includes those unemployed yet looking for work, the retired, and homemakers), blue-collar work (which includes unskilled labor, agricultural labor and skilled labor in manufacturing and transportation), and white-collar work (including professionals, managers and administrators). While job mobility may lead to a different job and different earnings, analyzing these job categories also

provides insight into the job transition process. Specifically, jobs in blue-collar industries are characterized by more frequent turnover (hirings and dismissals), low pay, low status, stress, little career advancement and unstable benefits (Grey 1999). Between the first and last reported job, those who experienced mobility from unemployment to blue or white collar work, and those who moved from blue to white collar work were then coded as experiencing upward mobility. Those who moved from white to blue collar work or unemployment, or from blue collar work to unemployment were coded as experiencing downward job mobility. Those who remained in the same job category were coded as experiencing no mobility.

For the main analyses, we conducted multinomial logistic regression analysis to examine the effect of several explanatory variables on the probability of experiencing upward, downward, or no mobility. We then take a closer look at the effect of the statistically significant predictors by sex, first by looking at the predicted probabilities of job movement controlling for those variables, and then charting the predicted probabilities by the level of the explanatory variables. Variables in the models include age, sex, years of education, being married, number of children, years since migration, legal status at entry, and becoming legalized at some point between migration and the last reported job.

5. Results

Data from the LAMP-Nicaragua sample (see Table 1) depict a group of self-reported household heads that is primarily male (75%), with an average age of 47.36 years, an educational level of 10.5 years, and a majority of married persons. The vast majority of Nicaraguan household heads entered the U.S. the first time they migrated undocumented or as tourists which makes them ineligible to work (87%). A small percentage, then, was admitted to the U.S. as refugee, legal resident or temporary worker, statuses that legally allow labor.

Table 1: Descriptive Characteristics of Nicaraguan Household Heads in the U.S. (N=162)

Variable	
Age (mean)	47.36
Sex	
Male	74.07%
Female	25.93%
Years of education (mean)	10.56
Marital Status	
Single	3.70%
Married/in consensual union	70.37%
Divorced/separated	17.29%
Widowed	8.64%
Document of entry	
Legal resident	6.17%
Temporary worker	1.85%
Tourist	52.47%
Undocumented	35.19%
Refugee	2.47%
Unknown	1.85%
Occupation	
Unemployed/not in labor force	18.52%
White collar/professional	41.98%
Blue collar/unskilled	39.51%
Occupational movement	
Downward	4.05%
No movement	72.99%
Upward	22.97%

Source: Latin American Migration Project

Despite this, about 41% reported their last job in the U.S. as being white collar (professional, administrative or managerial); a slightly lower percentage reported their first job as blue-collar, and about 18% reported being out of work or not in the labor force. Finally, between the first and last reported job in the U.S., the majority of Nicaraguans remained in the same job category, but almost a quarter experienced upward movement (from unemployed to blue or white collar or blue to white collar) and a small group (4%) experienced downward movement (from white to blue collar or unemployment or blue collar to unemployed).

Since being a white-collar worker is the most common occupational type for Nicaraguan immigrants, our first set of analyses focused on what factors increase the odds of being in the other two categories. Table 2 presents these results.

Table 2: Multinomial logistic regression coefficients for type of worker.

	Unemployed v. White-collar	Blue-collar v. White-collar
Age	.143***	.016
Male	-4.68	.269
Married	-.914	.007
No. of children	-.149	.032
Education (years)	-.044	-.158***
Legal entry	-.429	-.485
Years in U.S.	-.006	-.027
Became legalized	-.173	-.135

†p<.10, *p<.05, **p<.01, ***p<.001

Results suggest that not many of the covariates in our model are significant predictors of being unemployed or a blue-collar worker instead of white collar[2]. For being unemployed, age has a slight positive effect. That is, as age increases, the probability of being unemployed instead of white-collar slightly increases. For being blue versus white collar, the significant predictor is education; as years of education increase, the probability of being blue-collar versus white-collar decreases.

Because these analyses are based on a cross-section of the immigrants' labor history, a second set of analyses was conducted to detect predictors of job mobility. If between the first and last job in the U.S. immigrants moved from unemployment to a blue or white-collar occupation, or from blue to white-collar work, they were coded as experiencing upward job mobility. Final, if they remained in the same job category they were coded as experiencing no mobility. Because the latter was the common outcome, experiencing no mobility, the multinomial logistic regression

[2] Table 2 and 3 present multinomial logistic regression coefficients. The value and sign (positive and negative) can be used to interpret direction and magnitude of the effect, but cannot otherwise be interpret directly like linear regression coefficients.

predicts the other two outcomes: upward or downward mobility. Table 3 presents these results.

Table 3: Multinomial logistic regression coefficients for type of job mobility.

	Downward v. No mobility	Upward v. No mobility
Age	-.023	-.057*
Male	-.967	.253
Married	-.253	.202
No. of children	-.245	-.112
Education (years)	-.030	.086†
Legal entry	-.256	-.592
Years in U.S.	-.029	.034
Became legalized	2.20†	2.64***

†p<.10, *p<.05, **p<.01, ***p<.001

For experiencing downward versus no mobility, the only mildly significant variable is becoming legalized at some point during the migration period. Interestingly, this effect is positive. In other words, becoming legalized increases the probability of experiencing downward mobility. Later analyses explore this further. For experiencing upward versus no mobility, the significant predictors are age, years of education, and becoming legalized. Age has a small negative effect: as age increases, the probability of experiencing upward instead of no mobility decreases. Years of education has a positive effect: as years of education increases, so does the probability of experiencing upward versus no mobility. This effect does not appear to be strong. One reason for this is that this result compares upward to no job *category* mobility; if it compared upward to downward mobility the effect could possibly be stronger. Second, education is coded in years- it is unlikely that one additional year of education means upward mobility, as this usual requires entire new educational categories – high school, college, advanced studies, etc. Finally, becoming legalized also has a positive effect on upward versus no mobility. This means that becoming legalized puts an immigrant at risk of both experiencing

upward or downward mobility. One interpretation for this result is that legalization precedes a job *change*.

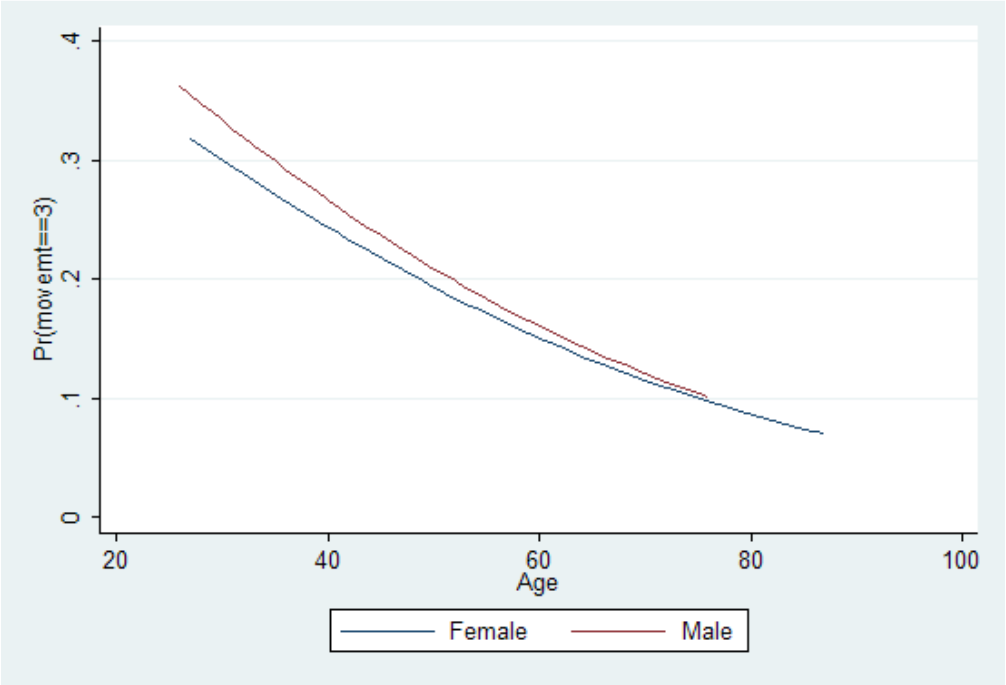
Because age, years of education, and legalization are the significant predictors, and because our substantive interest is in the relationship between gender and job category mobility, we then take a closer look at the relationship between age, education and legalization and the mobility of men and women. Table 4 presents the predicted probabilities for upward, downward, or no mobility for men and women, holding age constant.

Table 4: Predicted probabilities for type of job mobility by sex, and holding age constant.

	Downward Movement	No movement	Upward Movement
Men	0.025	0.748	0.226
Women	0.089	0.702	0.209

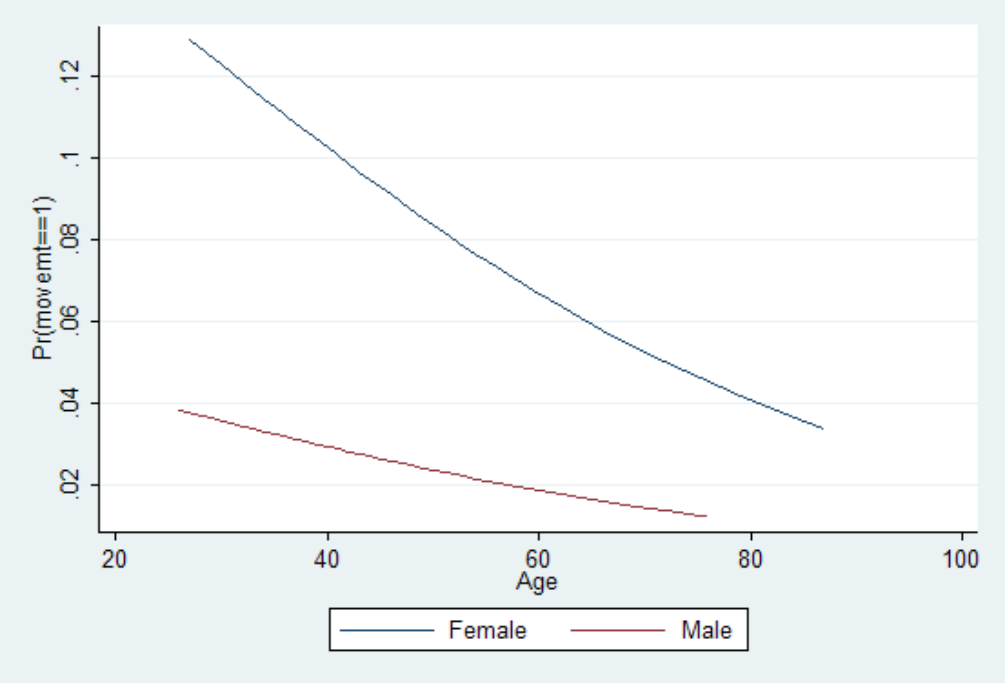
As expected from the description of the sample, both men and women have a higher probability of experiencing no movement between job categories. More interestingly, there a big sex differences between the probability of experiencing downward mobility. Controlling for age, men have about a 2.5% probability of experiencing downward mobility, and women almost 9%. The probability of upward movement is similar for both men and women, about 21-22%. Figure 1 presents the predicted probabilities for upward movement by age.

Figure 1: Predicted probabilities of upward mobility by sex and age.



This chart demonstrates that as age increases, the probability of experiencing upward movement declines. However, the probability of experiencing upward mobility is constantly greater for men than for women, and only reaches similar levels at around age 75. Figure 2 depicts the predicted probabilities by age of experiencing downward mobility.

Figure 2: Predicted probabilities of downward mobility by sex and age.



The probability of experiencing downward mobility also decreases with age, but these probabilities are much lower than those of experiencing upward mobility. There is also a greater difference between men and women. The probability of experiencing downward mobility is constantly larger for women than for men, but the decline is also sharper.

Table 5 presents the predicted probabilities for upward, downward, or no mobility for men and women, holding years of education constant.

Table 5: Predicted probabilities for type of job mobility by sex, and holding years of education constant.

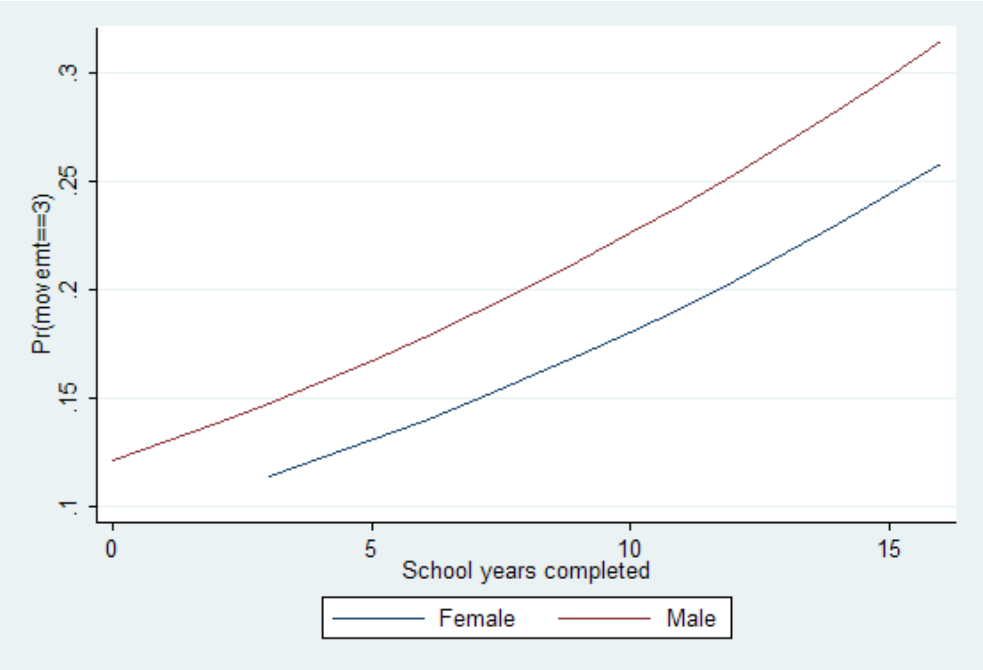
	Downward Movement	No Movement	Upward Movement
Men	0.027	0.734	0.237
Women	0.083	0.727	0.190

Both men and women have a higher probability of experiencing no job mobility. As with Table 4, the probability of experiencing downward movement is

far greater for women than for men, but the probability of experiencing upward mobility is not too different (10-23%).

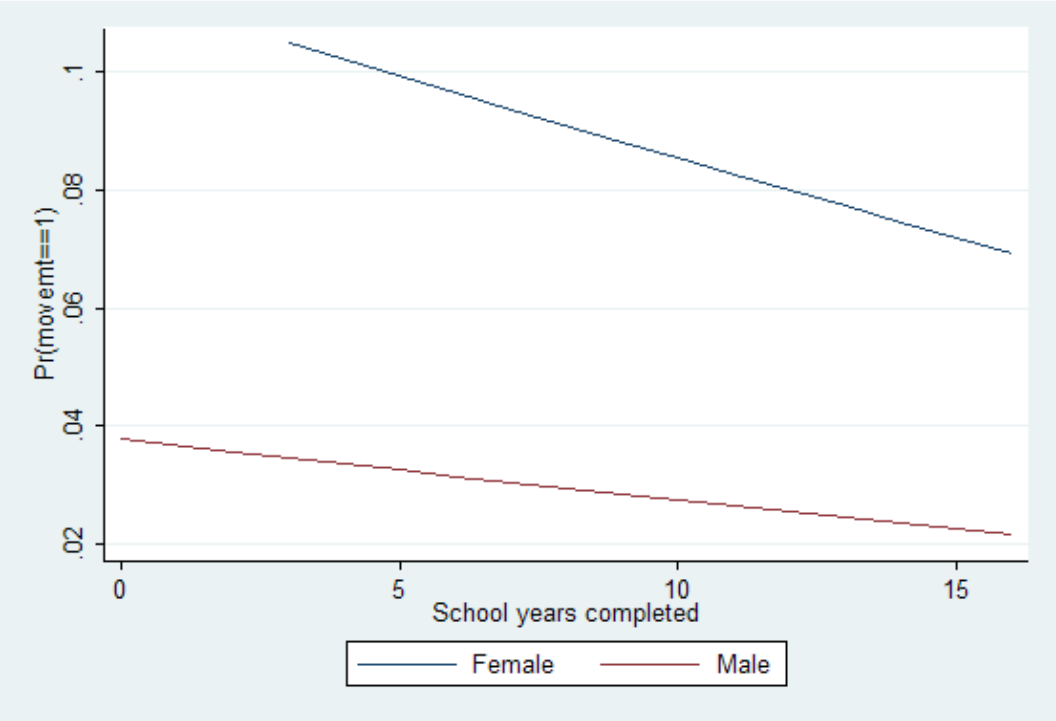
Figure 3 depicts the predicted probabilities of upward mobility by years of education for men and women.

Figure 3: Predicted probabilities of upward mobility by sex and years of education.



As years of education increase, so does the probability of upward mobility. Men, however, consistently have a slightly higher probability than women of experiencing upward. Figure 4 depicts the predicted probabilities of downward mobility by years of education.

Figure 4: Predicted probabilities of downward mobility by sex and years of education.



In this chart, we observe a decrease in the probability of downward mobility as years of education increase. Women, however, consistently experience a higher probability of downward mobility, at all educational years.

The final variable we explored is legalization. Table 6 presents the predicted probabilities for upward, downward, or no mobility controlling for legalization.

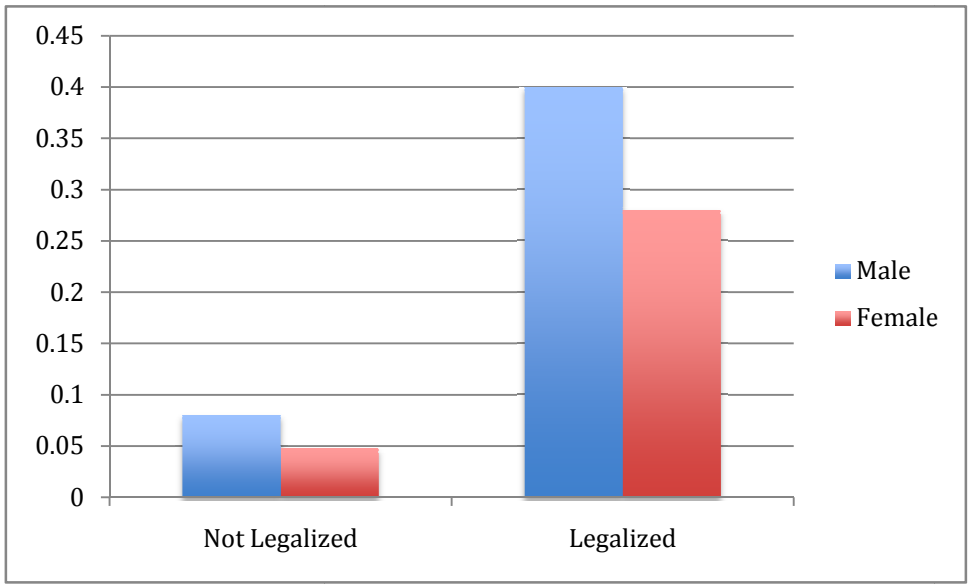
Table 6: Predicted probabilities for type of job mobility by sex, and holding legalization constant.

	Downward Movement	No Movement	Upward Movement
Men	0.026	0.774	0.200
Women	0.067	0.808	0.126

Regardless of becoming or not legalized in the U.S., Nicaraguan women are 4% more likely than men to experience downward mobility, and are only about half as likely as them to experience upward job mobility.

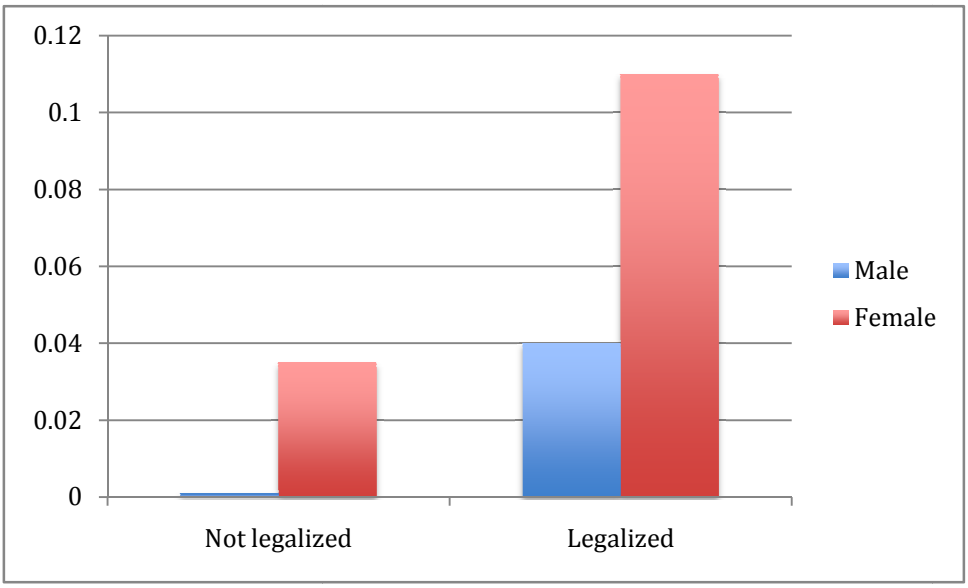
Figure 5 depicts the predicted probabilities of upward job mobility by having or not having become legalized.

Figure 5: Predicted probabilities of upward mobility by sex and legalization.



This chart suggests that becoming legalized is a positive predictor for upward job mobility. Men, however, as consistently more likely than women to experience upward job mobility, regardless of becoming or not legalized. Figure 6 illustrates the probabilities of downward job mobility by legalization status.

Figure 6: Predicted probabilities of downward mobility by sex and legalization.



This chart suggests an unexpected finding: that becoming legalized is a positive predictor for downward mobility. There are several possible explanations for this. One is that legalization is something that takes place after many years, and years in the country is correlated with age, with is correlated with being retired (one of the "occupations" in the unemployed category). Those who move from blue or white collar work to unemployment are coded as experiencing downward mobility. The sample, however, includes a very small percentage of Nicaraguans old enough to be retired. A second explanation is that legalization is a predictor of immigrants experiencing a job *change*- whether that job is from blue to white or the opposite is then secondary.

6. Conclusions

This paper analyzed the factors that influence upward, downward, or no job mobility between three job categories: unemployment, blue collar work, and white collar work. While previous research has looked at the unemployment to employment mobility of immigrants, as well as their earnings mobility, this alternative categorization provides insight into movement between different *types* of jobs. Unemployment means that an immigrant is primarily supported by someone else, and likely includes little to no benefits. Blue collar work is characterized by more frequent turnover (hirings and dismissals), low pay, low status, stress, little career advancement and unstable benefits. White collar work is better remunerated and probably includes more benefits.

Overall, the majority of Nicaraguan immigrants experienced no mobility between the first and last job in the United States; that is, the remained in the same category. Almost a quarter experienced upward job mobility, and a small percentage (4%) experienced downward mobility. Three variables were significant predictors for each type of mobility: age, educational level, and having legalized their migration status at some point.

Age has a negative effect on the probability of experiencing either upward or downward mobility, but this effect is stronger for women. In other words, as Nicaraguan immigrants age, their probability for moving to another job category decreases. More importantly, however, age is more of a hindrance for women to experiencing upward mobility, and is less of a barrier for women from experiencing downward mobility.

Education has a positive effect on upward movement, which is more marked for men, and a negative effect on downward mobility that is more marked for women. Education, therefore, rewards men more than women when it comes to upward mobility, but protects women more than it does men from downward mobility.

Finally, becoming legalized has a positive effect on upward mobility, which is stronger in men, and it has a positive effect on downward mobility that affects women more strongly. Legalization, therefore, appears to be more beneficial to men in that it rewards them more than women in their probability of upward mobility and in that it shelters men more than it does women from downward mobility. For men, education and legalization are important factors that increase their chances of upward mobility; for women, the single most important factor is education.

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