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Master in Economic Development and Growth

Intragenerational Mobility in Mexico – The Evolution of the Occupational Opportunities 1960-2011

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Abstract: This study analyses the intragenerational mobility patterns in Mexico from 1960 until 2011. Using the Retrospective Demographic Survey (EDER) 2011, together with simple and multinomial logistic regressions, we estimated the determinants' coefficients of the transition rates to higher, lower, and specific occupational strata. *Exports/GDP* and *Number of workers in the industrial public sector* variables were used to measure the degree of economic liberalization in the country and they showed that higher liberalization levels were associated with lower upward intragenerational mobility and with fewer access to the highest occupational strata. Indeed, after the economic restructuring in the 1980's and the adoption of the neoliberal model, Mexican GDP grew poorly and the economy did not generate enough good quality jobs to foster upward social mobility. Thus, this association between liberalization and lessened upward mobility could be explained because, following the contraction of the public and private formal sector, the informal sector expanded and small-scale low-productivity businesses proliferated, which normally have limited income prospects, lack of access to the credit markets, and are not registered in the national social security programs. In this sense, this study provides additional evidence to support the hypothesis that economic liberalization in Mexico was harmful for occupational intragenerational upward mobility.

Key words: Intragenerational mobility in Mexico, economic reform, NAFTA effects, liberalization effects, social fairness, event history analysis, human capital, status attainment theory, occupational structure, labor market, informal sector, microbusinesses

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Table of Contents

I.	Introduction	3
II.	Literature Review	6
	a. What is Intragenerational Mobility?	6
	i. Supply Side Approaches	7
	ii. Demand Side Approaches	8
	b. The Change of the Economic Paradigm: from ISI to Market-led Development	11
	i. Shift of policies in Mexico in the 1980's	11
	ii. Social Policy	12
	c. The Labor Supply and the Occupational Structure	13
	i. The Labor Supply	13
	1. Human Capital	13
	2. Health and Wealth during Childhood	14
	ii. Mexico's Occupational Structure in the Second Half of the XX c.	15
	1. Low-productivity Jobs: Microbusinesses and Informal Sector	16
	2. Primary and Secondary Sectors	18
	3. Female Labor Force	20
	d. Previous Research on Intragenerational Occupational Mobility in Mexico	21
	e. Expectations Based on Previous Literature and Theories	22
III.	Data and Descriptive Statistics	26
IV.	The Model	45
V.	Results	48
VI.	Conclusions	55
VII.	Bibliography	58
VIII.	Tables and Annexes	62

I. Introduction

In the 1980s, the Mexican economic development strategy was completely restructured. Market-led development and integration into the world economy were the new priorities for the Mexican government (Ocampo, 2004). As a consequence of all the economic adjustments that followed the debt crisis in the 1980's –including social policy, macroeconomic policy, fiscal policy, and others–, and as a result of the economic crisis itself, both poverty and inequality increased considerably (Lustig, 2010): the Gini coefficient increased between 1984 and 1994 from 0.49 to 0.55 and, in the same period, the extreme poverty rate went from 14% to a maximum of 37.4% (OECD, 2010).¹ However, poverty and inequality are not the only dimensions of importance when measuring social fairness. Indeed, economists often overlook social mobility, even though it constitutes both a valid parameter to determine the degree of equity within a society and a necessary condition for people to improve their social position. Furthermore, some studies have proven that more mobile countries have lower degrees of inequality and a good combination of both is desirable from a normative point of view (Cortés et al., 2007).

Sociologists have studied and documented the reduction of upward mobility and the increase of downward mobility derived from the 1980's economic restructuring in Mexico, both in intergenerational and intragenerational terms (Escobar, 1992; Parrado, 2005; Coubès, 2007). Nonetheless, these studies have not recently been updated. Particularly, intragenerational mobility studies are scarce, both because there is usually not appropriate data to carry out this sort of works and because there is a greater concern for intergenerational mobility, as it is more closely linked to the equality of opportunities. Indeed, unlike intergenerational mobility, which links the parents' social position to one's own, intragenerational mobility focuses on the individual career trajectories. This approach provides a clearer insight into the labor market configurations at different historic times, into structural effects on the job opportunities, and it also captures the influence of individual characteristics on job allocations throughout time.

Certainly, updating intragenerational studies is an indispensable task because it enables us to know whether those negative effects –diminished upward mobility and increased downward mobility– had an enduring nature or if they were just temporary. That is the reason

¹ Nevertheless, some improvements were perceivable from 1996 onwards: in 2006 extreme poverty diminished to 13.8% and the Gini index was reduced to 0.47. Some authors attribute this progress to different factors, such as the increase of relative wages for low-skilled workers, the rising share of remittances from US to Mexico, and the

why the current thesis project aims to analyze recent intragenerational mobility patterns and, indeed, will compare them to the patterns that existed before the economic liberalization in Mexico. In order to pursue such objective, the following research questions will be addressed: did the economic liberalization have only temporary negative consequences on the occupational achievement process? Or, rather, is there evidence pointing to the fact that there are structural patterns? Did intragenerational mobility revert from a negative to a positive trend in the same way that inequality and poverty indexes did after the mid-1990s? The results of this study, of course, have potentially important implications in terms of economic and social policy for the country.

It is my hypothesis that the intragenerational mobility patterns did not revert but rather accentuated. Indeed, in order to have intragenerational mobility, an economy needs to generate good quality jobs and that is exactly what Mexico has not been able to offer in recent years. There has been a very poor growth performance (0.6% real GDP growth per capita between 1983 and 2007), even though the predictions were better for the post-NAFTA period (Birdsall et al., 2010). On the one hand, large privatizations of public enterprises reduced the amount of nonmanual jobs that the state used to offer (Parrado, 2005). On the other, informal sector and small-scale low-productivity businesses (microbusinesses)² expanded; in fact, these kind of jobs normally lack of access to the credit markets, have limited income prospects, are not registered in the national social security programs and lack of financial stability (Coubès, 2007). Hence, even though the statistics for inequality and poverty improved (Lustig, 2010), I suspect was not the case for intragenerational mobility because workers were probably less able to allocate themselves in good quality jobs after the liberalization period than before.

Just publicly released in 2013, the Retrospective Demographic Survey 2011 (EDER because of its acronym in Spanish) is the first database that makes it possible to trace the upward or downward intragenerational mobility for people whose labor life occurred throughout the 2000s. Furthermore, it is possible to compare these recent labor histories with those from people who began working in the 60s and were thirty years old before the new economic model came into force. Likewise, there is the information for the people who began working during the 1980s crisis. In this way, it is possible to analyze and compare the different intragenerational mobility patterns for people from three different cohorts in urban areas; they

² Microbusinesses involve from 1 to 5 people in the commerce and service sector and from 1 to 15 people in the industrial sector (INEGI, 2009).

lived at very different stages of the Mexican economy, of its social policy and of its development strategies.

Using discrete-time measures for the analysis of event histories –logit and multinomial logit models– it will be possible to determine the degree of fluidity for these generations and draw conclusions about the evolution of intragenerational mobility in Mexico. The transition rates to higher or lower occupational strata will be the dependent variables in our model that will account for the degree of intragenerational mobility. Our main explanatory variables will allow us to measure in a direct way the degree of liberalization of the economy and their impact on intragenerational mobility: these are *Exports/GDP* and *Number of workers in the industrial public sector*. Other explanatory variables will be *cohort dummies, mobility propensity, real GDP per capita, the urban unemployment rate, education level, health and wealth during childhood, marital status, migration status, ethnic origin, labor experience, age at entry to the labor market, labor interruption, years at the current occupation, and first occupational stratum*. Furthermore, this project will be able to analyze intragenerational mobility for women; a task that is seldom done both because of lack of data and because the female occupational structure might be different from that of men. Many social mobility surveys are not representative for female respondents. Nevertheless, this is not the case of EDER, as it accounts with a representative sample for both female and male respondents in urban areas.

Hence, there will be first a literature review and the existing theories related to intragenerational mobility will be explained, divided in supply side and demand side approaches, as well as how the labor supply and occupational structure evolved in Mexico throughout the last fifty years. Then, there will be descriptive statistics about the data and about the variables included in the models. After that, the econometric models will be specified and the results will be shown. Finally, conclusions will be derived linking the literature and theory with the results.

II. Literature Review

What is intragenerational mobility?

Intragenerational mobility is part of a broader concept: social mobility. Social mobility refers to the movement between social classes or between occupational strata. There are two main sorts of social mobility: the intragenerational and the intergenerational one. Intragenerational mobility might be defined as the change in the occupational or social position occurring within an individual's lifetime. In contrast, intergenerational mobility focuses on the transmission of the socioeconomic status from generation to generation and, thus, compares parents' social position and children's when fully grown (Sorensen, 1975). In this way, intragenerational mobility concentrates more on the individual career opportunities – or lack of them– than the intergenerational one.³ Indeed, intergenerational mobility often looks at the possibilities of status attainment at a particular point in time –for instance, when the individual enters the labor market–. In contrast, intragenerational mobility takes into account all the job positions held throughout a defined period; this enhances a more global vision over an individual's career, and of the whole life course if desired.⁴

There exist many studies of the occupational mobility for Latin America and Mexico, especially performed by sociologists (Coubès, 2007; Parrado, 2005; Cortés et al., 2007). Nevertheless, economists have also carried out their own studies of intragenerational mobility, more from an income perspective than from the occupational one (Duval et al., 2007)⁵. Certainly, the case of Latin America is interesting because there have been several periods of growth, crisis and recession. In spite of this, economic intragenerational mobility has not been very widely studied in the region until very recently because of the lack of suitable data. Indeed, panel data are required to study income mobility and, thus, the studies that cover large spans of

³ Nevertheless, some authors (Sorensen, 1984; Blossfeld, 1986) argue that the questions asked in the intergenerational mobility research are intragenerational in nature, except that they put a special emphasis on the social origin. This interpretation defines intergenerational mobility just as a particular case of the intragenerational one.

⁴ Furthermore, the results of intergenerational mobility will always depend on the ages of parents and children used in the comparison, as a person's position seems to be systematically related to her or his age. In this sense, Blossfeld (1986) indicates the following: "as fathers have sons at different ages and at different stages in their careers, the marginal distribution of origin positions does not correspond to a real distribution of origins in social structure at any point in time" (p. 211). This, of course, gives a clear advantage to the studies focusing on the intragenerational phenomenon over those focusing on the intergenerational one, as the researcher is able to have a better grasp of the processes – historical, economic, demographic or social– that, indeed, culminate in individual status attainment.

⁵ There have been economists who study the social mobility using occupational variables like Gaviria & Székely. In the field of inequality of opportunities, they made a cross-country comparison in Latin America to estimate the influence of the father's occupation (blue or white collar) on his child's occupation (Gaviria and Székely, 2001).

time, say 50 years, are virtually none, at least in the case of Mexico (Duval et al., 2007). In contrast, Balán, Browning and Jelin (1973) were able to study the occupational mobility in Mexico in the 1960's and 1970's for the city of Monterrey. This set an important precedent for the research of social mobility in the country, measured in terms of the occupational status. In fact, recently, sociologists have carried out several studies about Mexico that use retrospective data and are able to analyze the evolution of the labor market structure and of the occupational opportunities from the 1950's until 1998 for both rural and urban areas (Cortés et al., 2007). Anyhow, even though there are differences, both income and occupational approaches are closely related. Escobar (1992) explains it in the following terms:

“Most men's (sic.) class affiliation is based on their occupational status. Although they may derive their income from multiple sources (traditionally in rural areas but also in most urban settings throughout peripheral capitalist economies), their class identity and their place in the social structure are usually believed to depend on one fundamental activity [the job or occupation]. The examination of men's (sic.) mobility and achievement in the labor market and within society's occupational structure has therefore been recognized as a fundamental step in the definition of the class structure, of the range of opportunity within that structure, and of equality or inequality of condition and opportunity offered by it.” (p.1)

In this sense, the present study will focus on intragenerational occupational mobility and the different theories that talk about this phenomenon will be explained and discussed in the following lines. The literature establishes that this kind of mobility is influenced by two different sets of variables: (a) individual factors, such as education, innate ability or family background, and (b) structural sources, such as the occupational groups, the organizational structure, or the sorts and sizes of the existent social classes. We may find different approaches and theories that emphasize more one group of variables than the other. These approaches can be classified in the following way: those that focus on the supply side of the labor market, and those that focus on the demand or on both. We shall begin with the supply side theories.

Supply Side Approaches

In the 1960s and 1970s, *status attainment theory* postulated that the individual characteristics determined the likelihood to obtain better jobs (Blau and Duncan, 1967). The father's position, the personal background, and the degree of education were used as variables to provide quantitative time-constant rates for acquiring or leaving a job (Blossfeld, 1986). One of the main assumptions of this theory is that the positions in the labor market are freely available to anyone with the required skills, regardless of the changes in the labor market structure.

Another approach leaning towards the supply side is the *human capital theory* (Mincer, 1974; Becker, 1975). This approach indicates that the attainment in the job scale depends on the productivity level of the person; furthermore, the productivity of the person is associated to the former investment on human capital. Therefore, a better job represents the due return to a previous investment. In this way, the main channels through which one individual might ascend in the job scale are accumulated experience in the labor force and on-the-job training (Blossfeld, 1986). According to this approach, people are maximizing their investment efforts and their expected returns and, thus, training should be concentrated in the earlier stages of work-life in order to have longer time for recovering the training costs. In this sense, time in the labor force diminishes the probability of acquiring new training and, hence, limits the potential gains in terms of attainment. Likewise, this theory normally assumes that there exists perfect competition within the labor market and within other markets. Even though there are new models that do not hold this assumption like Galor's and Zeira's,⁶ many theorists still do in order to make predictions regarding status attainment (Cunha, 2006). Moreover, this theory also disregards possible changes in the labor market structure. In fact, those changes are understood as exogenous shocks and the model does not explain them in an endogenous way, which other models more focused on the labor demand do. We will look at those models in the following lines.

Demand Side Approaches

An implicit assumption in the supply-side studies of social mobility is that the structure remains unchanged (Sorensen, 1975; Blossfeld, 1986).⁷ However, structural features have

⁶ In fact, it might be the case that there exists no perfect competition in the labor markets or in other markets related to the human capital accumulation process. Indeed, more recently, economists have developed several theoretical models that elaborate on different assumptions. For instance, Galor & Zeira (1993) specify a model in which there are imperfect credit markets. Poor people are less prone to obtaining money loans than rich people. Thus, only rich people (who own more than a certain degree of inherited wealth) are able to make optimal decisions in terms of human capital investment. This generates some poverty traps, which cannot be overcome unless the imperfections in the credit markets disappear. Likewise, there are some new models that take into account moral hazard or adverse selection in order to make more realistic and accurate predictions.

⁷ "The existence of 'barriers' to mobility and the influence of supply and demand for positions in the social structure are largely ignored in status attainment research." (Sorensen 1975, p. 457) "According to human capital theory, the occurrence of a job shift implies that either the employer or the employee is not in equilibrium; job shifts do not occur in equilibrium because no one can improve his present situation. In addition to imperfect information and search costs there may be other exogenous factors, for example, economic or social shocks, new technologies, etc. But human capital theorists do not explain why and how frequently these disequilibrating changes occur. Hence, changing labor market structures and their effects on job mobility are outside the scope of their analysis." (Blossfeld 1986, p. 210)

proven to play an important role when a person tries to attain a determined position in society (Parrado, 2005; Blossfeld, 1986; Sorensen, 1975; Coubès, 2007). Of course, personal characteristics are very relevant to define anyone's job. However, in order for an individual to move to a certain position, there needs to be a vacancy for her or him to occupy; in other words, the occupational structure determines the distribution of opportunities. According to the *vacancy competition theory*, having the necessary personal resources is not enough to obtain a position because the occupational achievement process relies on the distribution of opportunities, which varies over time (Sorensen, 1975).

According to this view, the creation of vacancies is the main mechanism of mobility, rather than the changes in personal characteristics. Personal assets are only useful to “rank job seekers in a labor queue” (Blossfeld 1986, p. 211). Moreover, this theory postulates that an employee is able to decide whether to leave or stay in a determined post. The employee will only leave a job when a better one is available; this explains why the attainment process has diminishing returns –the higher one gets in the job scale, the less likely it is to obtain an even higher positions–. However, the theory only explains how individuals climb in the socioeconomic scale but does not clarify how downward moves come about; downward moves are considered to be exceptions (Blossfeld, 1986). In brief, the *vacancy competition theory* stresses that contractions and expansions in the employment structure will modify the rate of available vacancies throughout the whole job scale. Nevertheless, it does not explain quite precisely how cohort and period effects will influence the opportunities to change positions in the job scale. Here is where Blossfeld's dynamic approach comes in.

Blossfeld (1986) developed a theory that considers the specific historic conditions at time of entry to the labor market, as well as the specific market structures at every point of historical time. He postulates there exist two structures: the structure of qualifications available (labor supply) and the structure of job requirements (labor demand). Both structures are constantly moving forward and backwards, with wider or narrower variances, and they might match or mismatch at different periods in time. Indeed, different societies might experience an upgrading of the employment structures overall. Similarly, they might experience an occupational downgrading or a polarization of the job requirements.

In this sense, the labor market can ‘modernize’, as the occupational distribution shifts from traditional agricultural and manual activities to more managerial, bureaucratic and higher

productivity professional jobs.⁸ An improved labor market might conduct to more opportunities for workers. In contrast, long-term unemployment and ‘non-standard’ employment forms –like temporary work, part-time work, home-work– might also appear (Goldthorpe, 1987); in opposition to the modernizing forces, these cyclical trends might make the economic activity to decline (Blossfeld, 1986). Therefore, Blossfeld (1986) asserts that a *dynamic approach* to the occupational attainment process should take into account both the modernization of the labor market conditions and its cyclical development, together with the impact that such trends might have on the two different structures he talks about.

Furthermore, Blossfeld (1986) argues that any comprehensive analysis of career opportunities should consider three kinds of variables: (a) those that account for the cohort effects, (b) those that account for the time spent in the labor force and individual characteristics, and (c) those that account for the actual historical time. Now, we will explain why each of these groups of variables is important. He stresses that the first group of variables, *the cohort effect*, indicates the state of the labor market at the time of entry. If the labor market conditions are relatively better over time, the new entrants of each cohort should show, in average, higher levels of attainment. However, the higher the attainment at entry to the labor market, the less likely it will be to obtain a better job further on and, therefore, this will cause lower upward mobility rates. Thus, the state of the labor market at the time of entry is relevant. The second group of variables is related to the *life-course effects*; labor experience, job-training, education, marital status, and migration status might vary over time and affect the likelihood to go up or down in the occupational scale. Of course, it is important to consider this set of variables, as better personal resources might increase the possibility to obtain an available job – like the supply sided theories suggest–. The third group of variables is related to the *period effects*. If the economy is not growing or the occupational structure is not generating new vacancies and new sorts of jobs, the career opportunities might decrease considerably. Thus, a comprehensive approach of the intragenerational mobility process should acknowledge the existent interplay between individual and structural features that have been outlined in the previous lines.

⁸ Goldthorpe (1986) gives an example of how industrial countries have modernized their occupational structure: “More advanced industrial nations show with an impressive regularity that the greatest increases in nonmanual employment over recent decades have occurred not in relatively low level clerical, sales and personal service grades but rather in professional, administrative and managerial occupations; and further, that the major decreases in manual employment have been in the less skilled rather than the more skilled categories.” (p.10)

Furthermore, Diprete and Graaf (1997) stress that the welfare state policies have an impact on the job mobility regimes too, because they have the possibility to make adjustments to structural changes –shifts in markets, shifts in technologies or changes in the demand for particular forms of labor–. Diprete and Graff (1997) make a comparison between four different countries – Sweden, U.S., Germany and Netherlands– and group them according to the sort of institutions and welfare states they have –liberal, conservative and social democratic–. The authors argue that the institutional forces (collective bargaining, laws, union strikes, administrative regulations, cultural forces) create incentives and disincentives for individual and corporate adaptive responses. These incentives and disincentives might change the balance between diverse sorts of mobility; for instance, entry into the labor force, job mobility for those in the labor force, interruption of midcareer workers, or definite retirements. For instance, if there is a bad pension system or no pension system at all, an individual might consider working more or fewer years. Likewise, if there is an industrial policy, the state will directly determine which sectors expand; thus, workers will flow from the declining sectors into the expanding ones (Diprete et al., 1997). This is relevant in the case of Mexico because, as we will see further on, the industrial policy, the trade policy and the social policy have all changed after the 1980's.

The Change of the Economic Paradigm: from ISI to Market-led Development

The Shift of policies in Mexico in the 1980's

During the 1980's, Mexico and all Latin America suffered one of the worst debt crises and recession periods in recent times (Birdsall et al., 2011). Latin America had been carrying out since the 1950's the import substitution industrialization strategy (ISI), an inward oriented economic model –based on the dependency and structuralist theories heralded by the ECLAC⁹–, which focused on the development of the national industries through state intervention, by having an active industrial policy and by restricting imports with tariffs and quotas (Birdsall, 2011). Around the late 1970's, ISI began to display signs of exhaustion, as the subsidies meant for industrialization increased and the associated macroeconomic imbalances augmented. The sharp rise on international interest rates and the fall of oil prices combined submerged Mexico and other countries in the region in a profound recession. In this way, while experiencing the debt crisis of the 1980's, many Latin American countries turned their

⁹ Economic Commission for Latin America and the Caribbean.

backs to the former ISI strategy and embraced the new outward-looking model, which emphasized the free-market economy rules (Birdsall, 2011) and the capitalization on the comparative advantages in primary goods (Parrado, 2005). Not only did the economic, trade and industrial policies changed –Mexico privatized 82% of its public firms from 1982 to 1993, joined GATT in 1986 and NAFTA in 1993–, but also its social policy diverged from previous stages.

Social Policy

Mexico began to adopt a social policy that agreed entirely with the views of the Washington Consensus. In part, this was the result of a regional trend: many Latin American countries drove away from the guidelines that emphasized the importance of ensuring the basic ‘social rights’ to the approach that focused on ‘poverty reduction’ within a functional market economy. Thus, private sector gradually became in charge of some social security services, which had been typically under the state’s management –like the housing service and the pension funds– and the state’s social role limited to a minimum intervention that would try to incorporate the most marginalized to well functioning and flexible labor markets (Barba, 2011).

Indeed, social policy in Mexico went through a change of paradigm around the 1990s that had several implications in terms of social welfare and of labor supply. From 1940 to 1982, Mexico designed its social policy to complement the State-led industrialization strategy. Although other Latin American countries performed better in social development terms because they introduced more universal social security systems –such as Argentina, Uruguay, Chile and Costa Rica–, Mexico managed to develop a corporative system that covered formal sector workers –it reached 38% of the population by 1978–, which was complemented by programs targeted to the unemployed and to rural areas. Even though there remained large sectors of society which were excluded from the social policy’s benefits, some progress was perceivable: the Gini coefficient was reduced from 0.606 in 1963 to 0.501 in 1984, moderate and extreme poverty were alleviated to certain extent, and there was a constant expansion of the middle and higher income classes, which was associated to increasing upward mobility (Barba, 2004). Indeed, at the time, the social order did not rely not on the market forces, but on the political and social institutions.

In the 1980’s, because of the debt crisis, Mexican government simply decided to spend less money in social matters –offering poorer quality in the health, education, social security,

and housing services– but social policy did not shift its orientation at this point. In the 1990’s, during the administration of Salinas de Gortari, the country adopted a social policy in agreement with the neoliberal agenda. In this sense, Mexico and other Latin American countries launched some Conditional Cash Transfer Programs, which were aimed to provide to the poorest with human capital –in other words, health and education– for them to be able to take advantage of the market opportunities; the Mexican program was called PROGRESA and later Oportunidades. Moreover, the government made considerable investments in basic education, expanding to a very high degree the coverage of primary and secondary schools but not improving the quality in a significant way.¹⁰ Finally, the policy of general subsidies on food stopped and some targeted subsidies exclusively for rural areas were created to minimize the negative effects on poverty (Barba, 2011).

The Labor Supply and the Occupational Structure

In the following section, we will elaborate on how the modifications of economic model and of public policies affected both the labor supply (structure of qualifications) and the labor demand (structure of job requirements). In the first part, we will try to address the fact of how education and health levels changed. In the second part, we will pay more attention to the multiple transformations that the Mexican occupational structure suffered before and after the debt crisis. This will be done because, following Blossfeld’s dynamic approach to intragenerational mobility, the changes in these two structures (job requirements and qualifications) shall explain the social mobility patterns we are analyzing. In general terms, it seems that the policies improved the labor supply conditions and worsened the labor demand ones.

The Labor Supply

Human Capital

On the one hand, following the investments that the government made on basic education, the share of workers having less than lower secondary education dropped from

¹⁰ Actually, a large problem in Mexico is the quality of education. Much of it is due to the fact that the teacher’s union managed to consolidate a considerable political power and have succeeded to prevent reforms that attempt to evaluate the teaching quality. For instance, there are no checkups or controls that allow authorities to know if teachers attend to the classrooms or teach the due material. Furthermore, many rural areas do not have permanent teachers, only temporary ones. This might result in a serious problem as children do not have any continuity in their methods of study; there is no effective mechanism that guarantees that experienced and compromised teachers will arrive to the rural schools, especially if rotation is as high (Elizondo, 2009).

55% to 33% between 1989 and 2006 (Lustig et al., 2010).¹¹ In this way, the share of unskilled workers in the labor force decreased. In fact, this provoked the relative wages for low-skilled workers to increase and, hence, inequality reduced in the country between 1996 and 2006 (Lustig et al., 2010; Esquivel, 2008).¹² Nevertheless, despite the rapid increase in the educational levels and despite the subsequent change in the composition of the labor force, there is evidence to believe that the newly educated people did not manage to obtain salaried jobs in the formal sector (Parrado, 2005).¹³ As Parrado (2005) argues, the occupational opportunities in Mexico might not have managed to grow as fast as the human capital did. In terms of Blossfeld's theory, we could suspect that the structure of occupations or of job requirements did not modernize as fast as the structure of qualifications, producing a mismatch.

Health and Wealth during Childhood

On the other hand, Oportunidades has been proven to improve nutrition levels for children in rural areas, as well as the usage of health services and mortality rates (Mayer Foulkes, 2008). Similarly, Mayer Foulkes (2008) indicates that little girls in poor rural communities under the program have improved their motor skills and socioemotional development. Nonetheless, the author indicates too that, in the case of boys, there has not been a significant improvement in terms of cognitive development. Certainly, it is important to consider the impacts on health at early stages because it might be determinant in terms of social mobility (Svensson, 2003; Mayer Foulkes & Olivo, 2008).

Certainly, childhood and prenatal periods are critical for the physical and mental development of any human being. The literature indicates that, especially, undernutrition and

¹¹ “This educational upgrading of the labour force is associated with important changes in government spending on education. First, since the end of the 1980s, overall education spending increased, with the largest increases in spending going to basic education. Between 1992 and 2002, spending per student in tertiary education expanded in real terms by 7.5 percent while it rose by 63 percent for primary education. The relative ratio of spending per student in tertiary versus primary education thus declined from a historical maximum of 12 in 1983–1988, to less than 6 in 1994–2000, by comparison, the average ratio for high-income OECD countries is close to 2” (Lustig et al. 2010, p.38).

¹² It is a well acknowledged fact that, in the mid-1990s, poverty and inequality diminished substantially in Mexico: while extreme poverty was reduced from 37.4% in 1996 to 13.8% in 2006, the Gini coefficient fell from 0.543 in 1996 to 0.498 in 2006 (Lustig et al., 2010) There are many explanations to why this could have happened. In the case of inequality, Nora Lustig, John Scott and Gerardo Esquivel (2010) argue that there were three factors that affected the inequality trends: (a) relative wages for low-skilled workers increased, (b) the share of remittances from US to Mexico rose, and (c) Mexican government expanded the monetary transfers targeted to the poor.

¹³ However, Parrado (2005) argues that occupational classes did not grow as rapidly as the educational levels in Mexico did, especially the professional class, whereas the percentage of people with undergraduate studies increased significantly. This could point to the fact that the economy might not have been able to incorporate better educated people into formal salary jobs and, rather, these people went into the informal sector.

exposure to diseases at early stages of life might result in hypertension, diabetes, appendicitis, asthma and other diseases later in life (Van der Gaag, 2002; Svensson, 2003). Thus, low health levels during infancy might persist until adult life, which might affect academic formation and professional development. Indeed, good health in this critical period has proven to result in higher schooling levels and better cognitive capacity (Cynader and Frost 1999; Myers 1994). In addition, there are several studies over the world that have provided evidence to show that there is a link between social mobility and good health at early stages.¹⁴ In the case of Mexico, Mayer Foulkes (2008) shows that there might even be a human capital poverty trap, as poor parents with poor health will be more likely to offer both poor education and inadequate sanitary conditions to their children. Thus, both health and wealth during childhood should be taken into account when studying intragenerational social mobility.

Nonetheless, Oportunidades program has mainly addressed and improved the health conditions in rural areas. The present study focuses on urban areas and, thus, the improvements in the poorest decile of Mexican society might not be reflected in terms of intragenerational mobility very clearly. People who grow in rural areas and, then, move to a city might account for the health increase but, otherwise, it will go undetected. All the other way around, it could be the case that stopping the policy of general subsidies on food (which benefited mainly urban areas) affected health conditions in the cities in a negative way.

Mexico's Occupational Structure in the second half of the XXth century

After 1940, the national occupational structure modernized quickly; the agricultural activity lost importance and some urbanizing and industrializing trends appeared in the country (Escobar, 1992). In 1940, around 67% of the national working labor force was in the agricultural sector and, by 1970, the figure had diminished to 39.39%. In the same way, from 1940 to 1970, the industry and construction increased from 12.73% to 23%, mostly under the ISI model. Also, services, transport, trade and other tertiary activities went from 19% to 32% in the same span of time (INEGI, 2009). Mexico grew robustly during the height of the ISI period during the sixties. Likewise, Mexico, as an oil exporting country, took advantage of the high oil international prices in the seventies. Thus, between 1960 and 1981, real GDP grew at an annual average rate of 6.75%. Furthermore, towards 1975, half of the workers in the

¹⁴ Indeed, this relation between health during childhood and social mobility is not so new. Svensson (2003) provided evidence to show that undernutrition could be determinant in order to become a farmer in Sweden throughout the XIXth century, instead of being a landless person. Indeed, undernutrition during childhood affect adult health and, therefore, regardless of the time or place, it will affect the person's capacity to perform her or his current activities.

secondary sector were unionized and were included in the social security programs. Nonmanual workers gained importance between 1940 and 1980 going from 18.6% to 35% and domestic service workers, together with self-employed and family workers, decreased from 48.6% to 23.9% of the labor force in this period (Escobar, 1992).

A good deal of the qualitative change of jobs in higher strata was due to government employment –which inaugurated several public enterprises in the 1960’s and, by 1975, it hired already around 14% of the working people in the country–, but also the improvement was due to the modernization of the industry and to the accelerated growth of modern private services (Escobar, 1992). However, the high rate of transformation of the structure slowed down in the late seventies; self-employment and family-work increased again (García, 1988). In the 1980’s, urban growth deteriorated, real interest rates rose and external debt increased throughout the crisis. In fact, between 1983 and 1988, real GDP annual growth drastically slowed down to 0.21%. Thus, nonmanual strata lost ground in the occupational structure; government and corporate employment stagnated in this decade. Furthermore, real wages decreased and pushed more workers –including female workers– into employment but in marginal occupations (Escobar, 1992)–; informal jobs augmented around 80% between 1980 and 1987 in absolute terms to such extent that 33% of the labor force could be found in the informal sector by the end of the decade (ECLAC,1989). Self and family employment began rising again in the late seventies and rose far more in the 1980’s.

After the crisis, the new market-led model did not fulfill its original expectations and growth between 1988 and 1999 reached in average 3% annually and the population grew 2% annually (Aparicio, 2011), which did not counterbalance for the former recession period. As a result, informal sector expanded even more and poor quality jobs appeared in the tertiary and secondary sectors, as it will be outlined in the following sections.

Low-productivity jobs: Microbusinesses and informal sector

Between 1990 and 1999, nine out of ten jobs created in Latin America were related to the service sector, 70% of them in low-productivity activities (Klein & Tokman, 2000); Mexico was no exception. According to Prebisch, economic development must entail not only positive GDP growth rates, but also the incorporation of the growing labor force into the productive economy (Sáinz, 2003). Thus, the informal sector expansion seen in the region could have resulted from a rapid population growth outpacing economic growth. In the 1980s, economic

growth in the Latin-American region reported a figure of 12%, whereas the labor force grew 33%. In the following decade, GDP grew 33% and labor force 30% (Sáinz, 2003). In this case, the balance of both decades shows a greater increase in the labor force than in the region's GDP.¹⁵

In Mexico, during 1990, 46.13% of the labor force was concentrated in the tertiary sector of the economy and, by the year 2000, it was 54.78%. In 2010 it reached 60% of the working people (BEI, 2013). However, many of the people involved in the tertiary sector carried out their activities from microbusinesses. Microbusinesses are low-productivity small-scale businesses, which have limited income prospects, lack of access to the credit markets, are financially unstable and offer no social security (Coubès, 2007). In addition, 8 out of 10 microbusinesses neither maintain any accounting operations nor are officially registered in the fiscal system for the payment of taxes (INEGI, 2013). Moreover, more than half of these businesses do not have a fixed post (are ambulant) and, thus, operate within the informal sector.¹⁶ By 2010, 19 million and a half of people were working in microbusinesses, which constituted 50.4% of the labor force involved in non-agricultural activities and 42% of the total labor force (BEI, 2013), which means that a very large amount of people in Mexico work in these small-scale low-productivity businesses with poor labor conditions.

Pérez Sáinz (2002) indicates that the reduction of jobs in public and private sectors and the more precarious labor conditions pushed unemployment, underemployment, self-employment, and migration to the U.S. up. Similarly, this author supports the Prebischian view and indicates that microbusinesses in Mexico could have proliferated because the growing labor force integrated deficiently into the formal sector. Moreover, those who managed to integrate grasped lower wages and lower purchasing power, as a result of the crises and of labor flexibilization (Sáinz, 2002).¹⁷ Thus, small-production units with less than 5 workers

¹⁵ More recently, in the case of Mexico, from 1998 to 2008, GDP grew 30% whereas the labor force grew about 23% (INEGI, 2009).

¹⁶ By 2012, 62% of the microbusinesses did not have a fix post. Moreover, three quarters of the microbusinesses are concentrated in the tertiary sector. Nevertheless, it is hard to keep a fair counting of the expansion of microbusinesses for the entire period we are studying in this project (1960-2011); only since 1992 the Labor Ministry and the National Statistics Agency began to make a survey that attempted to measure and now about the characteristics of microbusinesses. Indeed, these governmental agencies began these tasks because they realized of the tremendous expansion and the new importance that this sort of businesses had for the development national economy. Of course, the attempt is to incorporate all the microbusinesses in the formal sector but this has not been a successful task so far (INEGI, 2013).

¹⁷ Even though there were no large reforms in the labor law, it could be argued that minimum wages were kept down in order not to interfere with the labor markets. Real minimum wages decreased by 65% between 1980 and

(microbusinesses) started to represent an occupational alternative for the low-income population. In this sense, small-production units appeared as a social institution, which palliated the exclusion of the large amounts of people lacking of formal jobs and of social security protection (Sáinz, 2002).¹⁸ Thus, the increase of low-productivity jobs and underemployment in Mexico could have derived from the slow economic growth that did not generate enough formal jobs for the growing labor force.

Primary and Secondary Sectors

In a parallel way, the primary and secondary sectors went through drastic changes from the 1990's onwards. The agricultural (primary sector) was gradually relegated to the activity with less labor force, even though Mexico had been encouraged to exploit its competitive advantages when it entered NAFTA; by 1990, 22.65% of the working labor force was in the primary sector. By the year 2000, the figure diminished to 18% and, by 2008, it lowered to 13.3% (INEGI, 2009). Furthermore, the industrial sector (secondary one) transformed considerably more from a qualitative than from a quantitative point of view. In 1990, 27.79% of the working labor force was in the industrial sector; at this point it stopped growing and stagnated in relative terms. By 1995, it was 24%; by the year 2000, it was 26.7%; and by 2008 it was 25.4%. In contrast, from a qualitative point of view, the industrial sector changed completely in Mexico. On the one hand, the industrial public enterprises were either sold or liquidated between 1982 and 1993; this was the case of the branches of NAFINSA and SOMEX, SIDERMEX (iron and steel industry), the banking sector, the railroad industry, the telephone industry, the fertilizers industry, the sugar refining industry, the Mexican airlines, and the airports (Roy, 2006). The public enterprises in the industrial sector went from hiring around 244 thousand employees in 1982 to having 25 thousands in 1993 and 7 thousands in 1999 (SCNM, 2002). On the other hand, the private industries that started to appear were meant to satisfy the foreign markets that NAFTA had opened up for Mexican trade.

Indeed, between 1960 and 1998, the contribution of exports of goods and services increased from 8 to 31% as a share of the GDP. Mexico became the most dynamic exporter and diversified in Latin America, and 90% of Mexican exports headed to the US in the 1990's (ECLAC, 2004). Nonetheless, this integration into the global economy implied a drastic

1995 (Parrado, 2005). In fact, the labor law, which reduces considerably the cost of firing workers, and does not oblige the registration to the social security programs just came about in 2012.

¹⁸ In the last decade, between 2000 and 2010, around 64% of the employed labor force would not be included in any kind of social security program (INEGI, 2013).

change in Mexico's previous industrialization trajectory. Parrado (2005) suggests that the cluster effects that used to exist within the national industry disappeared; the former forward and backward linkages within national manufacturing were replaced by a mechanism that imported inputs and exported outputs without generating any multiplying effects within the national economy. While the assembly activities in Mexico's manufacturing sector expanded significantly at the end of the 1990's, small and medium-scale industries that were not able to cope with global competition went into bankruptcy (Robertson, 2000). As of mid-1997, actual bankruptcies recorded were estimated at 28,000 since the signing of NAFTA (EPI, 1997).¹⁹ Therefore, the small and medium industries that disappeared stopped offering jobs and were replaced by other industries directly related to import-export activities, many of which offered poorer working conditions (Cooney, 2001): the maquiladoras, for instance, are an emblematic example of it. Indeed, having lower wages, longer work weeks, underpaid overtime, higher levels of intensity and stricter workshop control are some of working conditions that have been documented by social scientists in the case of maquiladoras (Cooney, 2001).²⁰ In this way, the percentage of manufacturing that the maquiladoras represented in Mexico increased from 7% in 1985 to 27% in 1996 and became 35% in 2000 (Cooney, 2001).

In brief, in absolute terms from 1991 to 2008, the tertiary sector grew 75.9% from 15 million to 26 million workers, the secondary sector grew 58.7% from roughly 7 million to 11 million workers, and the primary sector reduced in 29.7% from 8 million to 5.8 million workers (INEGI, 2009). Thus, the tertiary sector was the one that grew more in absolute and relative terms throughout the last 20 years, right after the 'lost decade' under the new economic model with the neoliberal public policies; nevertheless, as it was mentioned, the main growing factor of the tertiary sector were low-productivity microbusinesses, which damaged considerably the occupational structure (Coubès, 2007). In addition, although the

¹⁹ "Pedro Salcedo, president of the National Association of Transformation Industries, which represents medium-sized and small manufacturers, stated toward the end of 1996 that between 300,000 and 400,000 such manufacturers could collapse in the short run" (Cooney 2001, p. 58).

²⁰ "Devon Peña (1997) has conducted a long-term in-depth study of the plant conditions in the maquiladora sector, predominantly electronics assembly in the Ciudad Juarez... One departmental superintendent told him: 'The first reason for being [in Mexico] is low-cost labor. The second reason is productivity—it is much higher here. In the U.S. union negotiations often determine productivity standards. Not here. In Mexico, the firm itself solely determines the standards... The absence of a union means that we have a virtual haven for productivity, free of bargaining fetters. This is so much easier than the U.S.' Management control is much greater in Mexican maquiladoras, mainly because of the absence of independent unions. The more precarious a work force and the less workers' rights are enforced, the more management is able to force over time, increase the length of the working day or work week, increase the intensity of work, dock pay, and hire and fire at will (especially workers who attempt to organize)." (Cooney 2001, pp. 64-65).

industrial sector actually grew in absolute terms, it did with an outward-looking strategy that, in fact, could have impoverished the labor working conditions. Thus, a polarization of the job requirements structure took place expanding on both higher and lower job requirements. In this way, very technical nonmanual jobs for high-skilled workers appeared in the last twenty years and many low-productivity jobs did too.

Female Labor Force

Women have increasingly incorporated into the labor force in Mexico for four decades now. In 1970, 17.6 women out of a hundred had joined the labor force (INMUJERES, 2013). By 1991, the rate was 31.5%; by 2000, 36.4%, and by 2010 it was 42.5%—in the case of men, the rate in 2010 was 77.5%—. However, there are features that are still more prevalent in the case of female workers, such as the frequent interruption of the labor careers.

Zavala (2004) indicates that labor interruption is the single most exceptional characteristic of female labor. They tend to drop out of the labor force more frequently than men; this might be due because they tend to take care more often of activities within the household that are not easily compatible with work (Zavala et al., 2004). This has negative repercussions in terms of female social mobility and of future income. People with interrupted labor histories are less likely to be promoted or to find better jobs: labor experience is not accumulated in a continuous way and, thus, the learning process is intermittent and slower. Thus, when women come back to the labor force, they might get only part-time jobs, worse quality jobs or the same ones they had before leaving it. In contrast, labor interruption in the case of men usually takes place for shorter periods of time and they normally have some positive effect over their labor career (Zavala et al., 2004).

Since the early years of ISI, women entered in large numbers to lower nonmanual occupations. In fact, compared to men's, female employment structure showed large numbers of nonmanual workers (teachers, nurses, office clerks, secretaries). Nevertheless, during the 1980's crisis, participating women increasingly entered into the lowest occupational strata. In this sense, female employment structure suffered more than that of men;²¹ in other words,

²¹ “In 1976, participation was clearly concentrated among more highly educated, single women, and the presence of small children in the household strongly inhibited it. By 1987, education no longer had a positive impact on participation, and the presence of small children in the household was not inhibiting it either. In other words, unschooled, married women were remaining in employment - or entering it - in spite of their small children and of the fact that child care centers, nominally a part of the Mexican Social Security Institute (IMSS), are inadequate and scarce.” (Escobar 1992, p.1)

women professionals lost ground in the employment structure. Because of this, manual sectors have a higher share of women nowadays than before (Escobar, 1992).

Previous Research on Intragenerational Occupational Mobility in Mexico

There are several economists and sociologists who have studied social mobility topics in Mexico. Especially, intergenerational mobility has been widely analyzed. Nevertheless, occupational intragenerational mobility has been scarcely studied in the last few years. Until very recently, there did not exist adequate databases that allowed studying this topic in a thorough manner. Thus, we will see which intragenerational social mobility papers were written and which methodologies were used in the case of Mexico.

Agustín Escobar (1992), in “The Sociodemographic Effects of the Crisis in Mexico”, studies the intragenerational occupational mobility patterns in Guadalajara, the second largest city in Mexico, throughout two contiguous and contrasting periods: from 1976 until 1982 (oil boom) and from 1982 until 1990 (debt crisis). Escobar (1992) examines the intragenerational occupational trajectories of 1,400 women and 3,600 men living and working in Guadalajara, Mexico, in June-August 1990. Using a short version of a classic life retrospective history schedule –only with the job’s characteristics of 1975, 1982 and, of course, 1990– the author generated social mobility tables for both men and women, and compared the odds of going up vs going down in the occupational scale before and after 1982. The study is in nature descriptive and the author does not attempt to include more explanatory variables for the mobility patterns, other than the periods in which the transitions studied took place. He found that the debt crisis in the decade of the 80’s affected men’s and women’s social mobility in different ways. On the one hand, women’s downward mobility increased much more than upward mobility because, during the crisis, women obtained jobs in the lower manual occupational strata. On the other hand, both men’s downward and upward mobility augmented. He concludes that the mobility patterns of women are much more context-dependent than those of men. Nevertheless, his data have the shortcoming of ignoring the people who entered the labor force during either period, as well as those who died, left the city or quit employment; indeed, these groups are not in his sample. In this sense, it is a study of the trajectories of a population converging in the Guadalajara in 1990; a population with diverse trajectories but the same final outcome. This, however, is a common problem for all retrospective data.

In the article “Economic Restructuring and Intragenerational Class Mobility in Mexico”, Emilio Parrado (2005) uses data from the National Retrospective Demographic Survey 1998 (EDER) to study the intragenerational mobility patterns on a national scale. The EDER 1998 allowed for the first time to carry out a study like this. It contains retrospective data and is representative for both urban and rural areas. Using three different cohorts of men (1936-1938, 1951-1953, 1966-1968), he connects the different development strategies of Mexico (ISI and market-led) with the individual career opportunities. The author employs logistic regressions to study the trends of upward and downward mobility. He restricts his sample to the individuals between 8 and 30 years old. He finds that his youngest cohort experience less upward mobility and more downward mobility than the middle and mature cohorts. He interprets these trends as the results of the diverging economic contexts that these cohorts were living in and of the development strategies that the country was following during these periods. He concludes that, under the neoliberal regime, the occupational opportunities failed to keep pace with rising human capital in Mexico.

Marie-Laure Coubès (2007) does not study exactly intragenerational occupational mobility but she studies the probabilities of having an occupation in microbusinesses before and after the 1980’s with the EDER 1998. Using logistic regressions, and event history analysis, she calculates the likelihood of transitioning to occupations found in microbusinesses throughout an individual’s career. She finds that the youngest cohort, indeed, experiences more transitions to small-scale businesses than older cohorts and she associates this fact with the structural changes that took place in Mexico during the 1980’s. She states that this pattern was not specific to a particular economic activity (like trade or services); thus, she suggests that this phenomenon could have deeper structural raisins under the new economic model.

Expectations based on previous literature and theories

Trade liberalization and minimum state intervention were the reactions to the debt crisis in the 1980’s. These two reactions, plus the crisis, had deep repercussions on the labor market and on the national occupational structure. Informal jobs and small-scale low-productivity activities proliferated, the public industry was privatized, and the private industry became export-oriented. Moreover, there are some studies that suggest that intragenerational mobility patterns changed in the short-run: upward mobility decreased and downward mobility increased. However, these studies do not use any concrete variable, other than the cohort

effect, to measure the impact of the economic liberalization over the social mobility patterns. That is the task that this research project will address.

Using two key variables to measure liberalization and two more variables to control for the debt crisis, we will estimate the impact on the intragenerational mobility. The first variable to measure liberalization will be the share of exports in relation to the GDP. Indeed, this variable will account for the drastic changes that occurred within the national industry; that is the outward-looking industry that was installed in Mexico instead of the former inward-looking industry with small and medium enterprises that were not able to cope with the international competition. Furthermore, this variable indicates very well the two distinct periods of trade liberalization there were: between 1982 and 1993 and from 1994 onwards. In the first period, trade was liberalized to certain extent and Mexico joined the GATT. In the second period, a free trade agreement was signed and exports boomed in Mexico. Thus, this variable will allow us to measure in a quite direct way the degree of trade liberalization and the extent to which the economy adopts this outward-looking exporting model. The second key variable will be the amount of employees that worked in the public industrial sector. In fact, from all the public sectors this was the one that privatized and was liquidated completely. We consider that this variable captures and synthesizes the key elements and features of the privatization process that took place from 1982 until 1993. Furthermore, this variable will also account for the expansion that the industry had during the ISI period, both in the private sector and in the public sector. Thus, it will let us measure also in a very direct way the repercussions of the new economic model and will let us see the effects of the privatization process on the intragenerational mobility.

The other two variables that will work as controls for the debt crisis –and other crises that took place in the following years– will be the urban unemployment rate and the real GDP per capita. Indeed, both variables are affected when any crisis occurs on the economy. Thus, they will help us to control for the effects of the crises so that our two key variables (*exports/GDP* and *employees in the public industrial sector*) only account for the liberalization and privatization impact.

The independent variables will be divided in four subgroups: (1) controls for the transition rates, (2) historical macroeconomic conditions of the labor market, (3) individual characteristics, and (4) particular attributes of the previous labor history of the person.

The first group of variables includes the cohort dummies and the mobility propensity variable. These variables control for some variations in the transition rates. For instance, some people are more prone to transitioning than others. Thus, with the *mobility propensity* variable, we will try to identify this group of people. Likewise, we will find some *cohort effect* in the mobility rates, as different generations might have distinct average mobility patterns. Indeed, if we desire to isolate the effects of our interest variables, we need these controls.

For the second group, we will consider the macroeconomic variables. Four of them have already been outlined (*exports/GDP*, *employees in the public industrial sector*, *urban unemployment rate* and *GDP per capita*). Following Blossfeld's theory, we will also consider the *GDP per capita* and the *urban unemployment rate* at the time of entry to the labor market. This will allow us to measure to a certain extent the labor market conditions –if there were job vacancies or not at the time of entry, depending on the economic cycle– when the individual acquired her or his first job.

For the third group of variables, the human capital literature will be taken into consideration and, thus, this group will include retrospective education –that is the education level that an individual had at every point in time–, together with health and wealth during childhood, which, according to the literature, are very relevant as they might impact productivity in adult life. Other individual characteristics that will make up part of this group are sex, migration status, marital status and ethnic origin.

And the fourth group will contain information about the previous labor history. Labor experience is the first variable in this group, as it might be the most relevant variable in relation to the individual labor history. This variable could also be included in the third group because it is associated to on-the-job training, to learning-by-doing and to the person's productivity levels outlined in the human capital theory. Nevertheless, in schematic terms, it should definitely belong to this group; no other variable seems as relevant to the individual labor history than the length of the working life itself. The next variable will account for the first occupational level that the person had. Theory indicates that such position should be overcome quickly and that the individual should begin transitioning to other jobs. Nevertheless, it could be the case that entry conditions have long-term effects (Mayer and Carroll, 1986). Therefore, first job dummies will be included in order to test this. Moreover, the age of entry to the labor market will be considered, the number of years spent in the current occupational level, and labor interruption if it is the case.

Di Prete and Graaf (1997) established that the configuration of the welfare states and the structure of the social and economic system are determinant for the social mobility patterns. Following this line of thought, it is my prediction that the variable that accounts for trade liberalization will either reduce the upward mobility rates or increase the downward mobility rates. In addition, the variable that measures the expansion of the public industry will be either positively associated with upward mobility or negatively associated with downward mobility. Furthermore, the occupational structures that will probably be more affected are those of men. In the end, women have incorporated to the labor force in a more massive way until very recently. Before the 1980's there was female participation in the labor force; however, it was a reduced group if compared with men's and, additionally, women were concentrated in few sectors and thus the impact on their occupational structure would be different. Actually, women have been able to access the highest occupational strata in recent times and also the lowest ones; therefore, ambiguous effects might be found in the case of women.

In brief, it could be argued that trade liberalization helped reducing inequality and poverty after 1996, as the demand for unskilled workers increased or as the Heckscher-Ohlin predictions occurred (Esquivel, 2008).²² However, it can also be argued that the new economic model was not able to generate enough new jobs and that it made intragenerational upward mobility decrease and downward mobility increase in the long-run. Small-scale low-productivity jobs appeared in a growing informal sector and lower quality formal jobs (those from the exporting sector) appeared too in the formal one, which replaced the former jobs that small and medium national enterprises used to offer, together with the public sector jobs. Hence, now we will see if the data provides additional evidence to support or refute what has been stated.

²² Indeed, one reason for inequality to be reduced in Mexico is that the predictions from the standard Heckscher-Ohlin trade model came true, as Mexico is an unskilled-abundant country and the US a skilled-abundant one. It must be said that these benefits came late as Esquivel (2008) argues.

III. Data and Descriptive Statistics

EDER (2011) is a retrospective database that gathers information from three cohorts (1951-1953, 1966-1968, 1978-1980), including 2840 people and 128,507 years of life. All the people included in the database are at least 31 years old, so that they could provide valuable information regarding their labor, marital, and migration history. The data are representative for both men and women on a national scale in the urban areas of Mexico. Indeed, the labor markets in urban areas have gone through greater development than those in the rural areas. Thus, it is interesting to analyze intragenerational mobility in these spaces as they represent in a better way the changes that the country has gone through, throughout ISI and throughout the new model. Nevertheless, one limitation of the data is that it is not possible to analyze what happened in the rural areas. Likewise, in terms of migration, people who lived and worked in the urban areas but left them at some point, or died before the survey took place, will not be represented in the data.

For the current project, there are 1,453 female and 1,387 male respondents. Likewise, for the regressions, around 54,911 person-years were used for the first model, 40,216 for the second model, and about 40,425 for the third model. For the fourth and fifth model, a fewer amount of years was required. Definitely, some years provided in the data were not used because, in order to make reasonable comparisons between the cohorts, individuals should be reasonably within the same age ranges: no children and no old adults were selected. The observations are included in the data when the individuals enter the labor market. Before that moment, there are no observations because what we try to analyze is the transition to other jobs, not the entry to the labor market; thus, it is necessary that the people be in the labor force in order to analyze their movements between different occupational strata. Likewise, no children were selected in the sample; only people considered as part of the labor force (at least 14 years old) were taken into account.

Regarding the validity and reliability of the data, it was generated by the National Institute of Statistics and Geography (INEGI), which has been acknowledged on several times for the quality of its databases and surveys. Moreover, several European, Mexican and U.S. research centers and universities collaborated to generate the survey.²³ Nevertheless, even though the survey contains a representative sample for all the individuals in 2011, we must

²³ El Colegio de Mexico (COLMEX), Colegio de la Frontera Norte (COLEF), Autonomous University of Baja California (UABC), Pennsylvania University, the French Center for Population and Development, The Research Center for Latin America (Credal), and the University Paris X-Nanterre.

recall it is a retrospective survey. In this sense, it is possible that the survey is only partially representative for the population there was in the urban areas in Mexico, for instance, in 1970. Definitely, it is hard to extend the present representative character of the survey to the past; probably time-varying weights would be needed in order to solve this problem (Zavala et al., 2004). Therefore, the results presented have probably some selection bias as those who were surveyed today about their past lives may not constitute a representative sample for the whole national context at all times. Of course, this problem grows bigger as we go further back in time (Zavala et al., 2004). Now, in the next section, we will describe the dependent variables and independent variables that we will use in our analysis, as well as the possible relation between them.

Dependent Variables

First of all, it is important to highlight that there are different sorts of dependent variables. The first one is the rate of general mobility; this is a dummy variable that indicates 1 if the person in that particular year moved to another occupational stratum and 0 if she or he remained in the same one. The second dependent variable is a dummy for upward mobility; if the person in that particular year changes to a higher occupational level, the variable indicates 1 and, otherwise, 0. The third dependent variable is a dummy for downward mobility; it works as the previous variable, except that it indicates 1 if the person moved to a lower occupational level and 0 if there is no move or if the person moved to a better position. The fourth and last dependent variable has several discrete outcomes; each outcome is related to a different occupational level.

In order to create this last variable –the one that will be used for the multinomial logit model– and the occupational hierarchy for the upward and downward movements, we revised several theories about stratification (Goldthorpe, 1987; Paz and Crespo, 2008; ENOE, 2009; Barozet, 2007; Portes and Hoffman, 2003; ILO, 2012; Parrado, 2005; Escobar, 1992). In the end, an adaptation of the International Standard Classification of Occupations, developed by the International Labor Organization, was used and seven categories were created. These are outlined as follows:

- I. *Managers, Senior Officials and Legislators*: Managers and executives in private, public, and clerical sectors.
- II. *Professionals*: High and lower-grade professionals, employers of more than five workers including owners of informal firms, and university professors.

- III. *Technicians and Associate Professionals*: Medium level managers in both private and public sectors, musicians, technicians, sportsmen, trainers, teachers below university level, clerical employees, artists, writers.
- IV. *Clerks*: Office Clerks, routine non-manual in offices, secretaries, keyboard operating clerks, accounting and book-keeping clerks, stock clerks, cashiers, library clerks.
- V. *Service Workers, Shop and Market Sales Workers*: salesmen, real estate agents, sales employees, sales personnel in established businesses, personal services, housekeeping and restaurant services workers (cooks, waiters), hair-dressers, fire-fighters, policemen, travel guides.
- VI. *Skilled Blue Collar Workers*: industry supervisors, extraction and building trade workers, carpenters, roofers, wood treaters, glassmakers, skilled builders, bus drivers, other vehicles' drivers, machinery operators, and artisans.
- VII. *Unskilled Blue Collar Workers*: Elementary occupations, shoe cleaners, domestic cleaners, garbage collectors, building caretakers, informal sector workers such as casual vendors, street food vendors, unskilled laborers, artisan's learners, workers in agriculture.

These seven categories correspond to the possible destinations to which one person might transition. In the case of the multicategorical variable, there is an eighth category, used as base outcome, that includes the observations not registering any movements; in other words, the base outcome is composed by people remaining in the same occupation during a particular year.

Independent Variables

In the following section, each of the independent variables will be described. It will be explained how the variables were constructed and it will be outlined how each independent variable relates to the dependent one. For that purpose, tables and graphs will be used. Moreover, the nature of the variables will be stated –categorical or continuous–, specifying the average, maximum and minimum values, or, if it is the case of a dummy variable, the reference group will be specified. A brief summary of this basic statistical information is presented in the following part.

Table 1. Summary of the Descriptive Statistics

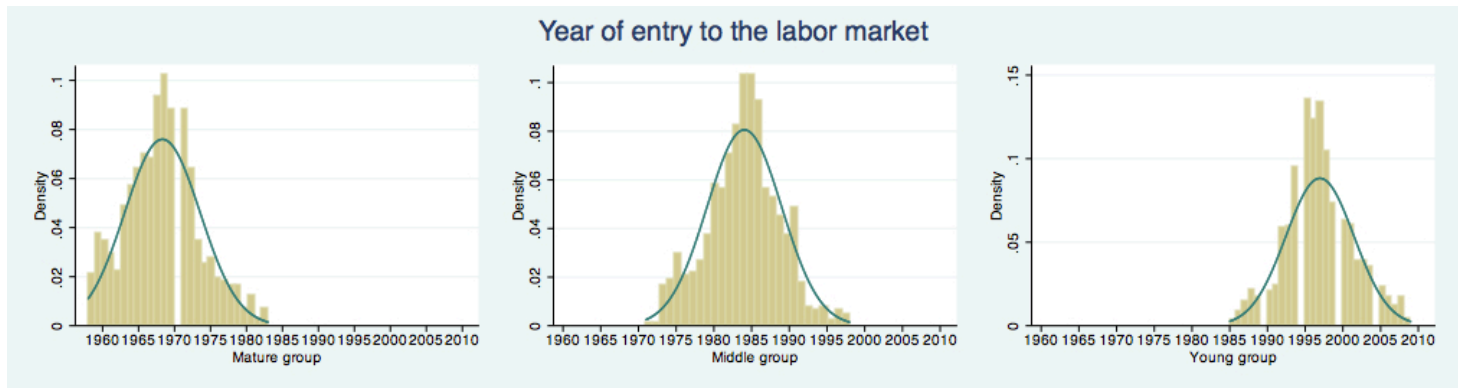
Variable	N	Descriptive Statistics					Time
		Mean	S.D.	Min	Max		
Men	1387						
Women	1453						
Mature Cohort	888						
Middle Cohort	892						
Young Cohort	1060						
Date of Birth	2840	1966.751	11.11927		1949	1982	constant
Mobility Propensity	54911	0.7976908	1.074103		0	12	variant
Exports as percentage of the GDP	54911	16.98235	11.76056		3.4	34	variant
Public Industry Employees	54911	86479.76	88596.92		7088	243617	variant
Urban Unemployment Rate	54911	4.565827	1.385769		2.5	8.1	variant
GDP per Capita (pesos 1980)	54911	63.877	10.12988		35.5	80.4	variant
Urban Unemployment Rate at entry	2746	4.552842	1.267593		2.5	8.1	constant
GDP per Capita at entry (pesos 1980)	2746	58.41454	10.55587		35.5	80.4	constant
Years of education	54911	9.91162	4.676307		0	20	variant
Health during childhood	2834	0.0649259	0.2464385		0	1	constant
Wealth during childhood	2840	0.5517606	0.4974012		0	1	constant
Marital Status	54911	0.6161243	0.4863327		0	1	variant
Migration Status	54911	0.6241372	0.4843493		0	36	variant
Ethnic Origin	2840	0.0538732	0.2258071		0	1	constant
Labor experience	54911	11.25951	7.75514		0	36	variant
Years of labor interruption	54911	1.69039	4.003498		0	30	variant
Age of entry to the labor market	2746	19.64876	4.99262		14	42	constant
Years at the current job	54911	6.234816	5.381282		0	36	variant
First Job	2746				1	7	constant

Group 1: Controls for the transition rates

Cohort Dummies (time-constant)

These variables will control for the average degree of mobility of each cohort. As it is possible to see in the following graph, each cohort entered to the labor market at very different times. The first and oldest cohort entered to the labor market, in average, around the year of 1966. The second and middle cohort did it, in average, in 1982. Finally, the third and youngest cohort entered to the labor market around 1994. The average age of entry was 16, 17, and 18 years old, for each cohort respectively. Furthermore, when the people from the oldest cohort were, in average, aged 30, it was the year of 1982. And, when the people from the second cohort were, in average, 30 years old, it was the year of 1996. Hence, although the periods we desire to analyze are not perfectly delimited by the cohorts (1960-1981, 1982-1994, 1995-2011), most of the labor lives of the people in each cohort experienced are comprised in the periods of analysis. Therefore, it is possible to say that each of the cohorts experienced each of the different settings of the Mexican economy and, especially, the different development strategies that were outlined before and that we desire to study.

Graph 1. Year of entry to the labor market by cohort



The transition rate to any position for the mature cohort, in the case of men, is about 7.91%, for the middle cohort is 8.67%, and for the young cohort is 10.08%. This means that the rate of transition itself increased about 27.4% across the three male generations. It can be noticed that the increase for women is larger, from 3.28% to 7.07%; however, men's absolute mobility is always greater in magnitude.

Tables 2,3 & 4 – Absolute and Relative Mobility Rates

	Mobility Rates and Percentages				
	General Mobility	Upward M. Absolute rate	Upward M. Relative rate	Downward M. Absolute rate	Downward M. Relative rate
All	7.28	4.55	62.50%	2.73	37.50%
Mature	5.98	3.88	64.88%	2.10	35.12%
Middle	6.95	4.39	63.17%	2.56	36.83%
Young	8.72	5.28	60.55%	3.44	39.45%

	Mobility Rates and Percentages - Women				
	General Mobility	Upward M. Absolute rate	Upward M. Relative rate	Downward M. Absolute rate	Downward M. Relative rate
All	5.17	3.00	58.03%	2.17	41.97%
Mature	3.28	1.91	58.23%	1.37	41.77%
Middle	4.76	2.81	59.03%	1.95	40.97%
Young	7.07	4.06	57.43%	3.01	42.57%

	Mobility Rates and Percentages - Men				
	General Mobility	Upward M. Absolute rate	Upward M. Relative rate	Downward M. Absolute rate	Downward M. Relative rate
All	8.91	5.75	64.53%	3.16	35.47%
Mature	7.91	5.29	66.88%	2.62	33.12%
Middle	8.67	5.64	65.05%	3.03	34.95%
Young	10.08	6.28	62.30%	3.80	37.70%

Now, the general mobility rate is the sum of the upward mobility rate and the downward mobility rate. In the case of upward mobility, it is possible to see that the absolute

rates increased from cohort to cohort. The relative upward mobility rate decreased from 64.88%, in the first cohort to 60.55%, in the last cohort. In the same way, the downward relative mobility rate increased from 35.12% to 39.45% from the oldest cohort to the youngest one. This means that the downward mobility rate increased in absolute terms more quickly than the upward one. In other words, given that there is a transition, the youngest cohort are more prone to have a downward movement than the older ones.²⁴

Tables 5 & 6 – Amount of transitions to different classes, absolute numbers and percentages

Transitions to Occupational Stratum	Class Destination by Cohort			
	Young	Middle	Mature	Total
No movement	13,348	19,324	19,008	51,680
Managers/Sen. Officials	48	58	44	150
Professionals	44	58	52	154
Technicians/Assoc. Prof	171	165	132	468
Office Clerks	194	181	125	500
Service/Sales Workers	252	267	193	712
Blue Collar skilled	302	305	291	898
Unskilled/Agr./Informal	127	110	112	349
Total	14486	20468	19957	54911

Transitions to Occupational Stratum	Class Destination by Cohort			
	Young	Middle	Mature	Total
Managers/Sen. Officials	4.2%	5.1%	4.6%	4.6%
Professionals	3.9%	5.1%	5.5%	4.8%
Technicians/Assoc. Prof	15.0%	14.4%	13.9%	14.5%
Office Clerks	17.0%	15.8%	13.2%	15.5%
Service/Sales Workers	22.1%	23.3%	20.3%	22.0%
Blue Collar skilled	26.5%	26.7%	30.7%	27.8%
Unskilled/Agr./Informal	11.2%	9.6%	11.8%	10.8%
N	1138	1144	949	3231

In the former graph, it is possible to see the transitions there are per cohort. We can observe that in all three cohorts, most of transitions are towards skilled blue-collar stratum. In the regressions, the cohort variable has been coded as three different dummies; one for the young cohort, one for the middle cohort and one for the mature cohort. The reference group will be the mature cohort. Thus, the results for the cohort variables found in the regressions will be in relation to the oldest group.

Mobility Propensity (time-variant)

This is a variable that tries to control for the fact that some people are more prone to making transitions than others. In other words, some people might prefer to be changing jobs all the time, while other people prefer to keep her or his jobs for a long time, even if there are other available opportunities in a higher occupational stratum. In order to generate this variable, we counted the amount of times that the person had changed from occupational level so far. For instance, if a woman made three transitions in her labor life, before she makes her first transition, this variable will indicate 0. After the first transition, the *mobility propensity* variable will indicate 1 until she makes her second transition. From that moment on, the variable will

²⁴ It is possible to look at the mobility rates by sex. For men, the pattern is the same as in the general trend: given that there is any move, in younger cohorts are more likely to experience downward moves. In the case of women, the situation is almost unchanged and there is slightly more downward moves in relative terms in the youngest cohorts.

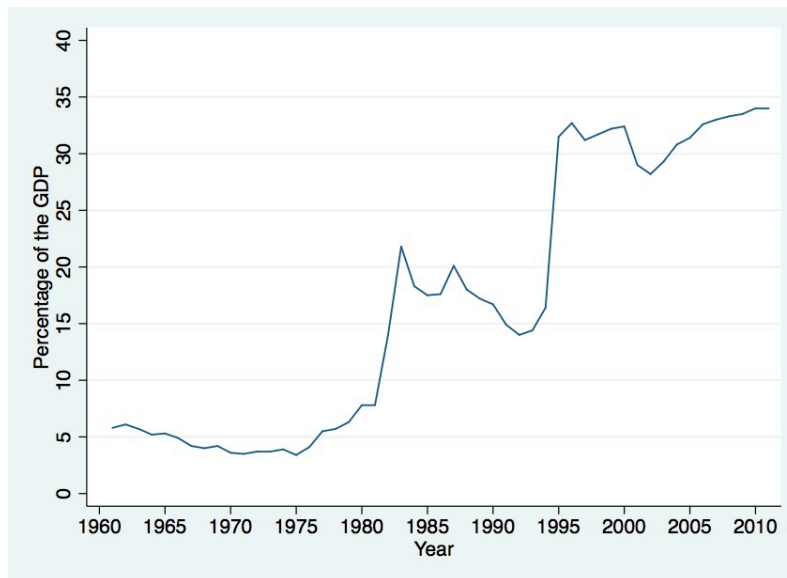
shift to 2 until she makes her third transition and so on. In this sense, this variable contains a record of the number of previous transitions attained.

Group 2: Macroeconomic variables

Export/GDP (time-variant)

This variable represents the percentage of the Mexican total exports as a share of the nominal GDP. The total exports for each year were calculated in millions of dollars and the nominal Mexican GDP was calculated in million of dollars, and with this information the share Exports/GDP was obtained (Aparicio, 2011). This is a continuous variable with mean 17%; the minimum value is 3.4% for the year 1975 and the maximum value is 34% for 2011. In order to calculate the estimates, the variable will be standardized and, therefore, the results in the logit regressions should be read in terms of standard deviations. The following graph shows that from 1981 to 1983 the share increased very rapidly. This was the beginning of the trade liberalization. However, right after that, the economy felt the repercussions of the debt crisis and the share of exports fell. Similarly, after the signing of NAFTA in 1994, the share of exports increased substantially and remained in that level. Data was obtained from INEGI, Mexican Central Bank and from a specialized article about historical time series (Aparicio, 2011).

Graph 2. Share of Exports in relation to the nominal GDP, Annual figure

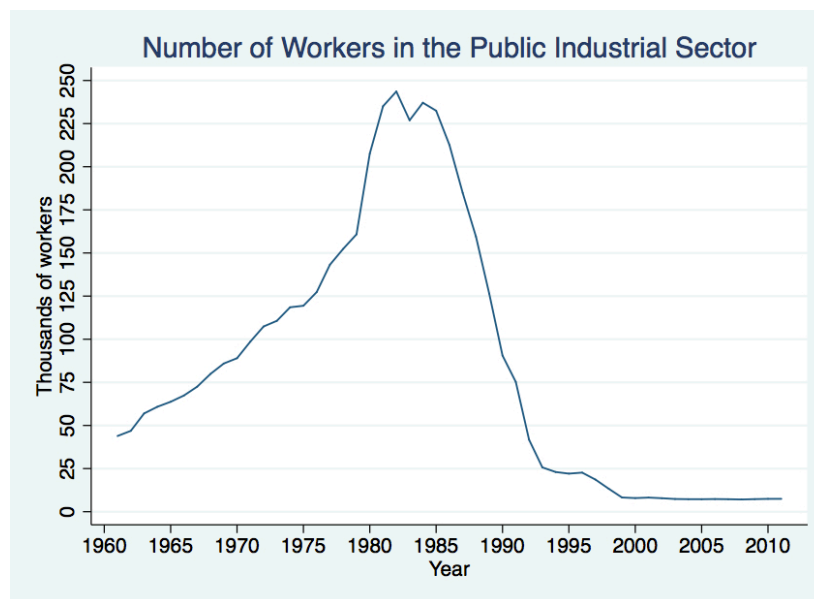


Number of employees in the industrial public sector (time-variant)

This variable accounts for the number of workers in the industrial public sector. This information was obtained from several reports of the Mexican National Accounting System

(SCNM). In fact, the variable indicates the number of jobs that, in average, were required in order to carry out the productive activity of this sector. In other words, the variable does not tell the exact the number of workers there was. Instead, it gives an estimate of the amount of workers that should have been required, given the average wage levels for that sector and the production levels (SCNM, 2002). Nevertheless, it does represent a very close figure to the actual number of workers, even though there might be variations. The graph shows that the public industrial sector kept growing and hiring workers throughout the whole ISI period until its withdrawal in 1982. From that moment on, the industry was privatized and, thus, the people who used to work in it were fired. This did not only happen in the industrial sector but it also happened in all of the other public sectors in the economy (construction, services, trade, transport, telephone, water), many of which were also privatized in these years. The average number of workers hired throughout the time of the sample was around 86 thousand workers, the minimum value was 7,088 workers in 2008 and the maximum value was 243 thousands in 1982. The variable will be standardized and, thus, the results of the regressions should be interpreted in terms of standard deviations.

Graph 3. Number of Workers in the Public Industrial Sector, Annual figure

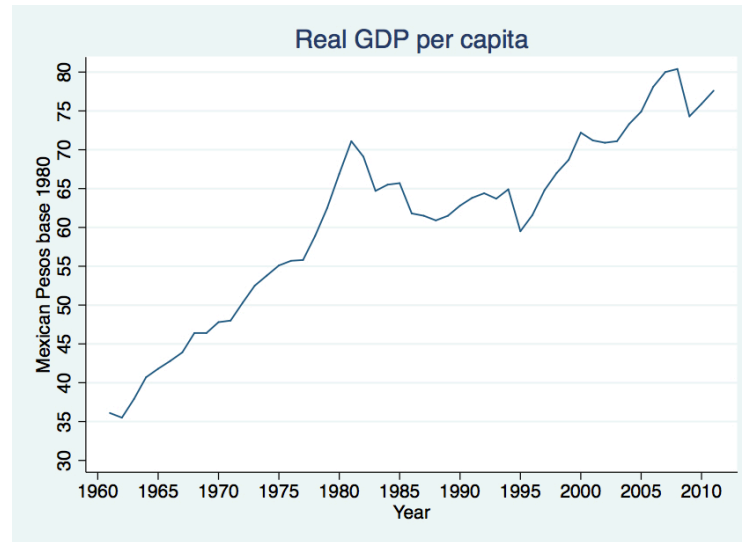


Real GDP per capita (time-variant) & Real GDP per capita at entry (time-constant)

Real GDP per capita was also obtained from INEGI, Mexican Central Bank and from a specialized article about historical time series (Aparicio, 2011). Its expressed in Mexican pesos, base 1980, and it accounts for the major fluctuations that occurred with the national income per capita. It is possible to see that after 1980, the GDP per capita falls over a decade. Then,

when it finally becomes to recover, the 1994 crisis begins, also known as the tequila crisis. Likewise, in 2008, there is another crisis derived from the US recession. The average value is 63.88 pesos, the minimum is 35.5 and the maximum 80.4 pesos. The variable will also be standardized.

Graph 4. Real GDP per capita, Annual figure (Mexico base 1980)



Furthermore, using GDP per capita, another variable was generated: the real GDP per capita at the moment of entry to the labor market. This variable was introduced following Blossfeld's theory. He indicates that the market conditions at the time of entry are relevant to explain current intragenerational mobility rates. Thus, a constant variable was created for all periods and it indicates the value of the GDP per capita of the year when the individual worked for the first time.

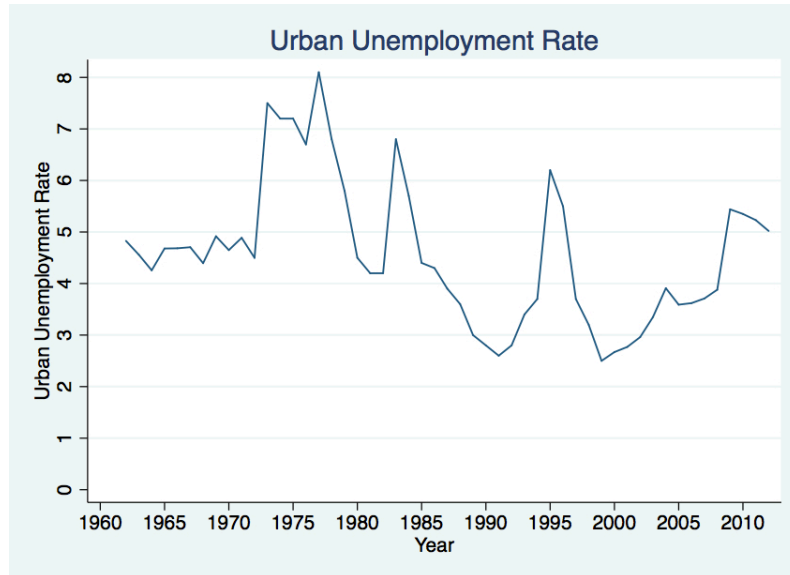
Urban Unemployment Rate (time-variant) & U. Unemployment Rate at entry (time-constant)

The last macroeconomic variable is the urban unemployment rate. It was obtained from INEGI's records and it indicates the unemployment rate for the 32 largest cities in the country. Nonetheless, the information was only available from 1973 onwards. Therefore, for the previous period, a prediction was made using an ARMA(1,0,1) model and the real GDP growth rate as predictive variable, following the Okun's law.²⁵ In fact, the variable generated in the missing period assumed a value that is close to the mean of the original unemployment rate –4.54– and it oscillates around it, depending on the growth rate. The minimum value of the

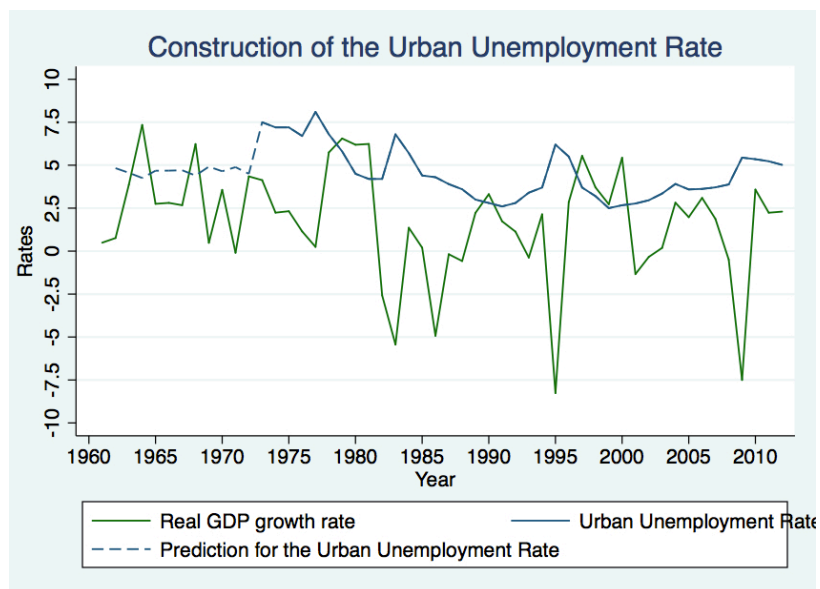
²⁵ The Okun's law is an empirical finding that shows that the GDP growth is inversely proportional to the unemployment rate. (Mankiw, 2005)

urban unemployment rate that will be used in the regressions is 2.5 in 1999 and the maximum value is 8.1 in 1977. The mean value is 4.56.

Graph 5. Urban Unemployment Rate, Annual figure



Graph 6. Construction of the Urban Unemployment Rate, Annual figures



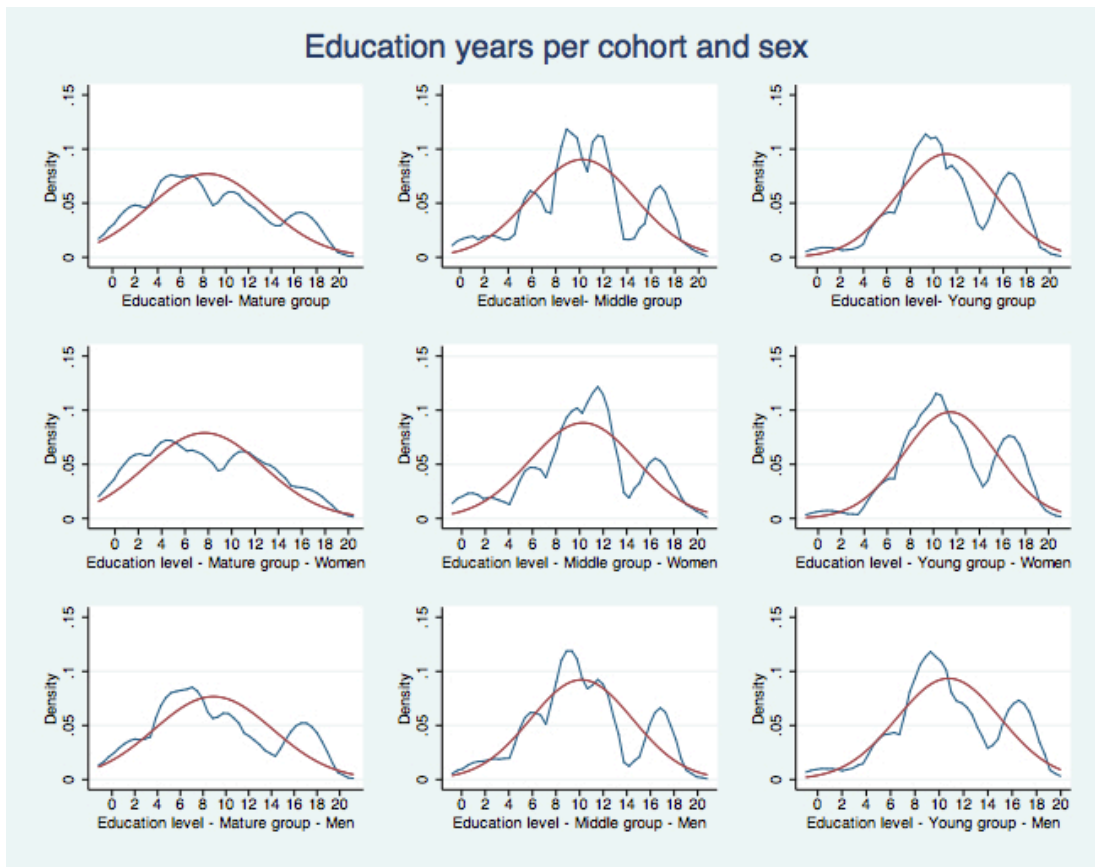
Likewise, just like in the case of the GDP per capita, a time-constant variable was generated. The value of the urban unemployment rate was registered when the individual enters in the labor market and then it remains constant for the following years.

Group 3: Variables Dependent on Individual Characteristics

Education (time-variant)

We could say that this is the most relevant variable of this group; it represents in a relevant way the human capital accumulation. It is a dummy variable that indicates the schooling level of the person (no education, primary school, secondary school, high school, undergraduate and graduate studies). This variable is retrospective and it displays the education that corresponds to every year in the sample.

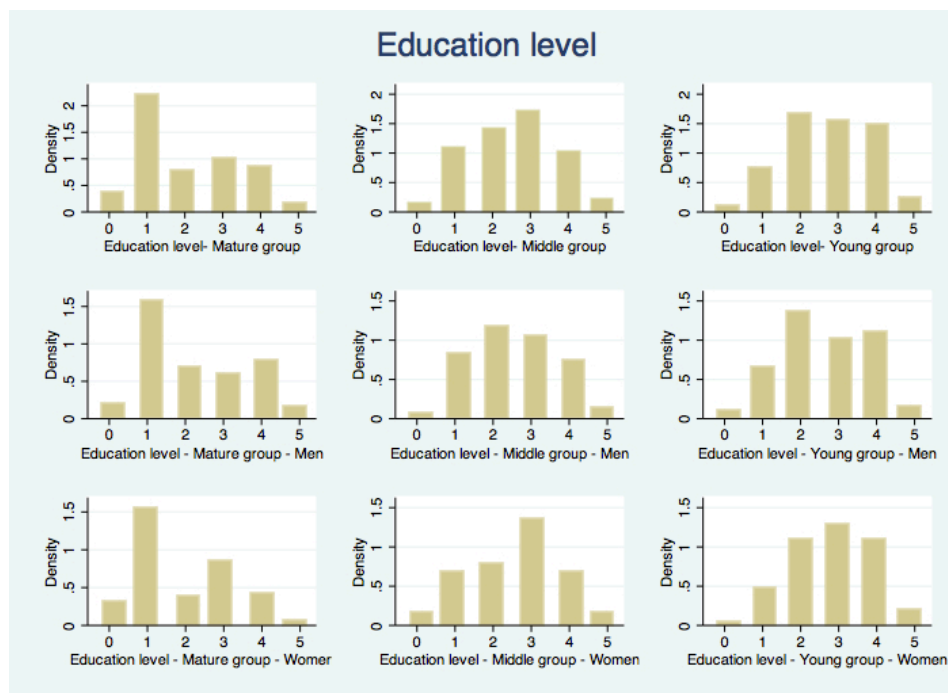
The following tables describe the education levels for each cohort and for both male and female workers. The normal distributions, summarizing the kernel densities, in the graph show that schooling levels have augmented throughout time for both men and women. We shall remember that the sampling to generate this database was carried out in Mexican urban areas. Hence, it is likely to observe a higher increase of this variable –years of education– than what would be seen in rural areas. Anyhow, the mean increases from 8.36 years of study, in the first cohort, to 10.22 years of study, in the second cohort, to 11.12 years of study, in the third cohort. In the same way, the standard deviations are consecutively reduced from 5.18 years of study, in the first cohort, to 4.41 years of study, in the second cohort, to 4.19 years of study, in the third cohort. This means that, not only was the population more educated in average, but that a more homogenous level of education for the entire population was achieved. The maximum years of study registered in the data is 20 and the minimum is 0. Likewise, it is possible to see that women increased more their educational level than men, as the distribution of education years for women was positioned more to the left than that of men in the oldest cohort; in the third cohort, both distributions are positioned approximately at the same level. In fact, the mean of years of education for women increased from 7.66 to 11.49, whereas for men increased from 8.91 to 10.77.



Graph 7. Kernel densities about years of the education

Furthermore, in the following histograms, it is possible to observe that primary education was the mode for the oldest cohort. This situation changed for the youngest cohort, as secondary school became the mode among men and high school the mode among women. It is also noteworthy that a lot more people reached the undergraduate level in the middle and young cohorts than in the mature one.

Graph 8. Histograms with schooling levels



Furthermore, in the following table, it is possible to observe the influence of certain education level on transitioning to a particular occupational stratum. The table is very clear in showing that the higher the education level, the more likely it is to transition to the higher strata. Similarly, the lower the education level, the higher is the probability to transition to the lower occupational strata. In average, people without studies transition more frequently to the blue collar skilled category; people with primary school, secondary school and high school, to the blue collar skilled category; people with undergraduate studies, to the technicians and associated professionals category; and people with graduate studies, to the professionals category.

Table 9. Destination Class per Education Level

Occupational Stratum	Destination Class per Education Level						Total
	No studies	Primary school	Secondary school	High School	Undergrad. studies	Graduate studies	
No movement	95.26%	94.31%	92.30%	92.36%	90.87%	91.91%	92.72%
Managers/Sen. Officials	0.22%	0.00%	0.05%	0.15%	1.06%	1.02%	0.26%
Professionals	0.51%	0.01%	0.01%	0.05%	1.14%	3.07%	0.31%
Technicians/Assoc. Prof	0.66%	0.24%	0.38%	1.33%	2.69%	2.05%	1.02%
Office Clerks	0.36%	0.54%	0.98%	1.70%	1.73%	0.72%	1.13%
Service/Sales Workers	1.09%	1.21%	2.13%	1.82%	1.30%	0.51%	1.58%
Blue Collar skilled	1.39%	2.59%	2.87%	1.96%	1.01%	0.51%	2.14%
Unskilled/Agr./Informal	0.51%	1.11%	1.28%	0.63%	0.20%	0.20%	0.84%

Sex (time-constant)

Table 10. The sample by sex and cohort

	Number of individuals			
	Mature Cohort	Middle Cohort	Young Cohort	Total
Men	437	433	517	1387
Women	451	459	543	1453
Total	888	892	1060	2840

The variable of sex will be included in some of the regressions. In this case, the reference group will be the women, as the dummy variable is coded 1 if the person is a male. Thus, the results obtained in the regressions will be in relation to women. The sample contains a total of 1,361 male respondents and 1,206 female respondents. In the following table, it is possible to confirm what had been seen in more detail in previous tables: that men tend to move more than women, either upwardly or downwardly. However, the upward mobility happens particularly more in the case of men. Thus, in the results of the regressions, it will be expected that the dummy variable shows a positive coefficient, which will mean that indeed men are more mobile in both cases.

Table 11. Gender and General, Upward or Downward Mobility

	General Mobility		Upward Mobility		Downward Mobility		Total in the sample
	Did not move	Moved	Did not move	Moved	Did not move	Moved	
Women	44.88%	31.17%	44.60%	28.93%	44.17%	34.86%	43.92%
Men	55.12%	68.83%	55.40%	71.07%	55.83%	65.14%	56.08%

Health (time-constant) and Wealth (time-constant) during childhood

These two variables refer to the socioeconomic and health circumstances of the individual during infancy. The health variable was created with the questions “Did you have any diseases during childhood that prevented you from carrying out any activities?” and “How do you consider your health during childhood?” (EDER 2011, p.6). With these two questions a dummy variable coded 1 was made in case the respondent declared to have had a bad health during childhood. Similarly, wealth is also a dummy variable and is coded 1 if the person had cement roof in his or her house during the infancy and 0 if the person did not. In this way, we will expect that both health and wealth have positive outcomes on upward mobility rates and negative outcomes on downward mobility rates.

Marital Status (time-variant)

This variable was included because some intragenerational mobility studies consider it as an important variable (Zavala et al., 2004). Indeed, it is possible to see that people who are married have a lower degree of mobility than the people who are not. This may be due to the fact that married people look for more stable positions, where they might consider seniority in a particular job as an advantage. Perhaps it is easier for single people to change jobs and location if necessary than for married people. Furthermore, better positions might imply travelling and this could be seen as a disadvantage if there is a family that would have to move too from place to place. Nevertheless, being married also prevents people from having downward mobility. The following table shows that, out of the people who experienced downward mobility, only 40% were married. In order to run the regressions, a dummy variable will indicate if the person is married – coded 1– or not – coded 0– at every point in time.

Table 12. Marital Status and General, Upward or Downward Mobility

	Mobility		Upward Mobility		Downward Mobility	
	No movement	Movement	No movement	Movement	No movement	Movement
Not Married	50.42%	61.80%	50.68%	63.04%	50.99%	59.76%
Married	49.58%	38.20%	49.32%	36.96%	49.01%	40.24%

Migration Status (time-variant) and Ethnic Origin (time-invariant)

These two variables are also important, especially in urban areas in Mexico. Many people who come from the countryside to the city are looking for better quality jobs. This person might obtain a better or a worse job, but, in either case, data shows that migrants are more likely to have a higher degree of mobility. Certainly, a person coming from a rural area probably used to have some job in the agricultural sector (the lowest class in our stratification). Thus, if this person obtains a job in the city in the formal sector, she or he will surely experience upward mobility. However, this person might not find a job in the formal sector and then join the informal sector in the city. This is a time-variant variable because one person might be non-migrant one year and become migrant the next. It is a dummy variable coded 1 if the person is migrant and 0 otherwise.

Table 13. Migration Status and General, Upward or Downward Mobility

	Mobility		Upward Mobility		Downward Mobility	
	No moveme	Movement	No moveme	Movement	No moveme	Movement
Non migrant	39.22%	34.96%	39.07%	35.75%	39.06%	33.67%
Migrant	60.78%	65.04%	60.93%	64.25%	60.94%	66.33%

In the case of indigenous people, there does not seem to be a particular trend that makes them more mobile or less mobile. The following table shows that, in the case of movement or no movement, the percentage of indigenous people is almost the same. This could be due to discrimination and lack of access to different occupational strata from the one in which they normally carry out their labor activities. This is a time-invariant variable because the ethnic origin remains constant over time. It is a dummy too and it is coded 1 if the person is an indigenous person and 0 otherwise.

Table 14. Ethnic Origin and General, Upward or Downward Mobility

	Mobility		Upward Mobility		Downward Mobility	
	No moveme	Movement	No moveme	Movement	No moveme	Movement
Non indigenous	94.27%	94.44%	94.28%	94.20%	94.27%	94.82%
Indigenous	5.73%	5.56%	5.72%	5.80%	5.73%	5.18%

Group 4: Labor History variables

Labor Experience (time-variant)

Labor experience has proven to be a determinant variable that could prevent individuals from losing their jobs and could also help them to get promoted. This variable is

time-variant and is coded in such a way that it reflects the amount of years spent in the labor force so far.

In the following table, it is possible to see that time spent in the labor force (from 1 to 10 years) potentially helps to experience upward mobility, particularly more in the case of men than in the case of women. After 10 years, the rate of mobility decreases. Indeed, the *human capital theory* talks about this. The longer one person has been in the labor force, the less likely it is for this person to receive additional training or education. This might affect mobility in a negative way, as our data seem to show.

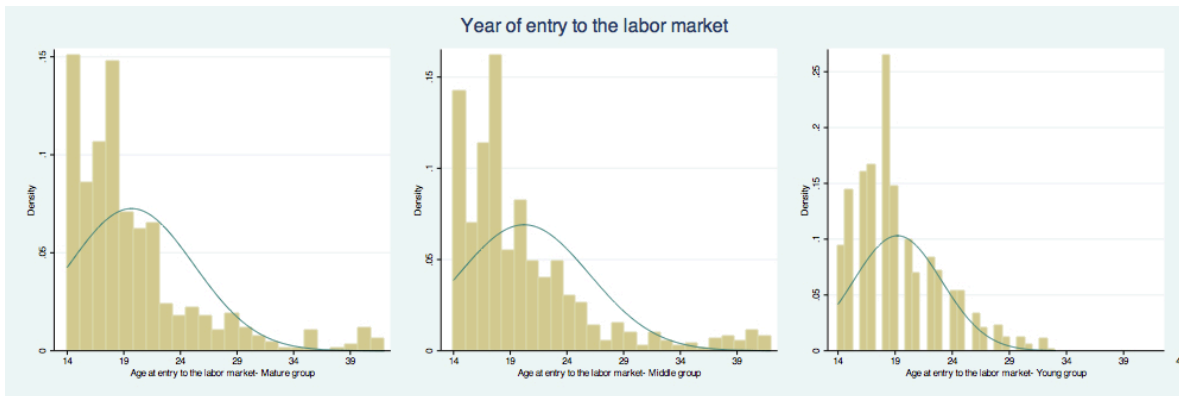
Table 15. Labor Experience and General, Upward or Downward Mobility

	1-5 years	6-10 years	11-15 years	16-20 years	20-25 years
General Mobility	7.61%	7.44%	6.09%	4.58%	4.85%
Upward Mobility	4.58%	4.87%	3.61%	3.19%	3.19%
Downward Mobility	3.03%	2.57%	2.48%	1.39%	1.66%
General Mobility - Men	10.05%	9.56%	7.18%	4.88%	5.28%
Upward Mobility - Men	6.32%	6.36%	4.33%	3.53%	3.63%
Downward Mobility - Men	3.72%	3.20%	2.85%	1.35%	1.65%
General Mobility - Women	5.52%	4.83%	3.76%	3.55%	2.61%
Upward Mobility - Women	3.08%	3.03%	2.05%	2.03%	0.87%
Downward Mobility - Women	2.44%	1.80%	1.70%	1.52%	1.74%

Age at Entry to the Labor Market (time-invariant)

This variable indicates at what age an individual entered to the labor market. It is important because the older a person enters the labor force, the less likely it is for her or him to experience mobility. Likewise, if the person entered really young, it is likely that this person increases her or his education and reenters the labor market later on. The following graph shows how the age of entry to the labor market has changed from cohort to cohort. It is possible to notice that in younger cohorts the mean is larger. The distributions begin when the individuals are aged 14 because we reduced the sample to people older than this age. Likewise, there is no one from the youngest cohort who enters the labor market after 33 because at the time of the interview, the oldest from this cohort were 33 years old.

Graph 9. Year of Entry to the Labor Market



Labor interruption (time-variant)

Labor interruption is a relevant variable because an individual might decide to pull out temporarily from the labor force. This variable was constructed in the following way. If the person pulled out of the labor force, the variable counts how many years the person does so. Then, the variable indicates such amount of years. Thus, if a man previously worked in the skilled blue-collar sector and pulls out of the labor force momentarily, the variable will capture this. Now, if later this man enters into the service sector, we will know that this person made a transition after having pulled out of the labor force. Thus, this variable helps us to control for labor interruptions and, furthermore, estimates if interrupting the working career brings any major repercussions in terms of mobility.

Indeed, there might be repercussions on the mobility rates through diverse channels. One person might decide not to work for a period of time in order to study more, to raise a child or to travel. In the case of men, labor interruptions are often associated with a higher mobility, whereas in the case of women with a lower mobility. A labor career interruption stops the experience accumulation process and also the learning-by-doing process, which might affect further promotions. Seniority is also affected and the money being saved for the pension too. However, women see fewer chances to reincorporate into the labor force than men. Indeed, all of this might bring different consequences on the mobility rates.

Table 16. Labor Interruption and General, Upward or Downward Mobility

	No interruption	1-3 years	4-6 years	7 years or more	Average Mobility
General Mobility	7.27%	6.85%	6.64%	3.56%	7.00%
Upward Mobility	4.57%	3.95%	4.27%	2.14%	4.36%
Downward Mobility	2.71%	2.90%	2.36%	1.42%	2.64%
General Mobility - Men	8.32%	10.54%	11.83%	13.84%	8.59%
Upward Mobility - Men	5.36%	6.34%	8.13%	10.06%	5.53%
Downward Mobility - Men	2.96%	4.20%	3.70%	3.77%	3.07%
General Mobility - Women	5.38%	4.91%	4.95%	2.66%	4.97%
Upward Mobility - Women	3.14%	2.69%	3.02%	1.44%	2.87%
Downward Mobility - Women	2.24%	2.22%	1.93%	1.22%	2.10%

Certainly, these data provides some evidence supporting what the theory established regarding the interruption of female labor careers. Upward mobility decreases for women after a period of interruption, whereas it increases for men. This variable is continuous and time-variant. It will indicate the amount of years that person has withdrawn from the labor force if it is the case in every period of time.

First Class (time-constant) & Years in the Current Occupation (time-variant)

A first class dummy variable was made for each of the seven occupational strata. In some regressions, the reference group will be the two highest occupational strata and, in other cases, the office clerk stratum. Certainly, the previous classes to which one worker has belonged are influential on the mobility rates that this person will have. The following tables account for that. It is possible to see in the tables that it is more likely for a person located in a specific occupational stratum to transition to a neighboring occupational stratum, rather than jumping from one extreme to the other. In this sense, in which kind a job a person is positioned since the beginning of her or his labor career will be determinant to decide its future mobility rates.

Table 17. First Occupational Stratum and Final Occupational Destination

First Occupational Stratum	Destination								Total
	No movement	Managers/Sen. Officials	Professionals	Technicians/Assoc. Prof	Office Clerks	Service/Sales Workers	Collar skilled	Unskilled/Agr./Infor	
Managers/Sen. Officials	0.42%	0.00%	0.00%	0.83%	0.75%	0.00%	0.00%	0.00%	1.13%
Professionals	1.78%	1.08%	1.80%	1.39%	0.75%	0.00%	0.13%	0.34%	3.05%
Technicians/Assoc. Prof	9.19%	32.26%	34.23%	6.09%	10.22%	6.25%	3.43%	2.70%	11.28%
Office Clerks	12.72%	18.28%	18.92%	23.27%	7.73%	15.54%	7.13%	6.08%	14.51%
Service/Sales Workers	31.92%	20.43%	16.22%	34.35%	45.89%	20.71%	28.67%	46.28%	27.78%
Blue Collar skilled	13.58%	12.90%	16.22%	13.30%	13.72%	17.32%	7.93%	17.57%	22.84%
Unskilled/Agr./Informal	30.39%	15.05%	12.61%	20.78%	20.95%	40.18%	52.71%	27.03%	19.41%

Furthermore, we will count the amount of years that person has remained in the current occupational level in order to see if that exerts some influence over the probability of

transitioning to another occupational stratum. Indeed, perhaps if the person remains too long in the same job, she or he will not be fired but maybe she or he will not be able to climb on the occupational scale so easily. This variable is time-variant because it will account for the accumulated number of years in a particular occupational level.

IV. The Model

This section describes in detail the econometric models that were used. In the present work, there are four different kinds of regressions of career mobility. Three of them are discrete-time logit regressions that predict the likelihood of experiencing a class move and follows a repeated-event specification (Blossfeld, 1986; Allison, 1982). The individual location in the occupational hierarchy is tracked over time since the person enters into the labor market and the three dependent variables are the transitions rates to (i) a different occupational stratum, (ii) a higher stratum, and (iii) a lower stratum. The fourth dependent variable is multicategorical and the transitions are coded as follows:

$$y = \begin{cases} 0 & \text{No movement} \\ 1 & \text{Managers} \\ 2 & \text{Professionals} \\ 3 & \text{Technicians} \\ 4 & \text{Office Clerks} \\ 5 & \text{Service and Sales Workers} \\ 6 & \text{Blue Collar skilled-workers} \\ 7 & \text{Unskilled workers/Informal and Agricultural Sectors} \end{cases}$$

The fourth regression was derived from a competing risk multinomial event history model. This model determines the class destination of a specific move. The fourth regression follows the repeated event specification too. People who, in a specific year, did not make any move make up the reference group. Each of these regressions has variations in the sample and this determines the definite models: *model 1* considers the logit regressions and all individuals aged between 14 and 42 years old from the three cohorts; *model 2* considers the logit regressions and all individuals aged between 14 and 33 years old from the three cohorts²⁶; *model 3* considers the logit regressions and all individuals aged between 14 and 42 years old excluding the youngest cohort; *model 4* considers the multinomial logit regression and all individuals aged between 14 and 42 from the three cohorts; and *model 5* considers the multinomial logit regression and all individuals aged between 14 and 42 excluding the youngest cohort. Each of these models was tested for both men and women, in a separate way, and then together in the sample sets. Men and women were considered in different regressions because behind the same mobility rate there could be occurring different social processes and there could be laying different

²⁶ This is done because the literature suggests the comparison of people who are younger than 31 years old.

occupational structures –although, as explained before, women have been taking over the men’s occupational structure in recent years throughout all the strata; this is not necessarily true for the oldest cohort, which, in the end, justifies the separation– (Blossfeld, 1986).

In order to estimate the transition rates, a shortcut suggested in the literature was used: that is transforming the duration model into a set of discrete observations. The database must have this particular form (every year treated as an independent observation), so that the contribution of each individual to the likelihood function that will be specified is the appropriate one (Rebollo, 2007). This is done in order to let us analyze the information with logit and multinomial logit models; in this way, the dependent variable becomes dichotomus (or multicategorical for models 4 and 5), for every single year we account for in the database (Jenkins, 1995; Allison, 1982). Thus, the likelihood function that will be maximized is the following:

$$\log L = \sum_{i=1}^n \sum_{t=1}^k y_{it} \ln h_{it} + (1 - y_{it}) \sum_{i=1}^n \sum_{t=1}^k \ln(1 - h_{it}),$$

where i is the number of individuals (2840 in the database), k is the number of periods per individual, y_{it} is the dichotomus dependent variable that takes the value 1 if there is a transition –any transition, to a higher or to a lower occupational stratum– and the value 0 if there is no move, and h_{it} is the transition rate that will be estimated. Thus, the transition rate is defined as follows:

$$\ln h_{it} = \alpha + \sum_{j=1}^m \beta_j x_{it} ,$$

where β are the coefficients to be estimated, m is the number of variables, and x_{it} is a vector that contains all the information of the explanatory variables for the individual i at the moment t . Furthermore, the competing risk model assumes that the individual is in risk of transitioning to J possible states. $P_{0j}(t)$ represents the probability of leaving the initial state, in this case making no movement, and $\gamma_j(t)$ is the transition rate in this case.

$$P_{0j} \left(\frac{t}{x_{it}} \right) = \frac{\exp (\gamma_j(t) + x_i \beta_j)}{1 + \sum_{j=1}^J \exp (\gamma_j(t) + x_i \beta_j)}$$

If we add up the contributions of the N individuals, we obtain the likelihood function that will be maximized in the case of the multinomial logit:

$$\ln L = \sum_{i=1}^N \sum_{t=1}^T \frac{\sum_{j=1}^J \exp(\gamma_j(t) + x_i \beta_j) c_{ij}}{1 + \sum_{j=1}^J \exp(\gamma_j(t) + x_i \beta_j)}$$

where c_{ij} is the kind of transition that the worker experiences, and T represents the amount of time that the event will occur (in this cases it can occur only in 1 period because the data was transformed into a discrete form). Using Stata 11, the commands *logit*, and *mlogit* will produce the estimations.

V. The Results

In this section we will describe the results of the econometric models. First we will look at the variables that describe the degree of liberalization and, then, at the rest of them.

Results of Group 2: macroeconomic variables

Liberalization, in the case of men, affected negatively the upward mobility rates according to the results of many of the models proposed. According to model 1, when the variable *exports/GDP* increases by one standard deviation, the relative odds to experience upward mobility diminish 26% ($1/\exp[-0.232]$) and, to experience any mobility at all, the odds diminish 20.96% ($1/\exp[-0.190]$). According to model 2, when *exports/GDP* augments in one standard deviation, the chances to go upward in the occupational scale lower by 15.71% and, according to model 3, by 28.13%. All of these coefficients are significant to 1%. Both multinomial logit models 4 and 5 indicate that, when *exports/GDP* increase by one standard deviation, the likelihood to transition to the professional class decreases around 95% ($1/\exp[-0.6697]$ and $1/\exp[-0.6670]$) in relation to those who do not move (the reference group). Similarly, model 5 establishes that, when *exports/GDP* increase in one standard deviation, the probability of becoming a technician or associate professional –in relation to those who do not experience any movement– goes down by 39%, of becoming sales worker goes down by 39.4% and of becoming blue collar skilled worker decreases by 25%. The only probability that does not diminish, as it is not significant, is that of going to the informal sector, or becoming an unskilled manual worker. In the case of model 4, the coefficients are significant to 5% and negative in the case of the service sector and of the skilled blue-collar group; once more, the probability that does not decrease is the one of transitioning to the lowest stratum. Furthermore, for models 1 and 2, the likelihood of experiencing downward mobility is not significant in the case of the variable *exports/GDP* and it is only negative and slightly significant, to 10%, in model 3. Nevertheless, in model 3, the coefficient shown in the case of upward mobility has a larger magnitude than that of downward mobility ($|-0.2478| > |-0.1771|$), besides the fact that the coefficient in the case of upward mobility is very significant, to 1%, and in the case of downward mobility it is scarcely significant, to 10%. In other words, the results of the 5 models provide evidence that show that the increase of *exports/GDP* is highly associated with reduced upward mobility for the male people in Mexican urban areas (even though we did not find that it exacerbated downward mobility). In the case of women, the variable lacks of significance almost in all the regressions, which suggests that it is not a

relevant variable to explain the changes in the female social mobility patterns. Only model 5 shows a negative coefficient with low significance in the likelihood for women to attain the professional level. In fact, this could suggest that women also saw negative effects in the upward mobility with liberalization. Nevertheless, this fact is hard to assess with our data, as it is only model 5 that showed this and it did it with a not very significant coefficient.

The case of the standardized variable *employees in the industrial public sector* shows the opposite to *exports/GDP*: when this variable increases, the likelihood for men to experience upward mobility increases too. According to model 1, when the variable augments in one standard deviation, the probability to experience upward mobility goes up 33.12% ($\exp[0.2861]$); according to model 2, it augments 33.05%; to model 3, it increases 35.06%. All of these coefficients are significant to 1%. Likewise, model 4 indicates that people who had in the economy one standard deviation more of the variable *employees in the industrial public sector* transition 55.81% more often to the managers class, 26% more often the service class, and 38.22% more often the skilled blue collar class than those who did not. These coefficients are significant to 1%. Moreover, model 5 shows almost the same results for this variable, except that, in this model, the variable also increases the probability to go into the technicians' occupational stratum in 22.4%. The variable does not augment the probability to go to the lowest class, in the case of model 4 and 5. Likewise, it does not increase the chances either of experiencing downward mobility, in the case of model 2. In the case of models 1 and 3, there are positive for downward mobility but hardly significant, to 10% –in this cases when we have so many observations, coefficients with this degree of significance should not be taken too much into account–. Nonetheless, the coefficients for downward mobility are considerably lower than those for upward mobility ($0.286094 > 0.10117$ & $0.301 > 0.101$). Thus, all of the models show that the when the public industry grew, upward intragenerational mobility for the men in our sample increased. Similarly, when the public industry was privatized and got reduced more than 97% between 1982 and 1999, the chances to go up in the occupational scale deteriorated for our male component of the sample.

In the case of women, the *number of employees in the industrial public sector* is not significant in the first three models but there are some significant coefficients, to 5%, in models 4 and 5. On the one hand, model 4 suggests that when the number of employees in the public industrial sector augmented, women transitioned 25% less to the 'pink sector' (service sector) and 87.7% more to the professional one. On the other hand, model 5 confirms very similar

results, except that the negative coefficient for the service sector turned significant to 10% and so did the positive coefficient (0.208) of transitions to the office clerk jobs. Indeed, during the ISI period, it was more likely for women to work in lower nonmanual activities, and with the debt crisis they entered to the lowest occupational strata. Probably these numbers reflect this fact, although they do not do it very consistently.

In the case of *urban unemployment rate at entry* and *real GDP per capita at entry*, these variables do not seem to be very significant in any model, except in one coefficient for model number 5. Blossfeld's theory indicates that the labor market conditions at the moment of entry are relevant because, if there are bad initial conditions, there will be more upward mobility and, if there are good initial conditions, there will be less of it. It is significant in the case of women when trying to attain the professional stratum: it will be 55% less likely to access this stratum if the urban rate of unemployment increases in one standard deviation. This contradicts Blossfeld's theory as the sign should be positive. Bad economic conditions at the time of entry should make it more likely to access higher strata later on.

In contrast, *real GDP per capita* and the *urban unemployment rate* are significant in several regressions. The results indicate that the higher are both variables, the less general mobility there is. Real GDP per capita is negatively related to both upward and downward mobility, but more with upward mobility. A possible explanation to this is the following: real GDP keeps growing over time, which means that higher values of GDP will be associated with the latest economic model (the market-led one) and lower values with the old economic model (the ISI one); therefore, if upward mobility decreased in recent times and GDP increased, we could actually find a negative correlation between them. Indeed, according to model 1, when real GDP per capita increases in one standard deviation, the chances of going up in the occupational scale diminish by 54% and those of downward mobility diminish by 38.5%.

In the case of the unemployment rate, it seems paradoxical that higher unemployment rates provoke less downward mobility. Nevertheless, the case of the unemployment rate is quite special in Mexico.²⁷ Negrete (2011) argues that the unemployment rate only reflects the modern segments of the labor market; in other words, cities with underdeveloped labor markets show low unemployment rates. In the cities in which the labor markets are more developed, the unemployment rate will be higher. Likewise, cities with more modern labor

²⁷ "The unemployment rate reflects, in essence, the behavior of the modern segments of the work force against the deficit of opportunities in a country with an uneven and heterogeneous level of development that also leads to other alternative behaviors." (Negrete 2011, p. 46)

markets have smaller informal sectors (INEGI, 2013). In fact, if we look at model 4 for men, it is possible to see that a higher unemployment rate will make it 13% less likely to go to the lowest occupational strata (informal jobs) and it is significant to 5%. Therefore, higher unemployment rates could be actually pointing to the presence of more developed and modern labor markets –where there is a smaller informal sector– and, hence, there is a negative and significant correlation between lower downward mobility and the unemployment rate variable.

Results of Group 1: average transition rates measures

Moreover, in the case of the young cohort and middle cohort dummy variables, which express the average degree of mobility for each cohort in relation to the mature cohort, there are positive and significant coefficients. This means that, in average, younger cohorts experienced both more upward and more downward mobility than the mature cohort. Nevertheless, whatever provoked these averages in the transition rates to be higher in the youngest cohorts remains unexplained. Moreover, it seems that some people are more prone to making transitions than others: the mobility propensity variable accounts for that. This variable is quite significant in both logit regressions (any move, upward or downward mobility) and multinomial regressions. Similarly, almost all of the times it has a positive sign, except in model 2, in which it seems to predict more downward than upward mobility. Nevertheless, regressions confirm the fact that those people, who transitioned before either upwards or downwards, are more likely to transition again.

Results of Group 3: individual characteristics

Now, let us observe the variables related with individual characteristics. Indeed, the variables related with human capital seem to be very significant in all cases –that is retrospective education level, health and wealth during childhood–. For both men and women, having more education than primary school (the reference dummy) seems to be very relevant in order to experience upward mobility or in order to attain the highest occupational strata (managers, professionals, technicians and clerks). In addition, having undergraduate studies is associated negatively and significantly with transitioning the lowest strata (in relation to those who do not move) for both men and women in models 4 and 5. In this sense, the human capital theory proves to have a point, as the people transitioning to the higher strata have higher education than those who do not transition, and also the people not transitioning to the lower part of the occupational scale have more schooling than the people who transition to these strata. Nevertheless, health during childhood is not significant in an expected way. In

fact, health during childhood is scarcely significant in any regression and, when it is, it displays the opposite sign than expected. In contrast, wealth during childhood did show the expected results. In the case of male respondents, model 1, 2 and 3 indicate that people who have roofs made out of cement have between 13.7% and 15.87% more chances of experiencing upward mobility than those people who lack of it. Similarly, according to models 4 and 5, for every man who did not have a concrete roof in his house during his infancy, there are between 1.52 and 1.75 men who had a concrete roof as managers, and between 2.66 and 2.7 men who also did as professionals.

Furthermore, other individual characteristics, such as migration and marital status, had significant repercussions on the mobility rates and ethnic origin did not. On the one hand, married people seem to be less mobile than single or divorced people. This variable obtained a negative sign in almost all regressions, especially among women. Indeed, in the case of men it seems to prevent mobility to some extent. Nevertheless, in the case of women it is very pronounced. According to the logit models, if a women is married, she has between 52.9% and 71.10% less chances to experience upward mobility; the coefficients are significant to 1% whereas, in the case of men, the variable is more significant when it prevents downward mobility. For women, downward mobility is also prevented if they are married; however, the coefficients are not as large in magnitude as those related to upward mobility. On the other hand, the migration status also shows very significant estimates to predict both upward and downward mobility. Especially in the case of men, this variable is extremely significant, whereas in the case of women it is scarcely so. We shall remember that people living in the city make up the sample and, thus, all men coming from rural areas (probably from the agricultural sector) inserted in another occupational stratum. However, there could also be people moving from smaller cities to larger cities and these men could experience downward mobility if they incorporated into the informal sector. In any case, those people who have migrated, in relation with those who have not, are more likely to experience some kind of mobility. Finally, the variable ethnic origin is only significant to 5% in model 4 in the case of men: it is 55% more likely for an indigenous person to enter the informal or unskilled manual sector than a nonindigenous person.

Results of Group 4: labor history

Now, let us take a look at the variables that account for particular attributes of labor markets and job positions. In the first place, *labor experience* is a relevant variable to prevent

downward mobility but not to promote upward mobility. In other words, labor experience make it more likely to keep a job or to obtain another job in the same occupational level; however, it might not be an asset in order to obtain a better vacancy. This provides evidence in favor of the *vacancy competition theory*, as it argues that the structure *must* offer a vacancy in order to be able to go up in the occupational scale. Certainly, we can observe the same pattern in all three logit models both for men and women. In the case of multinomial regressions, results show consistently that labor experience diminishes in a good deal the probability of falling in the lowest occupational stratum.

In the second place, in the case of the *labor interruption* variable, the results confirm what was stated in the literature review: it is positive for men in terms of upward mobility and negative for women. Men experience more mobility (model 1 & 2) when they interrupt their labor careers, and even some upward mobility (model 2). However, women experience negative effects on mobility very consistently and with significant coefficients across all the regressions. This happens not only in the case of upward mobility but also in the case of downward mobility. This could point to the fact that, once women retire from the labor force for a period of time, at their return women come back to the same occupations or even to the same jobs.

In the third place, *age at entry* does not seem to be a very significant variable. In the case of women, it seems to be negatively related with upward mobility in models 1 and 2. Certainly, many women do not join the labor force until very late in their lives. Especially the oldest cohort seems to have this behavior. It could happen that women were in charge of domestic duties and, thus, they could not participate actively in the labor market. However, later on many women do. Nevertheless, if a woman enters late in the labor market it will be less likely for her to experience upward mobility, because a good deal of the promotions to better jobs occur at younger ages. Thus, if some woman enters the labor market when aged 50 years old, it will be harder for her to experience any sort of mobility. In the case of men, this phenomenon is not so emphasized because they enter at younger ages, especially the oldest cohort.

In the fourth place, the variable *years at the current job* describe how many years a person has spent in her or his occupational level. It seems that if a person has not changed to other occupational strata for several years, it is highly unlikely for this person to experience any transition (model 1, 2 & 3), especially downward movements. For women, if they have remained more than 5 years in the same post, it is 41.2% less likely for them to achieve a

manager position whereas, for men, it happens the opposite. If a man has spent more than 5 years in a certain position (probably as a technician or as an associate professional), it will be 73% more likely for him to attain the professional class. This could actually talk about some glass-ceiling situation for women. Nevertheless, it probably was the case for the oldest cohort and, in the case of the youngest one, it happened less often.

In the last place, the *first occupation dummies* reflect to which extent one's first job determines the future possibilities to scale up across the occupational strata. According to the vacancy competition theory, those jobs in the lowest stratum should have more possibilities of experiencing upward mobility, simply because it is the stratum from which there can occur more transitions. Positively, in the first three models the prediction is fulfilled: the lowest stratum shows the largest coefficient and the following stratum shows a smaller one and so on, all significant. In the case of the multinomial model, the precedent pattern is not so clear. However, it is possible to see that a woman whose first job is as a sales worker will be very prone to fall into the lowest occupational stratum. This, again, might be connected to the crisis, as many women who entered in the service sector ended up in the informal sector or in other jobs within the lowest stratum.

VI. Conclusions

Indeed, the economic restructuring had deep repercussions on the labor market in Mexico and affected intragenerational mobility patterns. The increase of exports/GDP and the reduction of the public industrial sector are consistently associated with lower upward mobility rates. This could point to the fact that the new market-led economic model that emphasized privatization and trade liberalization transformed the national occupational structure in such a way that going up in the occupational scale became less likely. Of course, there are individual factors that affect the intragenerational mobility like human capital accumulation (*human capital theory*), wealth during childhood, personal propensity to change jobs, marital status, migration status, labor experience, continuity in the labor force, or age at entry to the labor market. However, there are also structural factors that must be taken into account like the degree of development of the labor market (*dynamic approach*) or the fact if there are available vacancies to occupy as a result of economic growth (*vacancy competition theory*). The set of policies and the context that the country is going through is determinant in terms of the probability to transition to different strata in the occupational scale. In this sense, it is very likely that the liberalization and the new economic model have had repercussions of some magnitude on the intragenerational mobility patterns. The work carried out in this thesis provides some additional evidence to believe that, indeed, this might be the case.

Furthermore, as Parrado (2005) suggests and as our data show, it could be the case that the labor supply modernized (the distributions prove the recent cohorts to be more educated) but the occupational structure did not. In this sense, it seems that the neoliberal policies and the new economic model emphasized the improvement of the labor supply but did not take too much into account the occupational structure (the labor demand side) and, therefore, a mismatch occurred between the structure of qualifications and the structure of requirements – described in Blossfeld’s theory–, lowering the upward intragenerational mobility.

In fact, our models suggest that for the three cohorts, the increase in liberalization was negative for the likelihood of experiencing a transition to a higher stratum. Likewise, the two oldest cohorts, for whom we have more years of life, show deteriorated upward mobility patterns when the change of model begins. Moreover, like Coubès (2007) suggests, weak job generation, low-productivity jobs and the expansion of the informal sector could be the mechanism that explains why upward mobility worsened in spite of a small GDP growth. In this sense, we must recall Prebisch’s words saying that not only GDP growth is necessary but

also the incorporation of the growing labor force into the economy. Therefore, adding more than a decade to the previous studies of intragenerational mobility and finding consistent results could point to the fact that the intragenerational mobility patterns have not improved – like poverty and inequality did (Lustig, 2010)– and that there could be deeper structural sources –like Coubès (2007) suggests– beyond the temporary crises or the situational events that prevent upward social mobility.

Likewise, some parallel conclusion is that women’s labor market is still very different from men’s. There are several variables, like labor interruption, marital status, or years at the current occupation, that impact differently the chances of men and women of going up or not going down in the occupational scale. Even though there might be an increasing normalization of the female occupational structure and labor force, there still is a substantial divergence in the transition rates to better occupations and in the factors associated to these transition rates.

Moreover, the level of education seems to be absolutely relevant in order to have chances to transition to higher strata. Additionally, variables like wealth during childhood prove that there is still no complete equality of opportunities, as those who were more privileged during their infancy have better chances to obtain better jobs –pointing to possible existence of the poverty traps in Mexico suggested by Mayer (2008)–. Therefore, there are many factors, other than labor experience that are determinant in order to have the opportunity to be progressing throughout one’s own career path.

Of course, there exist several limitations to the current project. For instance, it is noteworthy that the coefficients for the cohort variables are considerably higher than our interest variables. This means that there is a good deal of the transition rates that remains unexplained. Furthermore, the kind of study that occupational mobility might generate is limited to the definition of the occupations themselves. Some occupations are too broad and, even though there are arguments and experts (ILO, 2013; Goldthorpe, 1987; Paz and Crespo, 2008) that use certain schemes of stratification to order jobs from better to worse quality, they might include very different job qualities within the same stratum. Certainly, the activity that one carries out to obtain income is very telling of the social conditions and of the social class where one is placed. Nevertheless, it is not an absolute and irrefutable measurement. Probably income intragenerational mobility could offer other information and insights of value that the occupational mobility cannot (Duval et al., 2007). Likewise, retrospective data has its limitations in terms of representativeness, especially as we go back in time. There is a selection

bias that could be corrected with some considerably periodical panel data that followed the same individuals even if they migrated but, of course, that would imply analyzing a shorter span of time. Therefore, retrospective data and occupational strata analysis have their limitations but they do allow making an analysis of the past living conditions in a reasonably comparable way to the present living conditions. This is what has been done in the present project.

Finally, this thesis project could be further improved by incorporating a reliable measurement in the long run for the growth of the informal sector and of microbusinesses. In this paper, we suggest that the expansion of low-productivity informal jobs is the mechanism through which economic liberalization reduced upward intragenerational mobility. However, as we did not include any variable to measure this, we cannot be certain about it. INEGI is generating some new information regarding microbusinesses (with the survey for microenterprises ENAMIN) and informal sector data (informal work rate and informal sector size). Thus, it would be necessary to project these variables to the past, or to study a shorter span of time, in order to be able to provide additional evidence in favor of the hypotheses established in this paper.

In conclusion, having intragenerational social mobility is fundamental in a society in order to guarantee the possibility of improving the life quality. This phenomenon is subject to many circumstances, including individual characteristics and structural ones. The labor markets are constantly being reshaped and so are the occupational structures where workers get allocated. It is relevant to know how, when and why those structures change and which are the possible impacts on social mobility in order to prevent any harmful results. This is the case of Mexico and, thus, the labor and economic policies should be addressed in such a way that there are more better quality jobs that enhance a good way of living.

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	Estimates for Model			Logit models (Men)		
	Any move	Upward mobility	Downward mobility	Any move	Upward mobility	Downward mobility
Young cohort	1.400521***	1.617454***	0.8974718***	1.313799***	1.456266***	0.84774604**
	(0.1938195)	(0.2457031)	(0.303172)	(0.2499869)	(0.3098773)	(0.4014993)
	0.6233157***	0.6500198***	0.4667812*	0.5782067***	0.583738***	0.4372449
Middle cohort	(0.1568982)	(0.2000943)	(0.2426858)	(0.1899606)	(0.2368083)	(0.3021641)
	-0.1903509***	-0.2317817***	-0.1011733	-0.134621**	-0.1459138**	-0.0943624
	(0.053314)	(0.0616135)	(0.0855427)	(0.0595148)	(0.0733004)	(0.0963254)
Exports/GDP std.	0.2265551***	0.2860949***	0.104813*	0.2336991***	0.2855884***	0.1014236
	(0.0357309)	(0.0450285)	(0.0568979)	(0.0473666)	(0.0585603)	(0.0770172)
	-0.0529823***	-0.0301156	-0.0877138***	-0.0787295***	-0.0535423*	-0.114854***
Employees in Industrial Sector std. (Public Sector)	(0.0193409)	(0.0240225)	(0.0311579)	(0.0228254)	(0.0277216)	(0.0380698)
	-0.4050296***	-0.4332395***	-0.3256277***	-0.3941211***	-0.41978836***	-0.294428933**
	(0.058093)	(0.0728866)	(0.0919777)	(0.0728439)	(0.0892606)	(0.11933098)
U. Unemployment Rate at entry std.	-0.0077186	-0.0016919	-0.0130328	-0.020601	-0.0131226	-0.0231777
	(0.0203478)	(0.0258882)	(0.0315169)	(0.0229913)	(0.0288199)	(0.0362907)
	0.0013443	0.004336	-0.0021537	-0.0038328	-0.0022604	-0.0041812
GDP per capita at entry std.	(0.0067708)	(0.0085742)	(0.0105996)	(0.007824)	(0.0097317)	(0.0125483)
	-0.0067203	0.0152783	-0.0163204	-0.0335232	-0.0889679	0.1538942
	(0.1756923)	(0.2073375)	(0.315855)	(0.1871708)	(0.2246806)	(0.3197403)
No education	0.2370372***	0.2716152***	0.1569702	0.1809111***	0.2209654**	0.087879
	(0.0654198)	(0.0819062)	(0.103316)	(0.0702269)	(0.0866372)	(0.1130511)
	0.2288957***	0.3509815***	0.0014826	0.2055438***	0.3100477***	-0.0129104
High School (9-12 years)	(0.0708595)	(0.0880933)	(0.1131065)	(0.0798688***	(0.0934175)	(0.1229716)
	0.4543436***	0.7988073***	-0.1134951	0.4098688***	0.7949348***	-0.2880879*
	(0.0799871)	(0.0982691)	(0.1295277)	(0.0879547)	(0.1056416)	(0.1478297)
Undergraduate studies (12-16 years)	0.5396855***	0.7817651***	0.1223341*	0.7110554***	0.9374841***	0.2402301
	(0.1901938)	(0.2559915)	(0.2737697)	(0.2131095)	(0.2803682)	(0.30988045)
	0.1541978	0.1510784	0.1220802	0.1570359	0.1335276	0.1476018
Health during childhood	(0.0949847)	(0.1196081)	(0.1473994)	(0.1030818)	(0.1289716)	(0.1607349)
	0.1144536***	0.1285966**	0.0610063	0.1280115**	0.1473102**	0.0683531
	(0.0499811)	(0.0624698)	(0.0788791)	(0.0542103)	(0.0668461)	(0.0872186)
Marriage status	-0.1370784**	-0.106943	-0.1491405*	-0.1308691**	-0.1101761	-0.1432705
	(0.0546903)	(0.0686124)	(0.0865099)	(0.058691)	(0.0727491)	(0.0942949)
	0.2248662***	0.2185014***	0.2185056***	0.2993655***	0.2351637***	0.3528261***
Migration status	(0.0507681)	(0.0630142)	(0.0812896)	(0.054882)	(0.0670528)	(0.0902675)
	-0.039576	-0.0811727	-0.0005636	-0.0822107	-0.1144174	-0.0504318
	(0.0974461)	(0.1233704)	(0.1514266)	(0.1057159)	(0.1319141)	(0.1674485)
Indigenous person	0.0841919***	-0.0507348	0.2317977***	0.0047671	-0.1087613***	0.1481556**
	(0.0246102)	(0.0340054)	(0.0343412)	(0.0309168)	(0.0408297)	(0.0453364)
	-0.1864971***	-0.1204263	-0.2549364**	-0.1449498*	-0.1191201	-0.1634602
Labor experience	(0.0704023)	(0.0878824)	(0.1122123)	(0.0788041)	(0.0968104)	(0.1285932)
	0.0306276**	0.0286007	0.0225704	0.0548787**	0.0581442**	0.0388373
	(0.0155422)	(0.0199815)	(0.0235926)	(0.0189193)	(0.0229981)	(0.0311206)
Age at entry	0.0015601	0.0019761	0.0016097	0.0040867	0.0005913	0.0010631
	(0.0081229)	(0.0102446)	(0.0128251)	(0.0096103)	(0.0118358)	(0.0157023)
	-0.1315992**	-0.0070732	-0.3593193***	-0.1182718*	0.043257	-0.4522874***
Years at the current job	(0.0592138)	(0.0735473)	(0.0963168)	(0.0658683)	(0.0794618)	(0.1142163)
	0.5686246***	1.181625***	0.0094605	0.7989061***	1.576077***	0.1710497
	(0.2191173)	(0.3753819)	(0.2710667)	(0.2789135)	(0.52039)	(0.3271188)
Technicians/Assoc. Prof dummy	0.8575545***	1.596145***	0.0956536	1.336288***	2.085909***	0.2178108
	(0.2203636)	(0.3755444)	(0.2748806)	(0.2738455)	(0.5186713)	(0.3298901)
	0.8092802***	1.584842***	-0.0075563	1.1111111***	2.107572***	0.1099194
Service/Sales Workers dummy	(0.2178511)	(0.3722295)	-0.3801124	(0.2710055)	(0.5153774)	(0.326689)
	0.6692562***	1.64088***	-0.3801124	0.9224451***	2.158617***	-0.36768
	(0.2174049)	(0.3708143)	(0.2739946)	(0.2710424)	(0.5144295)	(0.3302352)
Office Clerks dummy	0.8122433***	2.068977***	-0.7835297***	1.688219***	2.679839***	-0.7228975**
	(0.21902)	(0.3720784)	(0.2794938)	(0.2723156)	(0.515346)	(0.33501)
	-1.306592***	-3.100403***	-1.039341	-1.29525**	-3.298892***	-1.001636
Constant	(0.6324192)	(0.6958581)	(0.5408977)	(0.5408977)	(0.7742534)	(0.8241635)
	2169	1351	818	1865	1194	671
	29910	29910	29910	22165	22165	22165
Number of shifts	561.85***	493.28***	309.94***	350.21***	339.77***	242.61***
	(0.0330000)	(0.0330000)	(0.0330000)	(0.0330000)	(0.0330000)	(0.0330000)
	22126	22126	22126	22126	22126	22126
Number of observations	22126	22126	22126	22126	22126	22126
	22126	22126	22126	22126	22126	22126
	22126	22126	22126	22126	22126	22126

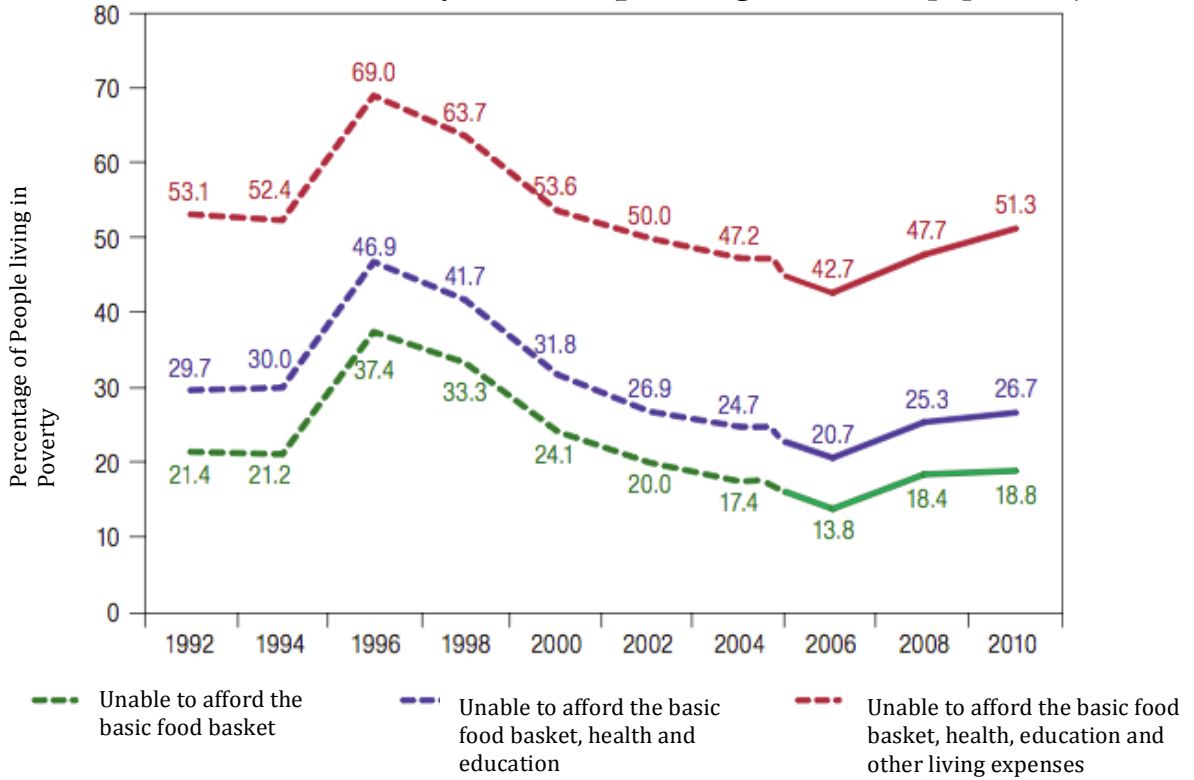
Estimates for Model	Multinomial Logit					Model 4	
	Managers/ Senior officials	Professionals	Women			Unskilled/Agr./ Informal	
			Technicians/ Assoc. Prof	Office Clerks	Service/ Sales Workers		Blue Collar skilled
Young cohort	-0.929132 (1.294894)	1.338219 (1.763045)	0.7618882 (0.6876301)	0.8443583 (0.5825082)	-0.4003011 (0.5053396)	0.4982845 (0.6481306)	0.4569212 (0.8434638)
Middle cohort	-0.9405199 (1.010215)	0.3103204 (1.155331)	0.4922255 (0.5178045)	0.6951891 (0.4500876)	-0.1966453 (0.3963859)	0.0265035 (0.5189127)	0.5037959 (0.694666)
Exports/GDP std.	0.5908503 (0.492136)	-0.3494818 (0.4494822)	-0.2357355 (0.2052219)	0.1340823 (0.1695492)	-0.0001489 (0.1574648)	0.00192 (0.186404)	-0.2041254 (0.2414993)
Employees in Industrial Sector std. (Public Sector)	-0.3627015 (0.4304473)	0.6296018** (0.297876)	0.04785 (0.1397421)	0.1399929 (0.114078)	-0.2213282** (0.1104021)	-0.0290911 (0.1266376)	-0.1078265 (0.1637039)
Urban Unemployment Rate	-0.2909125* (0.1705926)	-0.3054356* (0.1689469)	-0.1081002 (0.0750841)	-0.0147604 (0.0608239)	-0.114833* (0.0585938)	-0.0583518 (0.0665912)	0.047559 (0.0881444)
GDP per capita std.	-0.0137615 (0.4069552)	-0.9516583* (0.5180102)	0.0380432 (0.2139558)	-0.0929712 (0.1748879)	0.2243419 (0.1579337)	-0.0801879 (0.1964156)	0.510469** (0.2477067)
U. Unemployment Rate at entry std.	0.0366525 (0.1431827)	-0.5875956*** (0.2250867)	-0.0068029 (0.0734171)	-0.0521938 (0.0612869)	-0.0286772 (0.0571094)	0.1012982 (0.067377)	0.013522 (0.09078)
GDP per capita at entry std.	0.0438425 (0.0425027)	0.0616587 (0.0516299)	-0.0034335 (0.0220798)	-0.021258 (0.0189312)	0.013996 (0.0163034)	-0.0001196 (0.0210932)	-0.022264 (0.0283877)
No education	-14.13159 (3102.333)	-14.61701 (3480.139)	-15.80231 (1874.81)	-0.3374903 (0.6141674)	-0.4240204 (0.4310825)	-1.061429* (0.5955805)	-0.7013819 (0.6064686)
Secondary School (6-9 years)	-0.3050489 (1.428007)	-14.5661 (1615.221)	0.171218 (0.4052051)	0.8764091*** (0.2550932)	-0.0199475 (0.186338)	0.1198495 (0.208807)	0.0955213 (0.2600586)
High School (9-12 years)	1.211475 (1.101866)	1.125249 (1.206568)	1.605448*** (0.3333771)	1.518202*** (0.2460412)	0.0269898 (0.1925902)	-0.1037151 (0.2320422)	-0.2597804 (0.3042055)
Undergraduate studies (12-16 years)	2.876819*** (1.097804)	4.031607*** (1.124244)	2.703439*** (0.3543009)	1.325389*** (0.2941972)	-0.6019607** (0.2816207)	-0.5751872 (0.3755798)	-2.828708*** (1.052461)
Graduate studies (12-16 years)	2.775681** (1.216166)	4.74605*** (1.228483)	2.44213*** (0.6938418)	-16.0235 (2830.79)	-16.93375 (2455.061)	-16.26775 (2953.679)	-16.89886 (3950.967)
Health during childhood	0.0655708 (0.6207287)	0.9601661* (0.5453008)	0.5445946** (0.2522152)	0.290777 (0.2510654)	0.0207932 (0.2482367)	-0.2990122 (0.3646604)	0.1381357 (0.3949347)
Wealth during childhood	0.1928145 (0.4152218)	-0.5477285 (0.4126762)	0.1835988 (0.193066)	0.0774087 (0.1497927)	0.071976 (0.1373567)	-0.101151 (0.1646904)	-0.0277211 (0.2139971)
Marriage status	0.2482567 (0.3250551)	-0.2917026 (0.373681)	-0.3760415** (0.1705759)	-0.4666783*** (0.146938)	-0.3589765*** (0.1334003)	-0.4910763*** (0.1675002)	-0.2266047 (0.2202379)
Migration status	0.4286208 (0.3086165)	0.2075827 (0.3397044)	0.3008423* (0.1640134)	0.2543979* (0.1398326)	0.1261594 (0.129878)	-0.0638948 (0.1570648)	0.0243979 (0.2086675)
Indigenous person	-15.80784 (2475.476)	-16.05659 (2410.565)	-0.1519219 (0.4764572)	0.2057417 (0.3212363)	0.3710553 (0.2505774)	-0.1008026 (0.3343659)	-0.25477 (0.467364)
Mobility propensity	0.1903433 (0.1721505)	0.118948 (0.2365462)	0.0504 (0.1004602)	0.0615883 (0.0859591)	0.1486189** (0.0718954)	0.0989409 (0.1004035)	0.0994543 (0.1307515)
Labor experience	-0.0124919 (0.4942318)	0.6863083 (0.5518448)	-0.2308757 (0.254769)	-0.1276924 (0.2155907)	-0.2813634 (0.1941683)	-0.3642891 (0.2415945)	-0.8278209** (0.3230919)
Interruption	-0.0616521 (0.0593196)	0.0781636 (0.0699539)	-0.0262908 (0.0276444)	-0.0503331** (0.0238083)	-0.0467963** (0.0184703)	-0.0191177 (0.0227404)	-0.0854784*** (0.0316197)
Age at entry	-0.0202412 (0.0563514)	0.0024751 (0.0739956)	-0.0192822 (0.0289046)	-0.0243249 (0.024181)	-0.0507506** (0.0206392)	-0.033432 (0.027208)	-0.0553189* (0.0335912)
Years at the current job	-0.8858189** (0.4293413)	-0.3343663 (0.4847214)	-0.2252827 (0.2209419)	-0.4116444** (0.1899135)	-0.4632729*** (0.17119)	-0.3334516 (0.2160067)	-0.2355258 (0.2716532)
Managers/Sen. Officials dummy	-18.02627 (8707.332)	-17.69005 (7870.184)	-0.5814902 (0.7378916)	0.7536505 (0.7502565)	-16.9998 (3963.509)	-16.12772 (4848.141)	-14.62023 (5662.422)
Professionals dummy	-1.394878 (1.075184)	-0.3483658 (0.753308)	-1.901583** (0.7391233)	0.3559743 (0.5498178)	-16.60965 (1959.253)	-15.88721 (2402.604)	-14.17892 (2871.041)
Technicians/Assoc. Prof dummy	0.6834732* (0.3947112)	0.7805993 (0.4840224)	-1.571769*** (0.3306434)	0.4605745* (0.2657389)	-0.4158384 (0.265422)	-0.3069174 (0.4235807)	0.8388867 (0.5928483)
Service/Sales Workers dummy	-0.0010089 (0.4525384)	0.3389914 (0.567714)	0.3547473* (0.1935615)	1.099715*** (0.2112696)	-0.5329834*** (0.1844218)	0.5215721** (0.2526379)	1.233519*** (0.4256107)
Blue Collar skilled dummy	-15.92814 (1859.557)	0.5469006 (0.833187)	-0.0583047 (0.3273716)	0.904848*** (0.2784579)	0.4160012** (0.2039605)	0.1027847 (0.3395593)	0.9451033* (0.4962436)
Unskilled/Agr./Informal dummy	-0.3149382 (1.082591)	-14.81217 (1957.444)	0.113306 (0.3656029)	0.4826976 (0.3398103)	0.0319487 (0.2339895)	0.748166** (0.3069565)	1.110624** (0.495337)
Constant	-9.923612*** (2.983369)	-3.502042 (3.444687)	-5.460107*** (1.423978)	-4.394538*** (1.167758)	-4.259704*** (1.042582)	-3.732123*** (1.258039)	-6.615061*** (1.703501)
Number of shifts	49	41	175	237	273	182	105
Number of observations	25001						
χ^2	1055.23***						

Estimates for Model	Multinomial Logit					Model 4	
	Men					Blue Collar skilled	Unskilled/Agr./Informal
	Managers/ Senior officials	Professionals	Technicians/ Assoc. Prof	Office Clerks	Service/ Sales Workers		
Young cohort	0.9112793 (0.8939922)	0.9986256 (0.8973383)	1.264306** (0.5192293)	-0.2327739 (0.5322262)	1.654092*** (0.4212503)	2.180596*** (0.338154)	0.9976762* (0.5760863)
Middle cohort	0.5406979 (0.6551807)	0.8013389 (0.6264668)	0.5027974 (0.3982528)	-0.5383634 (0.4375205)	0.8155521** (0.3564808)	1.164794*** (0.2880172)	0.3089157 (0.5028232)
Exports/GDP std.	0.1401475 (0.2395011)	-0.6697363*** (0.2472155)	-0.2076929 (0.1448511)	-0.0681696 (0.1513789)	-0.2578543** (0.1138754)	-0.1820746** (0.0882416)	-0.187432 (0.1531087)
Employees in Industrial Sector std. (Public Sector)	0.4434655*** (0.1529428)	0.140004 (0.1546037)	0.1304046 (0.0959731)	0.1059294 (0.098925)	0.2313984*** (0.0775854)	0.3236977*** (0.0616692)	0.1149807 (0.1078939)
Urban Unemployment Rate	-0.0085557 (0.0838747)	-0.0060051 (0.0791435)	-0.0164625 (0.049134)	-0.0385049 (0.0543057)	-0.0698008 (0.0428259)	-0.0518257 (0.0330132)	-0.1184749** (0.0585286)
GDP per capita std.	-0.3169214 (0.2536077)	-0.0062237 (0.260509)	-0.3576917** (0.155805)	-0.0190505 (0.1588209)	-0.3383039*** (0.124575)	-0.6441889*** (0.0995432)	-0.312213* (0.1709066)
U. Unemployment Rate at entry std.	-0.1064363 (0.0921175)	0.0506529 (0.087191)	0.0032743 (0.0514947)	-0.0866527 (0.0588521)	-0.0463119 (0.04586)	0.0054945 (0.0361848)	0.009965 (0.0624284)
GDP per capita at entry std.	-0.0061209 (0.0291959)	0.009473 (0.0285666)	-0.0070886 (0.0176305)	0.0289638 (0.018729)	-0.0015331 (0.015176)	-0.0090948 (0.0122533)	0.0029481 (0.021421)
No education	-14.01354 (2004.367)	-12.44165 (1875.505)	-14.7944 (1195.689)	-0.4346978 (0.7266741)	0.2807891 (0.3238125)	0.0210139 (0.2452475)	0.0850197 (0.4294436)
Secondary School (6-9 years)	0.3904102 (0.6779758)	0.7801409 (1.228859)	0.633137** (0.2513086)	0.4173568** (0.1999803)	0.5161688*** (0.1332112)	0.0931731 (0.0994059)	-0.056233 (0.1568991)
High School (9-12 years)	2.072442*** (0.5576983)	1.769839 (1.102629)	1.579028*** (0.2307184)	0.9103121*** (0.1961542)	0.2506639* (0.1522489)	-0.2107212* (0.1176582)	-0.6871064*** (0.2024074)
Undergraduate studies (12-16 years)	3.234705*** (0.5457275)	5.016704*** (1.022453)	1.990601*** (0.2390696)	0.6261637*** (0.2336933)	-0.0270853 (0.1910217)	-0.5006337*** (0.1616964)	-2.061773*** (0.400695)
Graduate studies (12-16 years)	3.163266*** (0.6979962)	5.360167*** (1.077426)	2.11497*** (0.4078617)	0.7362317 (0.5506076)	-0.3920902 (0.604097)	-0.910079 (0.5980427)	-16.03252 (1446.526)
Health during childhood	0.398133 (0.4113781)	0.4940922 (0.391642)	-0.0656778 (0.2803826)	0.0716239 (0.2715996)	0.4417267** (0.1753759)	0.0114942 (0.1702817)	-0.0637853 (0.2811834)
Wealth during childhood	0.4236564* (0.2418731)	0.9920279*** (0.2875251)	0.0227302 (0.1337058)	0.125389 (0.1377865)	0.0050393 (0.1054697)	0.1044607 (0.0835721)	0.0685222 (0.1395045)
Marriage status	0.5478482** (0.2620047)	-0.3497307 (0.2286595)	-0.3288975** (0.141925)	-0.2216026 (0.1511159)	-0.1916174 (0.1178095)	0.0669214 (0.0932248)	-0.4528114*** (0.1609814)
Migration status	0.5124187** (0.2522013)	0.0938059 (0.2218264)	0.0883725 (0.1333583)	0.067064 (0.1359398)	0.4044918*** (0.11177)	0.2204174** (0.0851858)	0.234919 (0.1451697)
Indigenous person	-0.0335924 (0.6052227)	0.3082452 (0.618806)	-0.0139298 (0.3050265)	0.0552401 (0.2750664)	-0.1908731 (0.2054208)	-0.2244691 (0.1634528)	0.4416073** (0.217607)
Mobility propensity	0.2051571** (0.0905649)	0.0489935 (0.1108764)	0.2185644*** (0.0557202)	-0.0261777 (0.0704652)	0.1036128** (0.0518562)	-0.0454674 (0.0471171)	0.1767909** (0.0711558)
Labor experience	-0.2254664 (0.3252565)	-0.1841434 (0.2943497)	-0.0004751 (0.1826779)	-0.39711** (0.1972225)	-0.2146471 (0.1509781)	-0.0111067 (0.1193796)	-0.5891318*** (0.2082284)
Interruption	-0.1708888 (0.1045763)	0.0625575 (0.0575788)	0.0143684 (0.0389845)	0.0128182 (0.0397069)	0.060907* (0.0311164)	0.0558673** (0.028257)	0.0172009 (0.0485369)
Age at entry	-0.0395986 (0.034408)	-0.0471488 (0.0356843)	0.0054122 (0.0214538)	-0.0431171* (0.0220379)	-0.0031095 (0.0174945)	0.0295092** (0.0141796)	0.0006047 (0.0245285)
Years at the current job	0.0624199 (0.2496486)	0.5529644** (0.2470666)	-0.1768458 (0.1568008)	-0.3325581** (0.1671817)	-0.139734 (0.1282706)	-0.198757** (0.1008186)	-0.0564037 (0.1766542)
Technicians/Assoc. Prof dummy	0.5977105 (0.55443)	1.009685* (0.5468004)	-0.483399 (0.3593691)	1.082245 (0.747386)	15.46159 (924.8509)	0.7897283 (0.613229)	-0.8183868 (1.143608)
Office Clerks dummy	0.0747929 (0.6113748)	1.136162** (0.5776017)	0.3473382 (0.3475203)	1.114322 (0.7553588)	15.74338 (924.8509)	1.081113* (0.6103247)	0.2509892 (1.064933)
Service/Sales Workers dummy	-0.0852959 (0.6205347)	0.2594005 (0.6269595)	-0.0373028 (0.3559564)	1.510543** (0.7421997)	15.2915 (924.8509)	1.30615** (0.601773)	0.455714 (1.052863)
Blue Collar skilled dummy	0.2471019 (0.5905511)	1.255426** (0.5671583)	0.0191235 (0.3484075)	1.296036* (0.741584)	15.49401 (924.8509)	0.6554155 (0.6064132)	0.2530682 (1.053716)
Unskilled/Agr./Informal dummy	0.0589087 (0.6288361)	0.7883449 (0.6214379)	-0.1710798 (0.3653557)	1.098743 (0.7487451)	15.60021 (924.8509)	1.523618** (0.6024056)	-0.3482016 (1.05817)
Constant	-6.416979*** (1.967352)	-10.04209*** (2.090658)	-3.318807*** (1.122358)	-6.010909*** (1.344428)	-17.69463 (924.8514)	-1.584182* (0.9398422)	-2.086276 (1.618604)
Number of shifts	101	113	293	263	439	716	244
Number of observations	29910						
χ^2	1628.73***						

Estimates for Model	Multinomial Logit					Model 5	
	Managers/ Senior officials	Professionals	Women			Unskilled/Agr./ Informal	
			Technicians/ Assoc. Prof	Office Clerks	Service/ Sales Workers		Blue Collar skilled
Middle cohort	0.502972 (1.634689)	1.484648 (1.521057)	0.6783082 (0.6629861)	1.402263** (0.5655546)	0.0764093 (0.4621805)	0.1453858 (0.5936002)	0.7553598 (0.7844291)
Exports/GDP std.	0.7442727 (0.5521483)	-0.8259551* (0.4926434)	-0.3699963 (0.2366161)	-0.0379309 (0.2012743)	0.0329732 (0.1842829)	-0.1315213 (0.2224985)	-0.2407181 (0.2872901)
Employees in Industrial Sector std. (Public Sector)	-0.2058667 (0.449714)	0.7535813** (0.3266381)	0.0825103 (0.1469318)	0.2082166* (0.1195337)	-0.1882953* (0.1136688)	-0.0632871 (0.1312563)	-0.0950548 (0.1692571)
Urban Unemployment Rate	-0.2198073 (0.212443)	-0.0526397 (0.1984227)	0.0406246 (0.0880187)	0.0842738 (0.0730974)	-0.1534675** (0.0721858)	0.0001256 (0.0792098)	0.0808939 (0.1033138)
GDP per capita std.	-0.9142482* (0.5042988)	-0.8708797 (0.5939182)	-0.0386888 (0.2476654)	-0.0836624 (0.2042333)	0.1664793 (0.1826034)	0.0790792 (0.2275934)	0.6270814** (0.2840453)
U. Unemployment Rate at entry std.	-0.1787868 (0.2706555)	-0.6503036** (0.3147808)	-0.0850052 (0.1149739)	-0.1003557 (0.0888793)	-0.0034421 (0.0773898)	0.122577 (0.0923141)	0.0894435 (0.1169207)
GDP per capita at entry std.	-0.0082856 (0.081628)	0.0505326 (0.0679983)	0.0099574 (0.0281383)	-0.0377004 (0.0240195)	0.0030998 (0.0191983)	-0.004203 (0.0245536)	-0.0352328 (0.0326463)
No education	-14.69664 (3840.016)	-14.93856 (3883.49)	-16.00439 (2138.543)	-0.2996561 (0.6198789)	-0.493425 (0.4345871)	-0.9935732* (0.5993032)	-0.6678458 (0.614701)
Secondary School (6-9 years)	-14.9724 (2256.387)	-14.84483 (2219.302)	0.4682725 (0.4371428)	1.095118*** (0.2867492)	-0.2358708 (0.2331582)	0.2220939 (0.2607284)	0.2314443 (0.3243995)
High School (9-12 years)	0.9613669 (1.254541)	1.009346 (1.293748)	1.414325*** (0.3716569)	1.172336*** (0.2872245)	-0.3757035 (0.2365321)	-0.1102093 (0.2913235)	-0.3210146 (0.398326)
Undergraduate studies (12-16 years)	2.953761** (1.26977)	3.756193*** (1.190609)	2.368439*** (0.4119559)	1.041728*** (0.3652129)	-1.070493*** (0.3731856)	-0.6888691 (0.5868961)	-1.928246* (1.085453)
Graduate studies (12-16 years)	2.506513* (1.465259)	4.421378*** (1.367337)	2.774125*** (0.8468742)	-16.366 (4198.679)	-17.50035 (3648.336)	-15.92381 (4599.273)	-16.67796 (5898.114)
Health during childhood	-0.4371481 (1.105641)	0.7923281 (0.8451996)	0.3625506 (0.355008)	0.5117665* (0.2938773)	0.3695424 (0.2633726)	-0.294169 (0.4627872)	-0.0453097 (0.5230245)
Wealth during childhood	-0.1005882 (0.5174727)	-0.5810476 (0.4989686)	0.360068 (0.2404182)	-0.0455669 (0.18865)	0.101482 (0.1753742)	-0.1493377 (0.2136943)	-0.2703938 (0.2803839)
Marriage status	0.0987486 (0.4755469)	-0.6960227 (0.4908841)	-0.5361104** (0.2187378)	-0.518183*** (0.187508)	-0.3348224** (0.168404)	-0.4880791** (0.2107568)	0.2376678 (0.2901749)
Migration status	0.0440375 (0.4433933)	0.2317985 (0.465451)	-0.1060643 (0.2113993)	0.2583665 (0.1882193)	0.1334337 (0.1667286)	-0.0803036 (0.2030455)	0.121263 (0.2712337)
Indigenous person	-15.28786 (3342.744)	-14.98289 (3405.358)	0.1898488 (0.6095362)	0.0953512 (0.4335457)	0.2527105 (0.3089139)	-0.1013647 (0.4033896)	-0.193998 (0.5294018)
Mobility propensity	0.4171892* (0.2175773)	0.1831194 (0.3265027)	0.1090711 (0.1310156)	0.1964477* (0.1011998)	0.1873589** (0.0845229)	0.0870862 (0.1223335)	0.1322385 (0.1553177)
Labor experience	0.6889405 (0.7757536)	1.620851** (0.7374191)	0.1351438 (0.3358871)	0.1854513 (0.2786544)	-0.2129514 (0.2475106)	-0.2061782 (0.3007495)	-0.9744765** (0.4100588)
Interruption	0.0211592 (0.0696495)	0.1524118* (0.0823511)	-0.0028517 (0.0320841)	-0.022664 (0.0268696)	-0.0453984** (0.0205315)	-0.0128473 (0.0250444)	-0.0897511** (0.0348881)
Age at entry	-0.0594526 (0.0921645)	0.0439229 (0.1007902)	-0.0012321 (0.0359774)	0.0043666 (0.0292437)	-0.0443228* (0.0240472)	-0.026968 (0.0313895)	-0.0537057 (0.0386927)
Years at the current job	-0.6677234 (0.5160354)	-0.1968619 (0.5849185)	-0.1519452 (0.2679582)	-0.354964 (0.2283486)	-0.4994095** (0.199758)	-0.3456178 (0.2537215)	-0.0533453 (0.3159898)
Managers/Sen. Officials dummy	-17.68376 (11824.24)	-17.01868 (9209.506)	-0.8505081 (1.038684)	-16.93083 (5462.812)	-16.86499 (4819.812)	-15.93494 (6082.925)	-15.17593 (7407.234)
Professionals dummy	-17.21365 (6951.434)	1.417339 (1.106446)	-1.597923 (1.049523)	0.8776165 (0.6396239)	-16.36131 (3006.347)	-15.6543 (3843.856)	-14.7954 (4681.866)
Technicians/Assoc. Prof dummy	1.318973** (0.6150814)	1.579068* (0.8217043)	-2.257877*** (0.5431906)	0.2677032 (0.3312913)	-0.3257734 (0.3297426)	-0.7134135 (0.6616712)	0.3626114 (0.7245619)
Service/Sales Workers dummy	-0.0833044 (0.7936739)	1.056421 (0.9282364)	0.3264904 (0.2530554)	0.7675988*** (0.2650594)	-0.6336787*** (0.2416753)	0.6394626* (0.3358872)	0.9065432* (0.4871997)
Blue Collar skilled dummy	-15.6082 (2437.602)	1.525217 (1.058709)	-0.1768622 (0.4220598)	0.8580993** (0.3357905)	0.4266021* (0.2588343)	0.2947885 (0.4500893)	0.3809407 (0.6365092)
Unskilled/Agr./Informal dummy	0.2193947 (1.301158)	-14.21387 (2536.425)	0.2969326 (0.4346454)	0.4708412 (0.3941681)	-0.0310661 (0.2952645)	0.9714759** (0.3932991)	0.8858347 (0.569161)
Constant	-1.576561 (4.842426)	-6.025612 (4.654219)	-6.119855*** (1.757836)	-4.347385*** (1.463678)	-3.457968*** (1.228965)	-4.953118*** (1.461086)	-7.256277*** (2.009758)
Number of shifts	24						
Number of observations	18299	24	103	140	173	111	66
χ^2	639.41***						

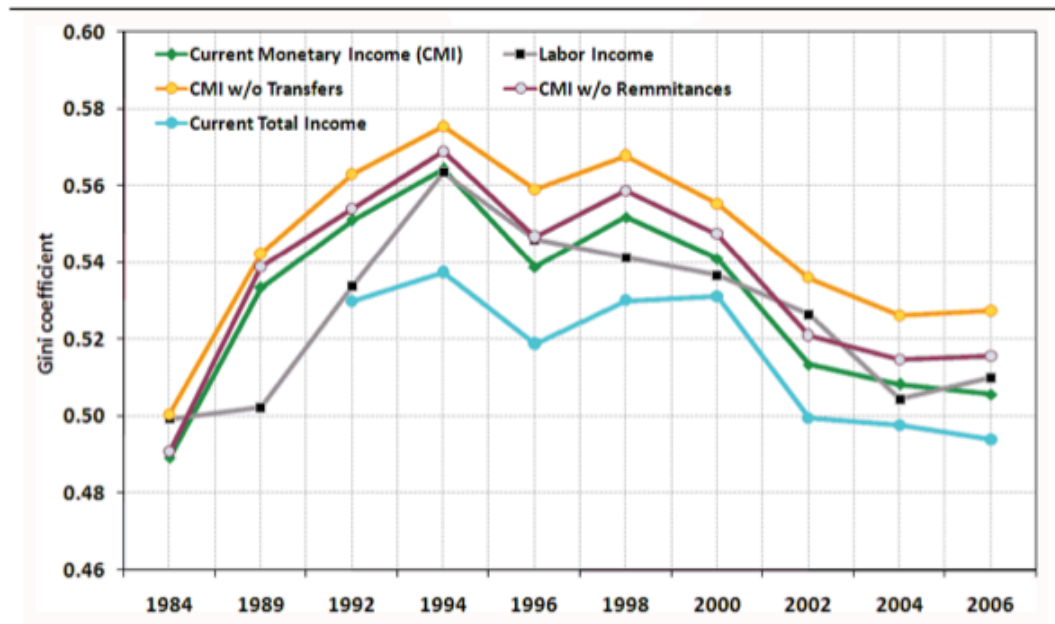
Estimates for Model	Multinomial Logit						Model 5
	Men						
	Managers/ Senior officials	Professionals	Technicians/ Assoc. Prof	Office Clerks	Service/ Sales Workers	Blue Collar skilled	Unskilled/Agr./ Informal
Middle cohort	0.3339217 (0.7365323)	1.858603** (0.8015859)	1.287727*** (0.4742998)	-0.2659538 (0.5037149)	1.163781*** (0.3952312)	1.32844*** (0.3141164)	0.5969915 (0.5567628)
Exports/GDP std.	0.1938019 (0.258562)	-0.6670127** (0.2640109)	-0.3270595** (0.1608176)	-0.0216499 (0.18035)	-0.3324725** (0.1368891)	-0.2222036** (0.104975)	-0.2820655 (0.1945272)
Employees in Industrial Sector std. (Public Sector)	0.414348*** (0.1547401)	0.1403745 (0.1606453)	0.2022846** (0.0997881)	0.1022793 (0.1027325)	0.2309465*** (0.0813751)	0.3223719*** (0.0643515)	0.1050416 (0.1132629)
Urban Unemployment Rate	0.0622257 (0.092166)	0.0558721 (0.0886213)	0.0619032 (0.0554474)	0.0360735 (0.0622846)	-0.0195803 (0.0492046)	0.010171 (0.0371941)	-0.0903456 (0.0688597)
GDP per capita std.	-0.2662488 (0.274034)	0.0012994 (0.2856558)	-0.6032057*** (0.182014)	-0.1027214 (0.186047)	-0.4264616*** (0.1447181)	-0.6652073*** (0.1143456)	-0.2574902 (0.1986337)
U. Unemployment Rate at entry std.	-0.1083987 (0.1116435)	0.2191687* (0.1146344)	0.0372297 (0.0680729)	-0.0260925 (0.0744186)	-0.016854 (0.0587734)	-0.0158559 (0.0463381)	-0.0374136 (0.0840695)
GDP per capita at entry std.	0.0004311 (0.0338368)	-0.0381083 (0.0395116)	-0.0220844 (0.0220833)	0.0161097 (0.0222073)	-0.0072415 (0.0169653)	-0.0093332 (0.0134625)	-0.0022007 (0.0238674)
No education	-14.63146 (2676.123)	-13.12927 (2571.856)	-15.35071 (1716.035)	-0.7762367 (1.01935)	0.5210973 (0.3288772)	0.1212746 (0.2610174)	0.2186424 (0.4336027)
Secondary School (6-9 years)	0.3105823 (0.7159741)	0.2709998 (1.418364)	0.8663674*** (0.2892249)	0.8056923*** (0.2430312)	0.4980361*** (0.1614675)	0.0839401 (0.1202615)	-0.1744304 (0.1992625)
High School (9-12 years)	1.896627*** (0.5747547)	1.312948 (1.162446)	1.502254*** (0.272753)	1.149287*** (0.2431062)	0.2515175 (0.1840405)	-0.3130854** (0.1456446)	-0.9304443*** (0.2706354)
Undergraduate studies (12-16 years)	2.929611*** (0.5613129)	4.994711*** (1.034573)	1.978638*** (0.279593)	0.7712484** (0.2981779)	-0.0396914 (0.2365295)	-0.5906076*** (0.2014558)	-1.810691*** (0.4554868)
Graduate studies (12-16 years)	3.166393*** (0.7290806)	4.970154*** (1.119635)	2.169725*** (0.4981933)	0.8744616 (0.7767432)	-0.3508702 (0.7459624)	-1.026711 (0.7367411)	-16.19503 (2123.924)
Health during childhood	0.4873328 (0.4603923)	0.9115899** (0.4384873)	-0.1240588 (0.3512234)	0.0128376 (0.3346506)	0.4822837** (0.2055634)	-0.0548319 (0.2041669)	-0.0933649 (0.3338231)
Wealth during childhood	0.5575549** (0.2764327)	0.9809699*** (0.3131527)	0.0101488 (0.1611194)	0.0681746 (0.1701199)	-0.0759165 (0.1323223)	0.1486619 (0.1027448)	0.0044843 (0.1801295)
Marriage status	0.4765723 (0.3098483)	-0.0272837 (0.2679543)	-0.1716672 (0.1762796)	-0.4136179** (0.1917518)	-0.1593588 (0.1473778)	-0.0128223 (0.1132764)	-0.6134812*** (0.2033394)
Migration status	0.5417027* (0.3062412)	0.1666894 (0.2770706)	0.0878758 (0.1736568)	0.0541398 (0.1766118)	0.4183735*** (0.1472672)	0.1887425* (0.1069176)	0.3675345* (0.1947628)
Indigenous person	-0.2481315 (0.7441302)	0.0177816 (0.7505754)	-0.3106033 (0.426132)	0.1464726 (0.3253519)	-0.1227368 (0.2455129)	0.0067669 (0.1833948)	0.4231925 (0.2716168)
Mobility propensity	0.2512537** (0.0970726)	0.0024928 (0.1274894)	0.3033011*** (0.0618285)	0.0073541 (0.0831673)	0.1765087** (0.0604136)	0.0061437 (0.0550803)	0.2196511** (0.0856933)
Labor experience	-0.3946658 (0.3901676)	-0.2158642 (0.3525672)	0.2865885 (0.2306436)	-0.2427935 (0.2501283)	-0.3478684* (0.1865567)	-0.0131914 (0.143169)	-0.6185125** (0.258427)
Interruption	-0.3459896* (0.1924633)	0.0930643 (0.0654504)	-0.0442865 (0.0635753)	-0.0113596 (0.0536529)	0.0668701* (0.0376849)	0.0721598** (0.0328361)	0.0074919 (0.0611626)
Age at entry	-0.0318451 (0.0397358)	-0.0118315 (0.043591)	0.0227588 (0.0265104)	-0.0165827 (0.0268018)	-0.0014843 (0.0210749)	0.0289025* (0.0165239)	0.0071102 (0.0233096)
Years at the current job	0.0178184 (0.2822793)	0.4203508 (0.284831)	0.0163882 (0.1823244)	-0.366277* (0.2025848)	0.0377527 (0.1527226)	-0.0573841 (0.1177128)	0.0868604 (0.2112737)
Technicians/Assoc. Prof dummy	0.2024189 (0.5744962)	1.130027* (0.6294088)	-0.6803748 (0.4197626)	16.39561 (1999.18)	15.77676 (1500.9)	0.1049988 (0.6320394)	13.76571 (1940.684)
Office Clerks dummy	-0.2078087 (0.6528018)	1.175751* (0.6695383)	0.1651339 (0.4126982)	16.38178 (1999.18)	15.80572 (1500.9)	0.3968475 (0.6332644)	15.1868 (1940.684)
Service/Sales Workers dummy	-0.475793 (0.6826038)	-0.0593217 (0.7738872)	-0.4050383 (0.438571)	16.89875 (1999.18)	15.53082 (1500.9)	0.7392148 (0.6204452)	15.26125 (1940.684)
Blue Collar skilled dummy	0.0216843 (0.6203388)	1.069068 (0.6682035)	-0.2233907 (0.4187659)	16.67901 (1999.18)	15.70947 (1500.9)	0.0292175 (0.6270304)	14.71293 (1940.684)
Unskilled/Agr./Informal dummy	-0.0958018 (0.663836)	1.004747 (0.7091046)	-0.524969 (0.4400681)	16.54763 (1999.18)	15.78946 (1500.9)	0.8498765 (0.6205116)	14.27266 (1940.684)
Constant	-6.947017*** (2.150935)	-9.766047*** (2.374704)	-2.249718* (1.351031)	-21.59075 (1999.18)	-17.58257 (1500.901)	-1.03487 (1.020202)	-16.80807 (1940.685)
Number of shifts	78	86	194	166	287	485	156
Number of observations	22126						
χ^2	1242.99***						

Evolution of Income Poverty, 1992-2010 (percentage of the total population)



Source: OECD (2012), *Getting It Right. Una agenda estratégica para las reformas en México*, OECD Publishing, p.41

Gini Coefficients for alternative income definitions, 1984-2006



Source: Lustig, Nora, Gerardo Esquivel and John Scott (2010), "A Decade of Falling Inequality in Mexico: Market Forces or State Action?", UNDP Discussion Paper, New York, U.S.A., p.3