Social Networks 40 (2015) 174–184

Contents lists available at ScienceDirect

Social Networks

journal homepage: www.elsevier.com/locate/socnet

Inequalities in social capital and their longitudinal effects on the labour market entry

Pieter-Paul Verhaeghe*, Koen Van der Bracht, Bart Van de Putte

Department of Sociology, Ghent University, Belgium

ARTICLE INFO

Keywords:
Social capital
Network resources
Inequalities
Labour market entry

ABSTRACT

This study investigates socio-economic and ethnic inequalities in social capital and their effects on the process of the labour market entry. We use longitudinal data about the transition from school to work of lower- and middle educated young people in Belgium. Social capital is measured with three robust position generator measures. In line with previous studies, there are substantial socioeconomic and ethnic inequalities in the access to social capital. Ethnic differences in social capital are, however, due to the socio-economic deprivation of ethnic minority groups in Belgium. Among the specific population of lower- and middle educated youth, knowing more people from the working class leads to a higher likelihood of entering the labour market versus continuing in education, whereas knowing more people from the higher service class results in a lower likelihood of entering the labour market. Especially the resources of strong ties such as relatives and friends are important for these decisions. In addition, once entered the labour market, social capital has an impact on the likelihood of getting a job. Lower- and middle educated labour market entrants who know more people from the working class are more likely to find work, whereas knowing people from the lower service class decreases the job chances. However, there is no evidence for social capital effects on the occupational status of the job among our population.

1. Introduction

Since the outbreak of the economic crisis in Europe, youth unemployment has soared seriously. According to Eurostat statistics (2012), youth unemployment in the European Union was 21.4% in 2011. Especially lower educated and immigrant youngsters experience difficulties during their labour market entry (Breen and Goldthorpe, 1997; Craig et al., 2005). Moreover, taking a bad start on the labour market has persisting consequences for the further career (Scherer, 2005; Steijn et al., 2006). Getting insight into the factors facilitating or hindering the important life course is, thus, of great importance.

This critical 'turning point' in life happens, of course, not in a social vacuum. Many people are advantaged during their job search by their social networks (Granovetter, 1995; Lin, 2001). The assistance of social network members can be considered as social capital in its instrumental tradition, in which it is defined as the resources embedded in social networks that can be accessed or used by individuals (Bourdieu, 1986; Portes, 1998; Völker and Flap, 1999; Lin, 2001). The main aim is to examine to which extent social capital plays a role in (re)producing inequalities during the process of the labour market entry.

We aim to contribute to the literature in four ways. Firstly, although many studies have investigated to which extent social capital affects occupational attainment (Lin and Dumin, 1986; Boxman et al., 1991; Erickson, 1996; Bian, 1997; Völker and Flap, 1999; Lin, 2001; Li et al., 2008; McDonald et al., 2009), few focused on the labour market entry. Research suggests that someone's access to social capital becomes less ascribed during life and more achieved (Flap and Boxman, 2000; McDonald and Mair, 2010). Therefore, the labour market entry is an interesting life stage to examine how someone's background factors, such as the ethnic and social class origin, shape his/her access to social capital. Moreover, it would shed light on how this important life course transition is socially embedded.

Secondly, as the first longitudinal study, we examine whether and how social capital affects the labour market entry. By following 1080 high school graduates during one year in their transition from school to the labour market, we address previously raised questions about the causality of the association between social capital and

* Corresponding author. Tel.: +32 473 865 375.
E-mail addresses: pieterpaul.verhaeghe@ugent.be (P.-P. Verhaeghe), koen.vanderbracht@ugent.be (K. Van der Bracht), bart.vandeputte@ugent.be (B. Van de Putte).

http://dx.doi.org/10.1016/j.socnet.2014.10.001
0378-8733/

labour market outcomes (Mouw, 2006). Social capital is measured with the position generator (Van der Gaag, 2005; Lin and Erickson, 2008).

Thirdly, we distinguish between social capital provided by 'strong ties' such as friends and family and 'weak ties' such as acquaintances. With this distinction, we test theories concerning the strength of weak ties (Granovetter, 1973) versus strength of strong ties (Lin et al., 1981; Bian, 1997) with respect to the labour market entry.

Lastly, there are substantial socio-economic and ethnic inequalities in the labour market entry (Breen and Goldthorpe, 1997; Craig et al., 2005). This study examines explicitly to which extent social capital mediates the relationships between these background factors and labour market outcomes.

2. Literature review and hypotheses

2.1. Effects of social capital on labour market entry

The transition from school to work consists of two processes: the decision process to continue in education or not, and the search process for a first job. We distinguish two types of mechanisms through which social capital could influence these processes.

The first mechanism relates to the *direct use of social network resources to find a job*. There are several ways through which relatives, friends or acquaintances could help during the job search. They could, for example, provide information about the labour market in general or about some specific job vacancies in particular, or put in a good word with an employer, or directly hire job searchers (Granovetter, 1995; Lin and Ao, 2010). According to social capital theory (Lin, 2001), job seekers are not helped by having social contacts per se, but by the resources of these contacts. It is not the size, but the socio-economic composition of personal networks that matters. Research has shown that the access to social capital is positively related to finding a job (Fernandez et al., 2000; McDonald et al., 2009; Lancee, 2012) and to the occupational status of that job (Lin and Dumin, 1986; Bian, 1997; Lai et al., 1998; Völker and Flap, 1999; Lancee, 2012). Moreover, labour market entrants with more social capital make more use of their personal contacts to search for a job than those with less social capital (Flap and Boxman, 2000; Moerbeek and Flap, 2008).

However, Flap and Völker (2001) have shown that the utility of social capital is goal specific: different objectives require social networks with different structures and contents. We expand this logic to the labour market entry of our research population of lower and middle educated people. Given their educational qualifications and the segmentation of the labour market, we expect that they are more helped with the resources of people active in the working class than with resources of people active in the (higher) service classes. Working class people are more able to provide relevant labour market- or job information, or put in a good word with an employer. Therefore, we expect that, among lower- and middle educated people, working class specific social capital is more helpful to find a first job than service class specific social capital (hypothesis 1).

The second mechanism concerns *the indirect influence of social network resources* on entering the labour market. In contrast to the previous mechanism, social capital is not directly used. Social capital affects the labour market entry by shaping occupational and study aspirations. From qualitative studies (Stanton-Salazar, 1997; Domínguez and Watkins, 2003), we know that social network members could encourage job searchers in their occupational attainment (e.g. acting as positive role models) or discourage them (e.g. gender expectations). According to the rational choice theory of educational decision making (Breen and Goldthorpe, 1997), young people try to avoid, in their decision to continue education or not, downward socio-economic mobility given the class position of their parents. We argue that young people try to avoid any position in life that is worse than the class position of not only their parents, but also of other significant persons such as brothers, sisters, friends and peers. Previous research has shown the role of significant others in shaping educational and occupational aspirations (Sewell et al., 1970; Brown et al., 1996). We argue that network resources shape educational and occupational aspirations, and consequently, the likelihood of continuing in education rather than entering the labour market. We expect that, among lower- and middle educated people, having service class specific social capital results in a higher likelihood of continuing in education, whereas having working class specific social capital leads to a higher likelihood of entering the labour market (hypothesis 2).

Not all network members have, however, the same influence on the labour market entry. Scholars distinguish between 'strong ties', characterized by intimacy, trust and loyalty, and 'weak ties' which are less intimate (Granovetter, 1973; Wellman and Wortley, 1990; Bian, 1997). According to the strength of weak ties theory of Granovetter (1973), weak ties are better for instrumental actions like getting a job, because they serve as bridges to networks with different resources. Although weak ties may be more useful to find a job in general, research has found that strong ties are better for finding high-status jobs because strong ties are more motivated to actually help a person, especially when the requested resources are scarce and valuable (Lin et al., 1981; Bian, 1997; Ooka and Wellman, 2006). Therefore, we expect that weakly tied social capital is more helpful for finding a first job than strongly tied social capital (hypothesis 3), but that strongly tied social capital is more likely to lead to a job with a higher status than weakly tied social capital (hypothesis 4).

In addition, since research has shown that people's occupational aspirations are especially shaped by significant others (Sewell et al., 1970; Brown et al., 1996), we expect that strongly tied social capital affects the decision to continue education or not more than weakly tied social capital (hypothesis 5).

2.2. Inequalities in social capital

Although social capital appears to be important for the transition from school to work, there is surprisingly little research about inequalities in the access to social capital among labour market entrants. According to Lin (2001), inequalities in social capital can be attributed to the combination of social stratification and social homophily: when social groups differ in their access to resources (such as wealth, status or information) and when members of privileged groups mainly interact with one another, social network resources are unequally distributed.

Many studies have shown high levels of socio-economic homogamy in social interactions (Kalmijn, 1998; McPherson et al., 2001; Blossfeld, 2009). Because of these homophilous relationships, there are substantial socio-economic inequalities in the access to social capital (Erickson, 1996; Lin, 2001; Völker and Flap, 1999; Li et al., 2008). Lower educated and working class people are embedded in socio-economically less advantaged networks. Moreover, previous research has demonstrated that the occupational and educational positions of the parents affect the access to social capital of their children (Lin and Dumin, 1986; Völker and Flap, 1999; Moerbeek and Flap, 2008; Verhaeghe et al., 2012a). Following these studies, we expect that the socio-economic background of labour market entrants affects their access to social capital (hypothesis 6).

In addition, ethnicity is also important factor in shaping relationships (McPherson et al., 2001). Although there are indications of a decline in ethnic segregation in Belgium (Verhaeghe et al., 2012b), there is still considerable ethnic homogamy in marriage and

friendship patterns (Vancluysen et al., 2009; Lodewijckx, 2010). Because of the pronounced socio-economic ethno-stratification in Belgium (Verhoeven, 2000; Heath and Cheung, 2007), we expect that these ethnic homogenous patterns result in ethnic inequalities in social capital (hypothesis 7). Previous research has recently shown ethnic inequalities in social capital (Parks-Yancy, 2006; Behtoui, 2007; Li et al., 2008; Völker et al., 2008; McDonald et al., 2009). But with the exception of the study of Verhaeghe et al. (2012a), to the best of our knowledge, no study has examined ethnic inequalities in social capital among labour market entrants.

There are socio-economic and ethnic inequalities in the labour market entry (Breen and Goldthorpe, 1997; Craig et al., 2005). People with a working class and/or an ethnic minority background experience more difficulties in their transition from school to work. Given the expected socio-economic and ethnic inequalities in social capital (previous hypotheses), it is reasonable to expect that the relationships between these socio-economic and ethnic background factors and labour market entry outcomes are partly mediated by the unequal access to social capital (hypothesis 8).

2.3. Measuring causality and social capital

Much research has already demonstrated associations between social capital and several labour market outcomes. Questions have, however, been raised about the causality of these relationships (Mouw, 2006). Do social contacts' resources affect the occupational attainment, or do privileged socio-economic positions allow to become friends with people with more resources? A few studies have tried to address this problem of reversed causality by means of longitudinal data. However, these studies used proxies of social capital, such as the ethnic network composition or contact frequency (Kanas et al., 2012; Lancee, 2012), or used very specific indicators of mobilized social capital, such as job referrals (Fernandez et al., 2000; Petersen et al., 2000). It is better to use direct measures of the full capacity of resources embedded in a social network (Lin and Ao, 2010). As the first longitudinal study, we will measure social capital with the position generator. Position generators map the occupational positions of network members (Van der Gaag, 2005; Lin and Erickson, 2008). These occupational positions are considered as good indicators of the resources embedded in a social network.

3. Data and methodology

3.1. Data

We used data from the longitudinal survey 'Labour market entry and Social Capital'. In this survey, two cohorts of lower- and middle-skilled labour market entrants in two multi-ethnic cities in the Belgian region Flanders are followed during one year. For the first wave, we contacted the 44 schools in the cities of Ghent and Mechelen which were offering the part-time vocational track, the 6th grade vocational track, the 7th grade vocational track, the 6th grade technical track or the 7th grade technical track during the school year 2008–2009. In vocational tracks, pupils learn a specific profession. Technical tracks stress both practical and theoretical subjects (see De Ro, 2008 for details). Vocational and technical students are qualified for skilled working class or routine clerical jobs. According to official statistics (VDAB, 2009), 68% of all lower- and middle-skilled labour market entrants in the region Flanders originate from these tracks. If these students pursue further education, they mainly complete technical specialization or bachelor studies. Because of compulsory education, collecting data in schools is a suitable way of getting high-quality representative information about labour market entrants in Belgium. Moreover, we gained access to 'difficult-to-reach' populations, like (undocumented) immigrants.

Of the 44 contacted schools, 37 schools or 84% agreed to participate in the data collection. Our research team administered a questionnaire among the students of the selected tracks during the last two months of the school year (May and June), just before the students could enter the labour market. We enquired these students about their access to social capital, their socio-economic and demographic background, and their contact opportunities. Students of 22 schools were enquired in 2009 (= cohort 1 of wave 1), while students of the other 15 schools were enquired in 2010 (= cohort 2 of wave 1). We worked with two cohorts to examine possible cycle effects of the economic crisis. Because May and June are busy months for schools (internships, school trips and examinations), we could not collect data in every study field. Moreover, in some courses the absence rates of students were high. We obtained usable data from 2179 students or 70% of the population of the 37 schools that agreed to participate.

In the second wave, one year later for each cohort, we interviewed a sample of these students again with questions about their labour market entry. Because we anticipated on selective lower contact and response rates, we oversampled students with a non-Belgian ethnic origin and from the second cohort. As a result, we selected from the sampling frame of 2179 students of the first wave a disproportional sample of 1577 persons to participate in the second wave. We were able to interview 1080 persons. The contact rate was 70%, cooperation rate 97%, and the final response rate 68%. Non-response analyses revealed that people from the second cohort, the 7th grade vocational track and from a West- and Southern-European ethnic origin were overrepresented in the realized sample, compared to the sampling frame. There was no significant over- or underrepresentation according to gender, age, social class origin, or between the other tracks or other ethnic groups.

3.2. Measurements

3.2.1. Labour market entry

The process of entering the labour market is captured with three variables. These three dependent variables were measured one year later (time $t+1$) than the other variables (time t). Firstly, we asked whether the respondent continued education or whether he/she entered the labour market. Whereas 602 respondents were continuing in education (55.7%), 478 respondents entered the labour market (44.3%). Secondly, we asked the respondents who entered the labour market, whether they have a job or have had a job during the last six months. Of 478 labour market entrants, 421 persons have or had a job (88.1%) and 57 were still searching for a job (11.9%). Thirdly, we asked respondents with a job about the content and characteristics of their job. We calculated the occupational status of the jobs using the International Socio-Economic Index of Ganzeboom et al. (1992). Average occupational status was 33.5.

3.2.2. Social capital

In the position generator of this study, respondents were asked whether they know somebody in their social network having an occupation from a list of 24 occupations. All 24 occupations are salient in Belgian society and range from construction worker to physician.[1] For each occupation multiple answer categories could be ticked: 'A family member has this occupation', 'A friend has

[1] The position generator consists of six higher service class occupations (physician, lawyer, director of a company, scientist, farm manager, and engineer), six lower service class occupations (manager, computer operator, musician/artist/writer, insurance agent, nurse, and teacher), and twelve working class social capital

this occupation', and 'An acquaintance has this occupation'. An 'acquaintance' was defined as 'somebody of whom you know the first name and with whom you would make a short conversation when meeting her/him'. We included the category 'I know nobody having this occupation' to control for item non-response.

Following several studies (Lin and Dumin, 1986; Erickson, 1996; Völker and Flap, 1999; Verhaeghe and Tampubolon, 2012), we constructed social class-based position generator variables. A parallel-test experiment has shown that this type of variables has higher reliabilities than the occupational prestige or status-based position generator variables (Verhaeghe et al., 2013). The 24 occupations were divided into three social classes following Goldthorpe's (1987) class schema: higher service class (containing higher grades of professional and managerial employees and farm managers), lower service class (including lower grades of professional and managerial employees), and working class (containing skilled, semiskilled and unskilled manual workers, farm labourers, routine non-manual workers, and foremen). Afterwards, we calculated three social capital variables by counting the number of contacts from these classes: higher service class social capital (range: 0–6), lower service class social capital (range: 0–6), and working class social capital (range: 0–12). To examine the effect of tie strength, we distinguished between occupations practiced by acquaintances, by friends, and by family members.

3.2.3. Socio-economic and ethnic background

We measured the socio-economic background of students with two indices. Firstly, we asked respondents about the highest attained educational level of their parents. We constructed for each parent three general educational categories: higher education (having a degree from tertiary education), middle education (having a certificate from higher secondary education), lower education (having a certificate from lower secondary or primary education, having no diploma at all). After that, we combined the educational levels of both parents in four categories: 'Both higher educated' (18.1%), 'Only one higher educated' (17.1%), 'Both or one middle educated' (45.9%), and 'Both lower educated' (18.9%). Secondly, parental class positions were measured by asking respondents about the current or last main job of both parents. We recoded the answers to Goldthorpe's class scheme (1987). For reasons of parsimony, we reduced the 11 Goldthorpe-classes to three categories: service class, intermediate class and working class. We further collapsed the class positions of both parents into four categories: 'Both service class' (14.5%), 'Only one service class' (29.1%), 'Both or one intermediate class' (28.9%), 'Both working class' (26.0%).

Ethnic background is assessed by the countries of birth of the grandmothers. In doing so, we capture second and third generation immigrants in Belgium too. We distinguished 'Ethnic Belgians' (63%), 'West- and Southern Europeans' (8.3%), 'First generation Moroccans, Turks or Balkans' (5.0%), 'Second or third generation Moroccans, Turks or Balkans' (13.5%), and a rest category (10.2%).[2] This categorization is based on the specific migration history of Ghent and Mechelen (Verhaeghe et al., 2012b) and previous research which indicated that the largest ethnic inequalities in social capital are between these groups (Verhaeghe et al., 2012a).

3.2.4. Control variables

We control for age, gender, subjective health status and cohort. Mean age in our sample is 18.73 years on time *t*. There are 557 men (51.6%) and 523 women (48.4%). Respondents were asked to rate their general health. Response categories were: 'very bad' (1), 'bad', 'fair', 'good', and 'very good' (5). Mean health status in our sample is 3.96. The first cohort consists of 580 respondents (53.7%), whereas the second of 500 (46.3%). In addition to these individual variables, we control for the labour market demand for the specific study field in which the respondents were graduated. Respondents of our sample came from 103 different study fields. For each study field, we calculated the proportion of graduates who are still unemployed one year after leaving school, using official unemployment statistics of the public employment service VDAB. We used unemployment figures for the year 2009. This proportional variable ranges from 0 to 1, and has an average of 0.22.

Descriptive statistics of the sample can be found in Table 1.

3.3. Analytic strategy

Given that individuals are nested within schools and study fields, we apply multilevel models. The clustering is, however, not hierarchical: the same study fields are offered at different schools and individual schools offer different study fields. This implies that these higher levels are cross-classified: individuals (level 1) are nested within both study fields (level 2) and schools (level 3). For each model, we performed Cross-Classified Multilevel analyses using Markov Chain Monte Carlo estimation (MCMC) in MLwiN 2.25 (Browne, 2012). Results indicated, however, that only at the study field-level there was substantial and significant variance which, if this clustering would be ignored, would violate the assumption of independence of observations (Hox, 2002). Therefore, we confined these analyses to hierarchical two-level models with individuals (level 1) nested within study fields (level 2). The only exception was the analyses for the odds of finding a job, where variance was substantial at both the study field- and school-level. For these models we thus present the results of the Cross-Classified model with all three levels: individuals (1), study fields (2) and schools (3). Given that we measure each indicator only once, we do not apply a typical longitudinal multilevel model, i.e. a repeated measurements model where measurements are nested within individuals (Hox, 2002). However, we examine effects longitudinally: the dependent variables labour market entry and occupational prestige were measured at wave 2 ($t+1$), one year later than the independent variables (t). This longitudinal design has the advantage that the measurement of social capital is prior to the entry in the labour market, hence not affected by the entrance.

Logistic multilevel regressions were performed for binary dependent variables (labour market entry, and labour market position), whereas linear multilevel regressions for continuous variables (occupational status) and Poisson multilevel regressions for count variables (social capital variables). To make the intercept interpretable, we centred all continuous and count variables on their grand means. To examine inequalities in the access to social capital (hypotheses 6 and 7), we perform multilevel Poisson regression models on the access to the different types of social capital (Table 2). For ease of interpretation, coefficients of Poisson regression models are presented as percent change scores (Long and Freese, 2006; McDonald et al., 2009). To investigate whether and how different social capital elements have an independent effect on the process of labour market entry (hypotheses 1–5), we perform five multilevel regression models on three outcome variables (Table 3: labour market entry, Table 4: labour market position, Table 5: occupational status). Model 1 contains all individual and study field confounding variables. From these models, we can see whether there are independent socio-economic and

occupations (bookkeeper, secretary, foremen, police, hairdresser, cook, mechanic, construction worker, postman, lorry driver, cleaner, and engine driver).

[2] The West- and South-European category includes people from France, the Netherlands, Germany, Spain, Italy, Greece, United Kingdom, Switzerland, Norway, Denmark, Austria and Ireland. The Balkan category consists of people from Bulgaria, Albany, Czechoslovakia, Romania, Kosovo, Bosnia-Herzegovina, Serbia and Montenegro.

Table 1
Descriptive statistics of the sample.

Individual variables measured at wave 1 (*N*: 1080)	Mean	S.D.	%
Social capital variables (missing *N*: 60)			
Higher service class social capital	2.25	1.65	
Higher service class social capital of acquaintances	1.13	1.23	
Higher service class social capital of friends	0.51	0.90	
Higher service class social capital of relatives	0.76	0.99	
Lower service class social capital	3.12	1.52	
Lower service class social capital of acquaintances	1.43	1.34	
Lower service class social capital of friends	0.94	1.16	
Lower service class social capital of relatives	1.13	1.04	
Working class social capital	6.84	2.54	
Working class social capital of acquaintances	2.98	2.23	
Working class social capital of friends	2.08	2.07	
Working class social capital of relatives	2.55	1.86	
Educational origin variables (missing *N*: 0)			
Both parents higher educated			18.1
Only one parent higher educated			17.1
One or both parents middle educated			45.9
Both parents lower educated			18.9
Social class origin variables (missing *N*: 45)			
Both parents from the service class			14.1
Only one parent from the service class			29.0
One or both parents from the intermediate class			29.8
Both parents from the working class			27.1
Ethnic origin variables (missing *N*: 0)			
Ethnic Belgians			63.0
West- or South-Europeans			8.3
First generation Turks, Moroccans or Balkans			5.0
Second generation Turks, Moroccans or Balkans			13.5
Rest			10.2
Age (missing *N*: 0)	18.73	1.29	
Subjective health status (missing *N*: 0)	3.96	0.76	
Gender			
Men			51.6
Women			48.4
Cohort (missing *N*: 0)			
Cohort 1			53.7
Cohort 2			46.3

Individual variables measured at wave 2 (*N*: 1080)	Mean	S.D.	%
Labour market entry variables (missing *N*: 0)			
Continued education			55.7
Entered labour market			44.3
Job search variables (missing *N*: 602)			
Did not have a job			88.1
Have or had a job			11.9
Occupational status of the job (missing *N*: 653)	33.52	8.98	

Labour market demand for study field in 2009 (*N*: 103)	Mean	S.D.	%
Proportion of graduates still unemployed after one year	0.22	0.17	

ethnic inequalities in the process of labour market entry. Models 2–5 add social capital variables to the variables of the first models. Whereas model 2 examines social capital acquired through the whole social network, models 3–5 distinguish according to tie strength (model 3: social capital acquired through acquaintances, model 4: friends, models 5: relatives). From these models we can see which types of social capital have independent effects on the process of labour market entry.

Our investigation of the extent to which social capital mediates the relationships between social class and educational background and the process of the labour market entry (hypothesis 8) consists of three steps. In step 1, we examine whether class and educational background is related to social capital, after controlling for several confounding variables (Table 2). In step 2, we look at the effects of class and educational background on the labour market outcomes in Tables 3–5, before and after controlling for social capital variables. Shrinkage of the effects of class and educational background after taking social capital into account, would suggest that these variables are mediating the relationship between these background factors and outcomes variables. In step 3, we formally test this mediation using product of coefficients tests for multilevel mediation models (Krull and MacKinnon, 1999). We used first- and second order Taylor series (Sobel and Aroian tests) to provide estimates of the mediated effects.

4. Results

4.1. Inequalities in social capital

Table 2 presents the results of multilevel Poisson regression models on the access to social capital. Firstly, we see clear socio-economic inequalities in the access to social capital, after controlling for several other background factors. These educational and social class gradients in the access to social capital are especially pronounced with respect to social capital through the family. Secondly, bivariate analyses show ethnic inequalities in the access to social capital between Turks, Moroccans and Balkans on the one hand and ethnic Belgians on the other (not shown). Turks,

Table 2
Multilevel Poisson regression models on the access to social capital (Ni: 969, Nj: 102, Percent Change Scores).

	All ties	Acquaintances	Friends	Relatives
A. Higher service class social capital[d]				
Educational background[a]				
Only one parent higher educated	−7.6%	−11.0%	16.8%	−8.6%
One or both parents middle educated	−18.9%**	−11.1%	−9.3%	−30.6%**
Both parents lower educated	−29.0%***	−16.9%*	−22.6%	−39.3%**
Social class background[b]				
Only one parent service class	−16.3%**	−9.5%	−4.9%	−24.2%*
One or both parents intermediate class	−17.8%**	−11.5%	−5.3%	−28.1%*
Both parents working class	−34.9%***	−22.2%*	−17.1%	−54.3%***
Ethnic background[c]				
West- or South-Europeans	11.0%	27.7%*	−0.4%	−10.8%
First gen. Turks, Moroccans or Balkans	13.1%	33.2%*	−35.2%	39.7%+
Second gen. Turks, Moroccans or Balkans	19.6%*	9.8%	−7.5%	55.8%***
Rest	16.6%*	−5.3%	37.6%*	41.3%**
B. Lower service class social capital[d]				
Educational background[a]				
Only one parent higher educated	7.9%	−3.4%	27.8%+	−3.4%
One or both parents middle educated	−1.2%	3.1%	9.5%	−17.7%+
Both parents lower educated	−8.5%	−8.4%	−8.5%	−21.2%+
Social class background[b]				
Only one parent service class	−12.4%*	−0.1%	−11.2%	−19.5%*
One or both parents intermediate class	−16.8%**	−6.5%	−17.3%	−32.2%***
Both parents working class	−23.3%***	−13.7%	−16.4%	−39.8%***
Ethnic background[c]				
West- or South-Europeans	6.3%	19.9%+	−3.7%	4.3%
First gen. Turks, Moroccans or Balkans	−4.9%	17.8%	−38.2%*	−0.8%
Second gen. Turks, Moroccans or Balkans	−2.0%	4.7%	−6.7%	2.6%
Rest	5.3%	5.8%	7.4%	−9.8%
C. Access to working class social capital[d]				
Educational background[a]				
Only one parent higher educated	15.9%**	4.9%	20.1%*	21.0%*
One or both parents middle educated	19.3%***	1.1%	15.4%	49.1%***
Both parents lower educated	12.9%*	−2.8%	−2.8%	35.1%**
Social class background[b]				
Only one parent service class	−4.4%	−4.5%	2.0%	8.1%
One or both parents intermediate class	−4.1%	−0.8%	−6.0%	3.5%
Both parents working class	−8.0%	−7.4%	−12.2%	7.1%
Ethnic background[c]				
West- or South-Europeans	5.3%	6.9%	13.1%	6.7%
First gen. Turks, Moroccans or Balkans	−0.4%	7.7%	11.3%	6.1%
Second gen. Turks, Moroccans or Balkans	6.0%	5.7%	−6.0%	29.0%***
Rest	−0.4%	−2.6%	15.6%+	−4.6%

+ $p < 0.10$.
* $p < 0.05$.
** $p < 0.01$.
*** $p < 0.001$
Reference categories: [a] Both parents higher educated; [b] Both parents service class; [c] Ethnic Belgians.
[d] Controlled for: proportion graduates unemployed after one year, gender, age, subjective health status and cohort.

Moroccans and Balkans from the first generation have less access to lower service class social capital, especially through friends and relatives. Their second generation counterparts have less access to lower service class through friends and relatives too, but they have more access to working class social capital through relatives. After controlling for socio-economic and other background factors, these social capital deficiencies disappear and Turks, Moroccans and Balkans from the second generation have even more access to both higher service class and working class social capital than ethnic Belgians through the family. This indicates that ethnic inequalities in the access to social capital are due to socio-economic inequalities.

4.2. Effects of social capital on labour market entry

Table 3 presents results of multilevel logistic regression models on the odds to enter the labour market versus continuing in education. Model 1 shows that there is an educational gradient in the decision to enter the labour market or not: people whose parents are lower or middle educated have higher odds to enter the labour market than people whose parents are both higher educated (Table 3, model 1). Surprisingly, there are no independent social class inequalities in labour market entry. In addition, we see that Turks, Moroccans and Balkans from the first generation have higher odds to enter the labour market than ethnic Belgians, and that graduates from study fields with high unemployment risks have lower odds to enter the labour market. Model 2 shows that social capital has an independent longitudinal effect on the labour market entry. People with more higher service class social capital have lower odds to enter the labour market, whereas people with more working class social capital have higher odds to enter the labour market. Having access to lower service class social capital seems not to matter for the labour market entry. From models 3 to 5 in Table 3, we see that especially strongly tied social capital is important for labour market entry. In other words, how many and which kind of resources friends and relatives have matter for the decision to continue education or not.

The educational gradient in the labour market entry diminishes after taking social capital into account. The positive effect of having lower educated parents on entering the labour market decreased with 23% (= ln(1.907) − ln(2.308)/ln(2.308)) and

Table 3
Multilevel logistic regression of the odds to enter the labour market versus to continue education (N_i: 969, N_j: 102, odds ratios).

	Model 1	Model 2	Model 3	Model 4	Model 5
Constant	0.646 (0.324)	0.825 (0.424)	0.684 (0.347)	0.633 (0.320)	0.780 (0.396)
Proportion graduates unemployed after one year	0.056 (0.076)*	0.050 (0.068)*	0.056 (0.077)*	0.048 (0.065)*	0.053 (0.073)*
Educational background[a]					
Only one parent higher educated	1.371 (0.455)	1.193 (0.400)	1.345 (0.447)	1.339 (0.447)	1.261 (0.421)
One or both parents middle educated	2.316 (0.734)**	1.930 (0.621)*	2.246 (0.711)*	2.218 (0.705)*	1.965 (0.634)*
Both parents lower educated	2.260 (0.802)*	1.863 (0.670)+	2.184 (0.776)*	2.212 (0.787)*	1.920 (0.689)+
Social class background[b]					
Only one parent service class	0.865 (0.251)	0.805 (0.236)	0.848 (0.246)	0.854 (0.249)	0.788 (0.232)
One or both parents intermediate class	0.713 (0.223)	0.660 (0.210)	0.708 (0.222)	0.719 (0.226)	0.642 (0.204)
Both parents working class	0.687 (0.234)	0.605 (0.210)	0.677 (0.231)	0.700 (0.239)	0.577 (0.201)
Ethnic background[c]					
West- or South-Europeans	1.048 (0.312)	1.038 (0.310)	1.061 (0.316)	1.001 (0.300)	1.026 (0.307)
First gen. Turks, Moroccans or Balkans	2.157 (0.914)+	2.276 (0.973)+	2.192 (0.936)+	2.002 (0.853)	2.232 (0.954)+
Second gen. Turks, Moroccans or Balkans	0.793 (0.216)	0.813 (0.223)	0.797 (0.217)	0.803 (0.218)	0.782 (0.215)
Rest	0.410 (0.127)**	0.436 (0.136)**	0.405 (0.126)**	0.414 (0.129)**	0.429 (0.135)**
Female	0.904 (0.199)	0.885 (0.196)	0.905 (0.200)	0.919 (0.204)	0.885 (0.196)
Age	1.375 (0.109)***	1.396 (0.111)***	1.378 (0.110)***	1.366 (0.108)***	1.397 (0.112)***
Subjective health status	0.853 (0.095)	0.858 (0.095)	0.858 (0.095)	0.865 (0.096)	0.847 (0.095)
Second cohort	1.039 (0.223)	1.045 (0.225)	1.023 (0.221)	1.054 (0.227)	1.087 (0.235)
Access to social capital		All ties	Acq.	Friends	Relatives
Higher service class social capital		0.829 (0.056)**	0.875 (0.072)	0.798 (0.093)+	0.842 (0.081)+
Lower service class social capital		1.010 (0.072)	1.124 (0.086)	1.014 (0.092)	0.902 (0.080)
Working class social capital		1.000 (0.046)*	1.005 (0.046)	1.117 (0.059)*	1.106 (0.054)*
Log likelihood	−548.11	−543.00	−546.16	−544.85	−544.11
Variance study field (standard error)[d]	1.72 (0.45)	1.68 (0.44)	1.72 (0.45)	1.66 (0.44)	1.73 (0.45)
ICC study field (%)[d]	34.4%	33.8%	34.4%	33.6%	34.4%

+ $p < 0.10$.
* $p < 0.05$.
** $p < 0.01$.
*** $p < 0.001$
Reference categories: [a] Both parents higher educated; [b] Both parents service class; [c] Ethnic Belgians.
[d] Null model: variance study field: 2.13 (0.53); ICC study field: 39.3%.

that of having one or two middle educated parents with 21% (= ln(1.976) – ln(2.363)/ln(2.363)). The educational differentials in labour market entry remain, however (borderline) significant. This suggests that the relationship between educational background and labour market entry is partly mediated through social capital. Formal mediation tests reveal different mechanisms (not shown). On the one hand, students with lower or middle educated parents have less access to higher service class social capital, especially through the family, than students with two higher educated parents. This educational background results in a lower likelihood to enter the labour market versus continuing in education (Sobel and Aroian test statistics are >1.96). On the other hand, students with one or two middle educated parents have more access to working class social capital than students with two higher educated parents, which results in a higher likelihood to enter the labour market. This mediation effect is, however, only borderline significant (Sobel and Aroian test statistics are >1.65 and <1.96).

4.3. Effects of social capital on labour market position

Table 4 shows multilevel cross-classified logistic regression models on the likelihood of finding a job, once entered the labour market. Because the sample of labour market entrants is small ($N = 418$), results have to be viewed with caution. Model 1 shows that there are no socio-economic inequalities in the labour market position.[3] Labour markets entrants with lower or middle educated parents or working class parents did not have significantly lower odds to find a job than their colleagues with higher educated or service class parents. Labour market entrants from study fields with higher unemployment risks than average have, not surprisingly, lower odds to find a job. Moreover, we see that Turks, Moroccans and Balkans from the first generation have lower odds to have a job than ethnic Belgians, even after controlling for several background factors. There are, however, no significant differences in the likelihood of finding work between their second generation counterparts and ethnic Belgians.

From model 2 we can see that social capital has an independent effect on the likelihood of getting a job. After controlling for several background factors, labour market entrants with more access to working class social capital than average have higher odds to find a job. Entrants with more access to lower service class social capital than average have, however, lower odds of finding a job. When we distinguish between social capital provided by acquaintances, friends and relatives in model 3–5, social capital no longer has a significant effect. This suggests that there is only a joint social capital effect of all ties. Since there are no socio-economic inequalities in the likelihood of finding work among our sample, there are no mediation effects of social capital on these inequalities.

4.4. Effects of social capital on occupational status

Table 5 presents the multilevel regression models on the occupational status of the found jobs. Results have again to be viewed with caution, given the small sample of labour market entrants with a job ($N = 361$). Results show that there are no significant socio-economic or ethnic inequalities in occupational status, nor any significant social capital effects.

[3] There are also no significant bivariate associations between these socio-economic background factors and the labour market position.

Table 4
Multilevel cross-classified logistic regression of the odds to find work versus finding no work (*N* individuals: 418, *N* study fields: 88, *N* schools: 36, odds ratios).

	Model 1	Model 2	Model 3	Model 4	Model 5
Constant	17.236 (2.006)***	29.254 (2.088)***	19.163 (2.046)***	18.430 (2.075)***	20.780 (2.119)***
Proportion graduates unemployed after one year	0.012 (6.600)*	0.019 (6.626)*	0.015 (6.693)*	0.010 (7.265)*	0.007 (7.426)*
Educational background[a]					
Only one parent higher educated	2.425 (2.319)	2.361 (2.349)	2.537 (2.312)	2.620 (2.328)	2.614 (2.358)
One or both parents middle educated	0.975 (1.950)	0.736 (1.966)	1.035 (1.952)	0.948 (1.976)	0.963 (2.024)
Both parents lower educated	1.240 (2.092)	0.898 (2.119)	1.183 (2.094)	1.177 (2.109)	1.236 (2.153)
Social class background[b]					
Only one parent service class	1.078 (1.917)	0.994 (1.925)	1.064 (1.927)	1.168 (1.948)	0.963 (1.954)
One or both parents intermediate class	1.966 (2.040)	1.709 (2.052)	1.817 (2.061)	2.221 (2.088)	1.790 (2.085)
Both parents working class	1.522 (2.038)	1.232 (2.075)	1.366 (2.065)	1.679 (2.071)	1.336 (2.071)
Ethnic background[c]					
West- or South-Europeans	1.198 (1.948)	1.112 (1.956)	1.229 (1.954)	1.197 (1.978)	1.103 (1.962)
First gen. Turks, Moroccans, Balkans	0.262 (1.904)*	0.257 (1.941)*	0.274 (1.917)*	0.227 (1.950)*	0.243 (1.927)*
Second gen. Turks, Moroccans, Balkans	0.488 (1.697)	0.512 (1.704)	0.512 (1.699)	0.504 (1.718)	0.485 (1.713)
Rest	0.201 (1.815)**	0.217 (1.828)*	0.198 (1.842)**	0.181 (1.865)**	0.198 (1.840)**
Female	0.308 (1.496)	0.279 (1.511)	0.297 (1.508)	0.287 (1.542)	0.305 (1.525)
Age	1.362 (1.176)+	1.390 (1.179)*	1.390 (1.179)*	1.429 (1.194)*	1.370 (1.185)+
Subjective health status	1.182 (1.270)	1.169 (1.274)	1.132 (1.275)	1.192 (1.278)	1.195 (1.270)
Second cohort	1.281 (1.665)	1.149 (1.621)	1.215 (1.642)	1.306 (1.711)	1.306 (1.694)
Access to social capital		All ties	Acq.	Friends	Relatives
Higher service class social capital		0.917 (1.170)	0.827 (1.208)	1.210 (1.338)	1.129 (1.260)
Lower service class social capital		0.735 (1.155)*	0.904 (1.170)	0.750 (1.217)	0.763 (1.214)
Working class social capital		1.230 (1.097)*	1.170 (1.113)	1.036 (1.123)	1.000 (1.106)
Log likelihood	299.69	298.608	303.679	303.012	303.342
Variance study field (standard error)[d]	0.086 (0.160)	0.077 (0.142)	0.094 (0.190)	0.089 (0.159)	0.103 (0.247)
ICC study field (%)	5.7%	5.6%	6.4%	5.4%	6.3%
Variance school (standard error)[d]	0.427 (0.505)	0.297 (0.418)	0.380 (0.478)	0.570 (0.594)	0.528 (0.574)
ICC school (%)	28.2%	21.6%	25.8%	34.4%	32.4%

+ $p < 0.10$.
* $p < 0.05$.
** $p < 0.01$.
*** $p < 0.001$
Reference categories: [a] Both parents higher educated; [b] Both parents service class; [c] Ethnic Belgians.
[d] Null model: variance study field: 0.25 (0.38); ICC study field: 7.7%; variance school: 0.20 (0.27); ICC school: 6.1%.

5. Discussion and conclusion

This study investigated socio-economic and ethnic inequalities in social capital and their longitudinal effects on the process of the labour market entry. For these purposes, we collected longitudinal data about the transition from school to work of young lower- and middle educated people in two multi-ethnic cities in Belgium. From our findings we could draw several conclusions.

Firstly, following Lin (2001), we hypothesized socio-economic and ethnic inequalities in the access to social capital. We found that the educational and class positions of the parents affect the access to social capital of their children. This social gradient was most pronounced with respect to network resources acquired through strong ties such as relatives and friends. Our findings confirm previous research on the high degrees of socio-economic homophily (McPherson et al., 2001) and the persisting socio-economic inequalities in social capital (Erickson, 1996; Lin, 2001; Völker and Flap, 1999; Li et al., 2008; Verhaeghe et al., 2012a).

In addition to socio-economic inequalities, we found ethnic inequalities in the access to social capital. We found that Moroccans, Turks and Balkans know less people from the 'higher' social circles than ethnic Belgians, which is in line with previous findings on ethnic inequalities in social capital within a European context (Behtoui, 2007; Völker et al., 2008; Li et al., 2008; Verhaeghe et al., 2012a). Ethnic differences in social capital could, however, be explained by the socio-economic deprivation of ethnic minority groups in Belgium, which implies that the root causes of inequalities in social capital lie in the socio-economic domain. Moreover, after taking the socio-economic background into account, we see that Turks, Moroccans and Balkans from the second generation have even more access to social capital through the family. In contrast to ethnic Belgians, Turkish and Moroccan minorities in Belgium are characterized by extended familial networks (Lesthaeghe, 2000; Verhaeghe et al., 2012a). This network extensity may explain their net advantages in family social capital.

Secondly, different types of social capital affect the process of the labour market entry, after taking several confounding factors into account. Among the specific population of lower- and middle educated youth, we found that knowing more people from the working class leads to a higher likelihood of entering the labour market versus continuing in education, whereas knowing more people from the higher service class results in a lower likelihood of entering the labour market. Especially the resources of strong ties such as relatives and friends are important for these decisions. Building further on the theories of Sewell et al. (1970) and Breen and Goldthorpe (1997), we expect that social network resources affect these life choices by shaping educational and occupational aspirations. Further research has to test explicitly this mechanism.

In addition, once entered the labour market, social capital has an impact on the likelihood of getting a job. Lower- and middle educated labour market entrants who know more people from the working class are more likely to find work, whereas knowing people from the lower service class decreases the job chances. These findings provide further evidence for social capital theory (Bourdieu, 1986; Granovetter, 1995; Völker and Flap, 1999; Lin, 2001), which stresses the importance of network resources for instrumental actions.

However, in contrast to social capital theory and previous studies (Lin and Dumin, 1986; Bian, 1997; Völker and Flap, 1999; Lin, 2001), we did not find any evidence for social capital effects on the occupational status of the job. This surprising finding could be due to the small size of our study sample or to the specificity of our

Table 5
Multilevel regression of occupational status (n_i: 361, n_j: 83, unstandardized coefficients).

	Model 1	Model 2	Model 3	Model 4	Model 5
Constant	29.959 (2.326)***	30.432 (2.374)***	30.288 (2.340)***	30.390 (2.332)***	30.035 (2.369)***
Proportion graduates unemployed after one year	−0.977 (6.098)	−2.245 (6.183)	−1.572 (6.145)	−0.494 (6.158)	−0.951 (6.158)
Educational background[a]					
Only one parent higher educated	−0.031 (1.889)	0.129 (1.882)	−0.044 (1.878)	0.229 (1.880)	−0.048 (1.904)
One or both parents middle educated	−0.623 (1.769)	−0.465 (1.787)	−0.779 (1.764)	−0.393 (1.758)	−0.692 (1.823)
Both parents lower educated	−0.414 (1.966)	−0.293 (1.974)	−0.509 (1.957)	−0.159 (1.952)	−0.441 (1.995)
Social class background[b]					
Only one parent service class	0.341 (1.591)	0.141 (1.596)	0.221 (1.585)	0.268 (1.580)	0.310 (1.605)
One or both parents intermediate class	−0.352 (1.678)	−0.541 (1.674)	−0.376 (1.673)	−0.462 (1.667)	−0.395 (1.692)
Both parents working class	0.666 (1.837)	0.342 (1.847)	0.502 (1.833)	0.565 (1.823)	0.675 (1.864)
Ethnic background[c]					
West- or South-Europeans	1.891 (1.561)	2.054 (1.552)	2.194 (1.561)	1.773 (1.548)	1.884 (1.561)
First gen. Turks, Moroccans, Balkans	−0.729 (2.001)	−1.063 (1.997)	−0.626 (1.990)	−1.049 (1.999)	−0.781 (2.015)
Second gen. Turks, Moroccans, Balkans	−2.319 (1.600)	−2.344 (1.593)	−2.269 (1.591)	−2.677 (1.599)+	−2.420 (1.626)
Rest	−2.486 (1.962)	−2.471 (1.947)	−2.777 (1.956)	−2.208 (1.951)	−2.509 (1.965)
Female	2.067 (1.171)+	1.782 (1.185)	1.949 (1.177)+	1.714 (1.186)	2.049 (1.175)+
Age	0.425 (0.384)	0.436 (0.384)	0.363 (0.385)	0.552 (0.388)	0.420 (0.384)
Subjective health status	0.484 (0.594)	0.534 (0.590)	0.513 (0.591)	0.410 (0.592)	0.478 (0.594)
Second cohort	2.570 (1.184)*	2.381 (1.183)*	2.508 (1.180)*	2.341 (1.190)*	2.578 (1.186)*
Access to social capital		All ties	Acq.	Friends	Relatives
Higher service class social capital		−0.172 (0.362)	0.026 (0.448)	−1.163 (0.614)+	0.119 (0.531)
Lower service class social capital		−0.163 (0.375)	−0.630 (0.407)	0.339 (0.475)	−0.131 (0.486)
Working class social capital		−0.243 (0.230)	−0.044 (0.239)	−0.072 (0.269)	0.042 (0.252)
Log likelihood	−1282.38	−1280.18	−1280.26	−1279.92	−1282.32
Variance study field (standard error)[d]	18.083 (5.470)	19.150 (5.679)	18.511 (5.500)	18.984 (5.621)	18.185 (5.518)
ICC study field (%)[d]	23.1%	24.5%	23.8%	24.3%	23.2%

+ $p < 0.10$.
* $p < 0.05$.
** $p < 0.01$.
*** $p < 0.001$
Reference categories: [a] Both parents higher educated; [b] Both parents service class; [c] Ethnic Belgians.
[d] Null model: variance study field: 20.85 (5.90); ICC study field: 25.1%.

research population. Although there is variance in the occupational status of the lower- and middle educated labour market entrants, most of their jobs are from the lower occupational categories.[4] Another explanation for this remarkable finding might be the specificity of the Belgian labour market, which is characterized by a high degree of 'diploma fetishism'. Employers have a strong inclination to only hire young people with the 'right' certificates, with as a consequence that the job options are very limited. Therefore, social capital is only helpful to get some job in a very specific niche of the labour market.

One could argue that the found relationships are spurious due to unobserved heterogeneity (Mouw, 2006). Unobserved characteristics, such as personality traits or cognitive abilities, could determine both the access to social capital and the process of labour market entry. We could not exclude this possibility and this is an important limitation of this study. However, we found strong effects of social capital acquired through the family on the likelihood of entering the labour market versus continuing education. It is hard to believe that unobserved characteristics of lower- and middle educated youngster shape the social class positions of their family members.

In sum, this study shows that the critical turning point in life of entering the labour market is embedded in social networks. Youngsters with 'right' forms of social capital, might successfully continue in education or find a decent job. Their social capital means a stepping stone for further professional success. Others with 'wrong' types of social capital might be trapped in precarious segments of the labour market. From life course analyses, we know that young adults experience several life transitions in a short period of time: graduating, finding a first job, leaving the parental house, finding a partner... (Elchardus and Smits, 2005). Further research should examine in detail how social capital affects all these important transitions (for example, misfortune in all these domains might be explained by the same 'wrong' social network).

In general, the different effects of different types of social capital confirm the goal specificity of social capital. Following Flap and Völker (2001), we could state that different objectives require different structures and contents of social networks. For example, among our specific population of lower- and middle educated labour market entrants, working class contacts are helpful to find working class jobs. However, for higher educated labour market entrants, these contacts might not be useful, because they aspire (higher) service class jobs. They would need other forms of social capital. In his social capital theory, Portes (1998) made reference of 'negative social capital': social capital that has less desirable consequences. Our study suggests that the distinction between positive and negative social capital is too simple. Social capital might be right for some goals, but wrong for others. In both cases, it is both positive and negative. This goal specificity of social capital is an interesting avenue to explore in further research.

The strengths of this study lie in its longitudinal sample design and its robust measures of social capital. By following a sample of young adults over one year in their transition from school to the labour market, we address previously raised questions about the causality of the association between social capital and labour market outcomes (Mouw, 2006). Moreover, instead of using social capital proxies such as the ethnic network composition or the job find method, we used three reliable and valid position generator measures to assess social capital (Van der Gaag, 2005; Lin and Erickson, 2008; Verhaeghe et al., 2013). Because of these two

[4] The International Socio-Economic Index of Occupational Status is a scale from 16 (lowest status) to 90 (highest status). In our sample, this scale ranges from 16 to 64, with an average of 33.5 and a standard deviation of 9.2.

study strengths, we could claim that we found evidence for longitudinal effects of social capital on several aspects of the labour market entry, independent of several confounding factors such as the demographic and socio-economic background and the economic demand for particular study fields.

According to Weber (1978 [1922]), somebody's life chances are determined by its social class position (e.g. possession of production means and skills), social status groups (e.g. ethnicity or gender) and party affiliation (e.g. involvement in formal or informal associations). Bourdieu (1986) builds further upon Weber's work by its distinction between economic capital (e.g. possession of production means), cultural capital (e.g. skills and qualifications) and social capital (e.g. network resources). Although they called it 'parties' or 'social capital', both scholars consider social networks as crucial for the (re)production of life chances (Scott, 1996). Our findings provide empirical evidence for their work in two ways. On the one hand, we found that social network resources have an independent effect on the likelihood of continuing in education or not, and on the likelihood of finding work once entered the labour market. In this sense, social capital produces life chances, and it shows that these are not solely determined by somebody's socio-economic background. On the other hand, this study demonstrates that the relationship between somebody's socio-economic background and the decision to continue education is partly mediated by social network resources. This means that social capital *re*produces socio-economic inequalities too. The broader theoretical implication of this study is that further research on social stratification and intergenerational social mobility should include social capital mechanisms in their theories and empirical models.

Acknowledgements

This research has been financed by the Research Foundation – Flanders (FWO). We would like to thank Sofie Denayer, Tine Dedecker, Jolien Vanbiervliet, Eline Denayer, Fanny D'hondt and Fatma Gözet for their help with collecting and processing the data.

References

Behtoui, A., 2007. The distribution and return of social capital: evidence from Sweden. Eur. Soc. 9 (3), 383–407.
Bian, Y., 1997. Bringing strong ties back in: indirect ties, network bridges, and job searches in China. Am. Sociol. Rev. 62 (3), 366–385.
Blossfeld, H.P., 2009. Educational assortative marriage in comparative perspective. Ann. Rev. Sociol. 35, 513–530.
Bourdieu, P., 1986. The forms of capital. In: Richardson, J. (Ed.), Handbook of Theory and Research for the Sociology of Education. Greenwood, New York.
Boxman, A.W., De Graaf, P.M., Flap, H.D., 1991. The impact of social and human capital on the income of Dutch managers. Soc. Netw. 13 (1), 51–73.
Breen, R., Goldthorpe, J.H., 1997. Explaining educational differentials: towards a formal rational action theory. Ration. Soc. 9 (3), 275–305.
Brown, M.T., Fukunaga, C., Umemoto, D., Wicker, L., 1996. Annual review, 1990–1996: social class, work, and retirement behavior. J. Vocat. Behav. 49 (2), 159–189.
Browne, W.J., 2012. MCMC Estimation in MLwiN. University of Bristol, Bristol.
Craig, G., Dietrich, H., Gautié, J., 2005. Excluded youth or young citizens? Ethnicity, young people and the labour market in three EU countries. In: Bradley, H., van Hoof, J. (Eds.), Young People in Europe. Labour Market and Citizenship. Policy Press, Bristol.
De Ro, J., 2008. Education in Flanders. A Broad View of the Flemish Educational Landscape. Haletra, Brussels.
Domínguez, S., Watkins, C., 2003. Creating networks for survival and mobility: social capital among African-Americans and Latin-American low-income mothers. Soc. Probl. 50 (1), 111–135.
Elchardus, M., Smits, W., 2005. The Life Course of Young Adults. VUB, Brussels.
Erickson, B.H., 1996. Culture, class, and connections. Am. J. Sociol. 102 (1), 217–251.
Fernandez, R.M., Castilla, E.J., Moore, E., 2000. Social capital at work: networks and employment at a phone center. Am. J. Sociol. 105 (5), 1288–1356.
Flap, H.D., Boxman, A.W., 2000. Getting started: the influence of social capital on the start of the occupational career. In: Lin, N., Cook, K., Burt, R. (Eds.), Social Capital: Theory and Research. De Gruyter, New York.
Flap, H.D., Völker, B., 2001. Goal specific social capital and job satisfaction. Effects of different types of networks on instrumental and social aspects of work. Soc. Netw. 23 (4), 297–320.
Ganzeboom, H.B.G., De Graaf, P.M., Treiman, D.J., 1992. A standard international socio-economic index of occupational status. Soc. Sci. Res. 21 (1), 1–56.
Goldthorpe, J.H., 1987. Social Mobility and Class Structure in Modern Britain. Clarendon Press, Oxford.
Granovetter, M.S., 1973. The strength of weak ties. Am. J. Sociol. 78 (6), 1360–1380.
Granovetter, M.S., 1995. Getting a Job. A Study of Contacts and Careers. University Press, Chicago.
Heath, A., Cheung, S., 2007. Unequal Chances: Ethnic Minorities in Western Labour Markets. Oxford University Press, Oxford.
Hox, J., 2002. Multilevel Analysis. Techniques and Applications. Lawrence Erlbaum, London.
Kanas, A., Chiswick, B.R., van der Lippe, T., van Tubergen, F., 2012. Social contacts and the economic performances of immigrants: a panel study of immigrants in Germany. Int. Migrat. Rev. 46 (3), 680–709.
Kalmijn, M., 1998. Intermarriage and homogamy: causes, patterns, trends. Ann. Rev. Sociol. 24, 395–421.
Krull, J.L., MacKinnon, D.P., 1999. Multilevel mediation modelling in group-based intervention studies. Eval. Rev. 23 (4), 418–444.
Lai, G., Lin, N., Leung, S.Y., 1998. Network resources, contact resources, and status attainment. Soc. Netw. 20 (2), 159–178.
Lancee, B., 2012. The economic returns of bonding and bridging social capital for immigrant men in Germany. Ethnic Racial Stud. 35 (4), 664–683.
Lesthaeghe, R., 2000. Communities and Generations: Turkish and Moroccan Populations in Belgium. VUB Press, Brussels.
Li, Y., Savage, M., Warde, A., 2008. Social mobility and social capital in contemporary Britain. Br. J. Sociol. 59 (3), 391–411.
Lin, N., 2001. Social Capital: A Theory of Social Structure and Action. University Press, Cambridge.
Lin, N., Ao, D., 2010. The long hand of social capital. Impact of acquisition of job information through routine social exchanges on position obtaining. J. Xi'an Jiaotong Univ. 30, 74–88.
Lin, N., Dumin, M., 1986. Access to occupations through social ties. Soc. Netw. 8 (4), 365–385.
Lin, N., Ensel, W.M., Vaughn, J.C., 1981. Social resources and the strength of ties: structural factors in occupational attainment. Am. Sociol. Rev. 46 (4), 393–405.
Lin, N., Erickson, B.H., 2008. Theory, measurement, and the research enterprise on social capital. In: Lin, N., Erickson, B.H. (Eds.), Social Capital. An International Research Program. University Press, Oxford, pp. 1–26.
Lodewijckx, E., 2010. Gezinsvorming bij tweede generatie Turken en Marokkanen. SVR-Webartikel 2010/22. Studiedienst van de Vlaamse Regering.
Long, S., Freese, J., 2006. Regression Models for Categorical Dependent Variables Using Stata. Stata Corporation, Texas.
McDonald, S., Lin, N., Ao, D., 2009. Networks of opportunity: gender, race, and job leads. Soc. Probl. 56 (3), 385–402.
McDonald, S., Mair, C.A., 2010. Social capital across the life course: age and gendered patterns of network resources. Sociol. Forum 25 (2), 335–359.
McPherson, M., Smith-Lovin, L., Cook, J.M., 2001. Birds of a feather: homophily in social networks. Ann. Rev. Sociol. 27, 415–444.
Moerbeek, H., Flap, H.D., 2008. Social resources and their effect on occupational attainment through the life course. In: Lin, N., Erickson, B.H. (Eds.), Social Capital. An International Research Program. Oxford University Press, Oxford.
Mouw, T., 2006. Estimating the causal effect of social capital: a review of recent research. Ann. Rev. Sociol. 32, 79–102.
Ooka, E., Wellman, B., 2006. Does social capital pay off more within or between ethnic groups? Analyzing job searches in five Toronto ethnic groups. In: Fong, E. (Ed.), Inside the Mosaic. Toronto University Press, Toronto.
Parks-Yancy, R., 2006. The effects of social group membership and social capital resources on careers. J. Black Stud. 36 (4), 515–545.
Petersen, T., Ishak, S., Marc-Davis, S., 2000. Offering a job: meritocracy and social networks. Am. J. Sociol. 106 (3), 763–816.
Portes, A., 1998. Social capital: its origins and applications in modern sociology. Ann. Rev. Sociol. 24, 1–24.
Scherer, S., 2005. Patterns of labour market entry – long wait or career instability? An empirical comparison of Italy, Great Britain and West Germany. Eur. Sociol. Rev. 21 (5), 427–440.
Scott, J., 1996. Stratification and Power: Structures of Class, Status and Command. Polity Press, Cambridge.
Sewell, W.H., Haller, A.O., Ohlendorf, G.W., 1970. The educational and early occupational status attainment process: replication and revision. Am. Sociol. Rev. 35 (6), 1014–1027.
Stanton-Salazar, R.D., 1997. A social capital framework for understanding the socialization of racial minority children and youths. Harv. Educ. Rev. 67 (1), 1–40.
Steijn, B., Need, A., Gesthuizen, M., 2006. Well begun, half done? Long-term effects of labour market entry in the Netherlands, 1950–2000. Work Employ. Soc. 20 (3), 453–472.
Van der Gaag, M., 2005. *Measurement of individual social capital*. Rijksuniversiteit Groningen.
Vancluysen, K., Van Craen, M., Ackaert, J., 2009. Gekleurde steden. Autochtonen en allochtonen over samenleven. Vandenbroele, Brugge.
VDAB, 2009. 25ste studie 2008–2009. Werkzoekende schoolverlaters in Vlaanderen. Een diploma zet je op weg. Schoolverlaters op zoek naar werk. VDAB-studiedienst, Brussels.

Verhaeghe, P.P., Li, Y., Van de Putte, B., 2012a. Socio-economic and ethnic inequalities in social capital from the family among labour market entrants. Eur. Sociol. Rev. 29 (4), 683–694.
Verhaeghe, P.P., Van der Bracht, K., Van de Putte, B., 2012b. Migrant zkt toekomst. Gent op een keerpunt tussen oude en nieuwe migratie. Garant, Antwerpen.
Verhaeghe, P.P., Van de Putte, B., Roose, H., 2013. Reliability of position generator measures across different occupational lists: a parallel-test experiment. Field Methods 3, 238–261.
Verhaeghe, P.P., Tampubolon, G., 2012. Individual social capital, neighbourhood deprivation, and self-rated health. Soc. Sci. Med. 75 (2), 349–357.
Verhoeven, H., 2000. De vreemde eend in de bijt. WAV, Leuven.
Völker, B., Flap, H.D., 1999. Getting ahead in the GDR: social capital and status attainment under communism. Acta Sociol. 42 (1), 17–34.
Völker, B., Pinkster, F., Flap, H.D., 2008. Inequality in social capital between migrants and natives in the Netherlands. Kölner Zeitschrift für Soziologie und Sozial Psychologie, Sonderheft 48, 325–350.
Weber, M., 1978 [1922]. Economy and Society. University of California Press, Berkeley.
Wellman, B., Wortley, S., 1990. Different strokes from different folks: community ties and social support. Am. J. Sociol. 96 (3), 558–588.