Multigenerational Living Arrangements among Migrants

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In the literature on the economic integration of migrants in Germany, the most commonly considered indicators of the degree of integration are wage convergence, employment probabilities, occupational choices or welfare dependence. In this context, the analysis of the household structure has been mostly neglected. This is a shortcoming as the household composition has a strong impact on the relative economic position as well as on the labor market behavior of individuals. This study shall contribute to the literature by, first, analyzing differences in the household structure between natives and migrants and, second, analyzing differences in the income-generating strategies within multigenerational households using individual-level data from the German Socio-Economic Panel (SOEP) from the years 1984 to 2009.

The first part of this study takes place on the individual level and shows that even after controlling for sociodemographic and socioeconomic characteristics, migrants have a significantly higher probability of living in multigenerational households than comparable natives.

In order to gain more knowledge about the economic importance of additional household members, the second part of this study takes place on the household level and analyzes the income contributions of different household members in multigenerational households. The results show that in migrant households, more household members contribute significantly to the household income if compared to native households.

In migrant households below the at-risk-of-poverty level, the partner of the head of the household is economically more important than in households above this threshold. This indicates that in migrant households, economic constraints are met by an increased income-generating activity of additional household members.

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