Abstract:

Previous research has shown that unemployment represents a scarring event in the individual life course. This paper investigates the potential integrative power of temporary jobs for unemployed workers. On the one hand, temporary jobs serve as a “stepping stone” and give the unemployed the chance of gathering experience, contacts and signalling their employability. On the other hand, temporary jobs might represent “dead ends” inducing cycles of insecure precarious positions. Thus, it might be better to reject temporary job offers. In this respect, studies on unemployment scarring promoted the beneficial role of welfare state support allowing unemployed to search longer for better jobs instead of directly accepting low-quality temporary jobs. However, whether the “stepping stone” or the “dead end” finally dominates remains an empirical question and it should depend on the institutional and economic context.

Comparing the integrative power of temporary jobs in Germany, Great Britain and Switzerland should deliver insights into the mediating role of the institutional and economic context. While the liberal British welfare state with its flexible employment regime contrasts the conservative German welfare system and protected, occupationally-structured German labour market, Switzerland mixes liberal and conservative elements with a flexible, occupationally-structured labour market.

The analyses are based on the British Household Panel Study, the German Socio-Economic Panel and the Swiss Household Panel Survey for the period 1992–2010. Using an inflow sample of unemployed, the longitudinal data structure allows analyzing the long-term employment chances and scar effects of unemployment for those who take up a temporary job. Scar effects are measured in multiple ways based on income and occupation mobility data. In order to estimate "causal effects" a dynamic propensity score matching approach is used, which combines propensity-score matching techniques with event history analysis.