

Appendix of the paper "Country-Specific Preferences and Employment Rates in Europe" *

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September 1, 2015

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Appendix A Data

Our main dataset is the European Social Survey (ESS). This is an academically-driven multi-country survey, which has been administered in 6 repeated rounds (one every two years between 2002-2012) in 36 countries. Each wave includes a core set of questions regarding media and social trust, politics, subjective well-being, gender and household, socio-demographics, human values. In addition, each round includes a rotating section: The first round (ESS1, run in 2002) includes sections on immigration and citizen involvement. The second round (ESS2, in 2004) includes sections on health and care, economic morality, family work and well-being. The third round (ESS3, in 2006) includes modules regarding the timing of life and personal well-being. The fourth round (ESS4, in 2008) has modules on welfare attitudes and ageism. The fifth round (ESS5, in 2010) includes modules on family work and well-being and justice. Finally, the sixth round (ESS6, in 2012) includes modules on personal well-being and democracy.

We merge all ESS rounds in a single dataset with six repeated cross-sections at the individual level, and an unbalanced panel dimension at the country level. The raw dataset includes 303063 individual observations for 33 countries during the period 2002 – 2012. We focus on the subset of countries available in ESS5, as this is the only round which includes the question we use to construct our baseline regressor, (see below). We also focus only on countries available for at least two rounds of the survey, to preserve the country panel dimension. Our final sample includes 27 countries: Belgium (available in all rounds), Bulgaria (available in ESS3-ESS6) Croatia (ESS4, ESS5), Cyprus (ESS3-ESS6), Czech Republic (all rounds, but ESS3), Denmark (all rounds), Estonia (ESS2-ESS6), Finland (all rounds), France (all rounds), Germany (all rounds), Greece (all rounds, but ESS3 and ESS6), Hungary (all rounds), Ireland (all rounds), Israel (all rounds, but ESS2, ESS3), Lithuania (ESS4-ESS6), Netherlands (all rounds), Norway (all rounds), Poland (all rounds), Portugal (all rounds), Russian Federation (ESS3-ESS6), Slovakia (ESS2-ESS6), Slovenia (all rounds), Spain (all rounds), Sweden (all rounds), Switzerland (all rounds), Ukraine (ESS2-ESS6), and UK (all rounds).

Appendix A.1 Main variables

Migration status of the respondent based on the country of birth of the father: =1 (respondent native of the residence country) if the father is born in the residence country, regardless of the respondent's country of birth; =2 (respondent first generation migrant) if respondent and father are not born in the residence country, =3 (respondent second generation migrant) if the respondent is born in the residence country but the father is not. The **country of origin** is the country of birth of the father. An alternative definition is **Migration status based on mother**: =1 if the mother is born in the residence country, regardless of the respondent's country of birth; =2 if respondent and mother are not born in the residence country, =3 if the respondent is born in the residence country but the mother is not. For this definition the country of origin is the country of birth of the mother. Respondent's migration status and country of origin (based on either definition) are obtained from variables *fbrncnt*, *mbrncnt* (ESS2, ESS3), *fbrncnta*, *mbrncnta* (ESS4, ESS5), *fbrncntb*, *mbrncntb* (ESS6). The migration status and country of origin cannot be

obtained for ESS1, which does not include information regarding the country of birth of the parents.

Preferences for work: =1 if the respondent answers “Agree strongly” to the statement: *I would enjoy having paid job even if I did not need the money*, 0 otherwise. This is variable *pdjbndm*, available in ESS5 only.

Appendix A.2 employment and alternative outcomes

Currently employed: dummy variable =1 if respondent is currently in the working age population (i.e. excluding people in education, retired, sick, and in military service) and paid work (Source variable: *mnactic* in ESS1-ESS6).

Currently unemployed: dummy variable =1 if respondent is currently in the workforce (i.e. excluding people in education, sick, retired, military service or housework) and unemployed (Source variable: *mnactic* in ESS1-ESS6).

Had short unemployment spell (3-12 months): dummy variable =1 if respondent ever been unemployed and seeking work for a period of more than three months and never lasted for more than twelve months (Source variables: *uemp3m*, *uemp12m* in ESS1-ESS6).

Had long unemployment spell (12 months): dummy variable =1 if respondent ever been unemployed and seeking work for a period of more than three months, and lasted for more than 12 months (Source variables: *uemp3m*, *uemp12m* in ESS1-ESS6).

Never had paid job: dummy variable =1 if respondent is not currently working and never had a paid job (Source variable: *pdjobev* in ESS1-ESS6).

Important treating people equally: dummy variable =1 if the respondent answers “Very much like me”, to the statement *It is important that people are treated equally and have equal opportunities*, 0 otherwise (Source variable: *ipeqopt* in ESS1-ESS6).

Important the government ensures safety: dummy variable =1 if the respondent answers “Very much like me”, to the statement *It is important that government is strong and ensures safety*, 0 otherwise (Source variable: *ipstrgv* in ESS1-ESS6).

Government partly responsible for the living standards of unemployed: dummy variable =1 if the respondent assigns a score from 4 to 10 to the statement: “generally speaking, would you say that tell me on a score of 0-10 how much responsibility you think governments should have in [ensuring a reasonable standard of living for the unemployed?] (Please tell me on a score of 0 to 10, where 0 means it should not be governments’ responsibility at all and 10 means it should be entirely governments’ responsibility), 0 otherwise” (Source variable: *gvslvue* in ESS4).

Leftwing ideology: dummy variable =1 if the respondent assigns a score from 1 to 3 to the statement: *where would you place yourself on this scale (where 0 means the left and 10 means the right)*, 0 otherwise (Source variable: *lrscale* in ESS1-ESS6).

Ever member of a trade union: dummy variable =1 if the respondent answer “Yes, previously”, or “Yes, currently” to the question: *Are you or have you ever been member of a trade union or similar organisation*, 0 otherwise (Source variable: *mbtru* in ESS1-ESS6).

Appendix A.3 Individual and parental characteristics

The definition of several variables providing demographic information has been changed from ESS1 to ESS6. Also, variables not harmonized with the main ESS categories, are made available in separate country-specific datasets. We reconstructed consistent information for the 27 countries during the period 2002-2012, by merging and harmonizing information from the six main ESS datasets and the additional country-specific data. Find below the list of the harmonized individual variables, and the corresponding ESS source variables in parentheses.

Age of the respondent: categorical variable =1 if age $\in [15, 20]$; =2 if age $\in (20, 30]$; =3 if age $\in (30, 50]$; =4 if age > 50 . From this categorical variable we obtained four age group dummy variables. The reference group in the empirical analysis is > 50 (Source variables: *agea* in ESS1, ESS2, ESS4-ESS6; *age* in ESS3).

Education of the respondent: categorical variable =1 if highest educational attainment is tertiary, post-tertiary; =2 if it is *upper secondary, post secondary*; =3 if it is *primary, lower secondary*. From this categorical variable we obtained three dummy variables for respondent's education. The reference group in the empirical analysis is *tertiary, post-tertiary* (Source variables: *edulvla* in ESS1-ESS4; *edulvlb* in ESS5, ESS6).

Marital status of the respondent: categorical variable =1 if respondent is married; =2 if respondent is separated, divorced; =4 if respondent is widowed; =5 if respondent is single. From this categorical variable we obtained four marital status dummy variables. The reference group in the empirical analysis is single (Source variables: *marital* in ESS1, ESS2; *maritala* in ESS3, ESS4, ESS5; *maritalb* in ESS5, ESS6; *maritalee* and *maritalfr* from country specific files of Estonia and France, respectively).

Children in family: dummy variable =1 if there are children living in the family of the respondent (Source variable in ESS1-ESS6).

Years spent in the residence country (only 1st generation migrants): categorical variable =1 if years spent in the country < 1 ; =2 if years $\in [1, 5]$; =3 if years $\in [6, 10]$; =4 $\in [11, 20]$; =5 if years > 20 . From this categorical variable we constructed two dummy variables for years spent in the residence country. The reference group in the empirical analysis is first generation migrant that spent more than 20 years in the residence country (Source variables *livecntr* in ESS1-ESS4; *inwyye, inwyys, livecnta* in ESS5, ESS6).

Education of the father: categorical variable =1 if highest educational attainment of the father is *tertiary, post-tertiary*; =2 if it is *upper secondary, post secondary*; =3 if it is *primary, lower secondary*. From this categorical variable we obtained three dummy variables for respondent's education. The reference group in the empirical analysis is father with *tertiary, post-tertiary* education (Source variables: *edulvlf* in ESS1-ESS4; *edulvlfb* in ESS5, ESS6).

Employment status of the father, when the respondent was 14 years old: categorical variable =1 if father is *employee*; =2 if he is *self-employed*; =3 if he is *unemployed*; =4 if he is *absent or dead*. We dropped categories 3,4, as they included very few observations, and constructed two dummy variables for categories 1,2. We adopt as a reference group in the empirical analysis father *employee* (Source variables: *emprf14* in ESS1-ESS6).

Occupation of the father, when the respondent was 14 years old: categorical variable =1 if father is *senior manager, administrator* (equivalent ISCO1); =2 if father in *traditional professional occupations, middle or junior manager* (equivalent ISCO2, ISCO3); =3 if he is in *clerical*

and intermediate occupations (eq. ISCO4); =4 if he is in modern professional occupations, technical and craft, semi routine occupations (eq. ISCO6, ISCO7, ISCO8); =5 if he is in Manual and service occupations (eq. ISCO5, ISCO9). From this categorical variable we obtained five dummy variables. The reference group in the empirical analysis is father *senior manager, administration* (Source variables: *occf14* in ESS1; *occf14a* in ESS2, ESS3; *occf14b* in ESS4, ESS5, ESS6; *maritalb* in ESS5, ESS6; *occf14fr* and *OCCF14_FRA1* from country specific files of France; *occf14tr* from country specific files of Turkey; *occf14ie* from country specific files of Ireland; and *iscocof_RU* from country specific files Russia).

Appendix A.4 other individual characteristics, preferences

Citizenship: dummy variable =1 if the respondent has citizenship of the residence country, 0 otherwise (Source variable: *ctzcntr* in ESS1-ESS6)

Follow TV news less than 2 hours a week: dummy variable =1 if the respondent spends less than two hours of her time watching television, following news or programmes about politics and current affairs, 0 otherwise (Source variable: *tvpol* in ESS1-ESS6).

Important understand different people: dummy variable =1 if the respondent answers "Very much like me", "Like me", or "Somewhat like me" to the statement *It is important to understand people different from me*, 0 otherwise (Source variable: *ipudrst* in ESS1-ESS6).

Attend religious services once a week or more: dummy variable =1 if the respondent answers "Once a week", "More than once a week", or "Every day" to the statement: *How often do you attend religious services apart from special occasions*, 0 otherwise (Source variable: *rlgatnd* in ESS1-ESS6).

Pray once a week or more: dummy variable =1 if the respondent answers "Once a week", "More than once a week", or "Every day" to the statement: **How often do you pray apart from at religious services**, 0 otherwise (Source variable: *pray* in ESS1-ESS6).

Loyal to friends: not like me: dummy variable =1 if the respondent answers "A little like me", "Not like me", or "Not like me at all" to the statement: *It is important to be loyal to friends and devote to people close*, 0 otherwise (Source variable: *iplylfr* in ESS1-ESS6).

Distrust other people: dummy variable =1 if the respondent assigns a score from 1 to 4 to the statement: "generally speaking, would you say that most people can be trusted, or that you can't be too careful in dealing with people? (Please tell me on a score of 0 to 10, where 0 means you can't be too careful and 10 means that most people can be trusted), 0 otherwise" (Source variable: *ppltrst* in ESS1-ESS6).

Job security important: dummy variable =1 if the respondent says "Very important", to the question: *For you personally, how important do you think would be [A secure job] if you were choosing a job?*, 0 otherwise (Source variable: *ipjbscr* in ESS1-ESS6).

Job scarce: more right to men than women: dummy variable =1 if the respondent answers "Agree strongly", "Agree", to the statement: *When jobs are scarce, men should have more right to a job than women*, 0 otherwise (Source variable: *mnrjtjb* in ESS2, ESS4, ESS5).

First language spoken: Latin linguistic family: dummy variable =1 if the language most spoken at home (first mentioned) belongs to the Latin Family according to the CIA world factbook (Source variables: *linghoma* in ESS1-ESS4, *linghom1* in ESS5, ESS6).

Appendix A.5 other country characteristics

World Development Indicators (WDI) the CEPII Gravity Dataset (CEPII). The reader will find below a precise description of the variables.

education expenditure, % of GDP: total public expenditure (current and capital) on education expressed as a percentage of GDP in a given year. Public expenditure on education includes government spending on educational institutions (both public and private), education administration, and transfers/subsidies for private entities (students/households and other private entities) (Source: World Bank, World Development Indicators).

education expenditure, % of public expenditure: total public education expenditure (current and capital, see definition above) expressed as a percentage of total government expenditure for all sectors in a given financial year (Source: World Bank, World Development Indicators).

enrollement rates, primary education: Net enrolment rate. Primary. Total is the ratio of children of the official primary school age who are enrolled in primary school to the total population of the official primary school age. (Source: World Bank, World Development Indicators).

enrollement rates, secondary education: Net enrolment rate. Secondary. All programmes. Total is the ratio of children of the official secondary school age who are enrolled in secondary school to the population of the official secondary school age (Source: World Bank, World Development Indicators).

Pupils to Teachers ratio, primary (secondary) school: Number of pupils enrolled in primary (secondary) school divided by the number of primary (secondary) school teachers, computed by the UNSECO Institute for Statistics (Source: World Bank, World Development Indicators).

PISA score, reading (science): Mean performance on the reading (science) scale. Average score of 15-year-old students on the PISA reading (science) scale. The metric for the overall reading (science) scale is based on a mean for participating OECD countries set at 500, with a standard deviation of 100 (Source: OECD Programme for International Student Assessment, PISA)

Linguistic proximity between origin and residence country: Unadjusted level of linguistic proximity between the origin and the destination country; we assume the index is equal to 1 when the country of origin is the same equals to destination (Source: Melitz and Toubal [?], based on data from the Automated Similarity Judgment Program, ASJP)

GDP per capita (level, annual growth): GDP per capita (constant 2000 US\$) GDP per capita is gross domestic product (GDP) divided by midyear population. This measure is also used to compute annual percentage growth rate of GDP per capita (Source: World Development Indicators, based on World Bank national accounts data and OECD National Accounts data files).

employment to population ratio: Employment to population ratio, 15+, total (%) (modeled ILO estimate) Employment to population ratio is the proportion of a country's population that is employed (Source: World Development Indicators, based on International Labour Organization, Key Indicators of the Labour Market database).

unemployment rate: Unemployment, total: share of the total labor force that is without work but available for and seeking employment (Source: World Development Indicators)

tors, based on International Labour Organization, Key Indicators of the Labour Market database).

80/20 (90/10) percentile ratios: Ratio between the income share held by the highest 20% (highest 10%) and the income share held by the lowest 20% (lowest 10%) (Source: World Development Indicators, based on various sources).

Unemployment benefits replacement rate: average of the net unemployment benefit (including SA and cash housing assistance) replacement rates for two earnings levels, three family situations and 60 months of unemployment (Source: OECD, Tax-Benefit Models.)

Trade Union density: Percentage of employees who are members of a trade-union (Source: OECD Employment Outlook).

Appendix B First stage estimates: Individual and country-specific determinants of Preferences for work

Female	0.01 (0.01)
Age 15-20	0.05*** (0.02)
Age 20-30	0.02* (0.01)
Age 30-50	0.01 (0.01)
Secondary education	-0.03*** (0.01)
Primary education	-0.04*** (0.01)
Married	0.00 (0.01)
Separated/Divorced	0.01 (0.01)
Widowed	0.03 (0.02)
Children in the family	-0.00 (0.01)
Father: secondary education	-0.02 (0.01)
Father: primary education	-0.00 (0.01)
Father: self-employed	0.00 (0.01)
Father: professional	-0.02 (0.02)
Father: technician	-0.06*** (0.02)
Father: clerk	-0.05*** (0.02)
Father: service worker	-0.05** (0.02)
Belgium	0.21*** (0.02)
Bulgaria	0.35*** (0.02)
Switzerland	0.18*** (0.02)
Czech Republic	0.15*** (0.02)
Cyprus	0.26*** (0.03)
Germany	0.21*** (0.02)
Denmark	0.20*** (0.02)
Estonia	0.16*** (0.02)
Spain	0.14*** (0.02)
Finland	0.21*** (0.02)
France	0.20*** (0.02)
UK	0.12*** (0.02)
Greece	0.22*** (0.02)
Croatia	0.17*** (0.03)
Hungary	0.23*** (0.02)
Ireland	0.20*** (0.02)
Israel	0.28*** (0.03)
Lithuania	0.11*** (0.03)
Netherlands	0.19*** (0.02)
Norway	0.23*** (0.02)
Poland	0.17*** (0.02)
Portugal	0.16*** (0.02)
Russia	0.11*** (0.02)
Sweden	0.13*** (0.02)
Slovenia	0.10*** (0.02)
Slovakia	0.17*** (0.02)
Ukraine	0.16*** (0.03)
R sq.	0.14
Observations	25526