

Does the “New” Immigration Require a “New” Theory of Intergenerational Integration?¹

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Starting from discussions on the validity of the classical assimilation concept, a general model for the explanation of different structural outcomes of interethnic relations is developed. The core of the model builds on the assumption that different outcomes are the often unintended and situation-logic results of (mis-)investments in and with ethnic and non-ethnic capital. Central initial conditions of the model are group size, social and cultural distances and the availability of social capital. The model specifies the mutual relations between these three constructs. Different variants of intergenerational integration of immigrants can thus be reconstructed as special cases of a general mechanism.

In terms of the immigration flows to (Western) Europe after World War II, the phenomenon of “new” immigration is, in fact, anything but new. From the outset, and all the way up to the present day, these migration flows have involved the (permanent) immigration of large population groups from the less developed countries of southeastern Europe or from former colonies, some of which display major social, cultural, and religious differences from the receiving countries. At least in part, and even after protracted residence in their host countries extending into subsequent generations, these immigrants stayed in close contact with their countries of origin. Soon they were confronted – again at least partially – by distinct social distances in their receiving countries, began stressing their ethnic and national identities rather more strongly in the course of time, and occasionally imported certain political conflicts from their countries of origin into the receiving countries. In the meantime, there are also indications of the establishment of institutionally stabilized and complete ethnic communities (especially in some urban quarters), of the “segmented” assimilation of subsequent generations in deviant subcultures, and of a neo-feudal ethnic substratification of host countries. In addition, for certain groups, integration no longer seems to be simply a matter of time and the sequence of generations.

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This appears to be true, for instance, of Turkish immigrants in Germany (*e.g.*, Alba, Handl and Müller, 1994; Esser, 1986a, 1990, 1991; Granato and Kalter 2001; Kalter and Granato, 2002; Nauck, 1995; Noll, Schmidt and Weick, 1998; for comparable processes in other European countries, *see* the contributions in Heckmann and Schnapper, 2003). Consequently, when the sociology of migration in Europe started to deal with this topic (*cf.* Hoffmann-Nowotny, 1973; Esser, 1980; Heckmann, 1981), there was a debate from the outset that in fundamental terms immigration flows to (Western) Europe cannot be compared with the processes observable in “classical” immigration countries, *e.g.*, the United States, Canada, or Australia. For this reason alone, it was argued that classical assimilation theory, for instance in the sense of Gordon (1964), could not be applied to these “new” migration processes in (Western) Europe. Such an approach would, in fact, represent an inappropriate ideological determination and an obstacle to the establishment of peaceful multiculturalism within Western European countries (*cf.* Wilpert, 1980 or the recent contributions by Favell, 2002 or Pott, 2002). This discussion was (and still is) similar to the ongoing controversy within the American (and international) sociology of migration on whether classical assimilation theory is obsolete for the sociological analysis of the new immigration and the integration of the new second generation (*cf.* Massey *et al.*, 1998; Portes, 1995, 1996, 1999; Rumbaut, 1999; Schmitter Heisler, 2000; Zhou, 1999; with regard to transnationalism *see* Faist, 2000; Foner, 1997; Glick Schiller, 1999; Pries, 2001).

The general aim of this article is to find a way to overcome these debates. Its main concern is to outline a comprehensive model of intergenerational integration. The basic idea follows the logic of the model of sociological explanation² and can be described as follows. Migrations and subsequent social processes of integration are (mostly indirect) consequences of situationally reasonable reactions of the involved actors to the respectively given societal conditions. These situationally shaped individual responses lead to – mostly unintended – structural consequences (at different societal levels), which themselves create a new situation logic for the actors. Under

²The model of sociological explanation is an advancement of the concept of situational logic proposed by Max Weber and Karl R. Popper. The concept was further developed and applied in sociology by, *e.g.*, Robert K. Merton, James S. Coleman, Raymond Boudon, Siegwart Lindenberg and Reinhard Wippler, as well as more recently by John Goldthorpe. On the connection between this concept and the idea of “generative mechanisms,” *see* Hedström and Swedberg, 1998. On the subsumption under details of general sociology, *see* Esser, 1993, 1999.

certain conditions, typical trajectories of social processes and, sometimes, typical equilibria result, which can then be observed as typical structural patterns of (dis)integration. Assimilation of individual immigrants, ethnic homogenization or pluralization of the host society, segmented assimilation, or the emergence of stable transnational networks would represent such typical patterns. Like the classical model of assimilation, they represent an (explainable) special case in this concept. In contrast to more inductive attempts, like typologies of certain structural conditions and (observed) outcomes, for instance for special ethnic groups, it first specifies a general causal mechanism generating some basic processes, and then it applies this general mechanism deductively to the specific conditions with regard to characteristics of sending and receiving countries, ethnic groups, and individual migrants and their relations. The main advantages of such models are that they represent not only descriptive generalizations, but also full explanations in the sense of the Hempel-Oppenheim scheme. With their aid, it is possible to explicate the generative causal processes behind the empirical generalizations and to derive new implications about possible processes that have hitherto passed unobserved.

THEORIES OF INTERGENERATIONAL INTEGRATION AND THE PROBLEM OF INCOMPLETENESS

Recently, Richard Alba and Victor Nee have vehemently opposed the hypothesis that the new immigration requires new concepts for the description and explanation of the processes involved (Alba, 1999; Alba and Nee, 1999; *see also* Gans, 1999:169; Perlmann and Waldinger, 1999; Brubaker, 2001). Basically, in their defense of the assimilation concept, Alba and Nee assume that there is still an institutional and cultural core in the host society, which above and beyond all differences and distances acts as a kind of irresistible centripetal force on immigrants (of all generations), ultimately forcing one generation after another – by virtue of their own objective interests – to follow the path of assimilation to this core (*cf.* Alba, 1985 on these processes for the old immigration to the United States). But this is precisely the claim that is contested by those who insist that the classical assimilation concept no longer applies. They deny that this unequivocal core still exists, especially in the face of the historically quite recent establishment of supranational institutions and of worldwide interdependencies between different cultures. Other centers, for example societies of origin or those of a transnational community, are of similar if not superior strength and attractiveness. Ac-

cordingly, the old mono- and ethnocentric assimilation theory is quite simply unable to deal with this (new) multilevel polycentrism.

In short, this controversy rages between two clearly distinct theories with very different assumptions and conclusions. The problem that emerges is one with which sociology in general is all too familiar. For the analysis and explanation of social phenomena, certain general concepts or even “sociological laws” based on observed regularities are assumed, for example, the world’s inevitable cultural and social homogenization or the final assimilation of immigrants over cohorts. However, empirically there are always exceptions and deviations, and sometimes completely new times seem to set in, apparently involving the necessity of a complete change of the respective laws and a radical paradigmatic shift to a completely new theory. In terms of the methodology of sociological explanation, this problem is referred to as the problem of incompleteness (*see* Wippler and Lindenberg, 1987:137). The way out of the problem of incompleteness is not, however, an endless controversy between paradigms, or the modification and adaptation of concepts, or the construction of descriptive typologies. The only recourse is an alteration of the sociological method itself. Inductive generalized observations of certain covariations or trends and typologies of conditions and outcomes are not the *explanans* for empirical processes, but represent themselves an *explanandum* that still has to be explained by some deductively derived theoretical arguments and the corresponding empirical (initial) conditions. The question is now why the given correlation or trend exists – for example a race relation cycle, the pattern of segmented assimilation, or certain generational effects – together with the deviations therefrom. This necessarily implies the modeling of some general generative mechanism and thus of the interaction of multilevel relations, especially those between actions, on the one hand, and structures on the other. In the meantime, some developments in general theoretical sociology provide a well-elaborated methodology for that purpose: one of them is the model of sociological explanation. It is the core of the following reconstruction of different patterns and outcomes of intergenerational integration within the framework of one general generative mechanism for these phenomena. However, first of all, the *explanandum* has to be clarified.

DIMENSIONS AND PATTERNS OF INTERGENERATIONAL (DIS)INTEGRATION

Every theory about the (intergenerational) integration of migrants refers to

three different but interdependent aspects. The first is the social integration of immigrants into a social system as individual actors, for instance inclusion in the labor market of the host society, as a member of an ethnic community, or as part of a transnational network. The second aspect is the emergence of certain social structures, especially with regard to patterns of social inequality and social differentiation. Social inequality refers to differences in certain traits within aggregates of (nonrelated) individual actors, for instance with regard to income, occupations, or cultural lifestyles; social differentiation refers to differences with regard to the various social systems within a broader societal context, for instance in the form of the various functional subsystems of the societal division of labor, of communities, networks, and organizations, or regional subsocieties. Both these elements of social structure have horizontal and vertical dimensions depending on whether or not the respective aggregates or social systems are not only different, but equal in their evaluation. The third aspect is, following a distinction by David Lockwood (1964), related to the societal integration of a whole society (or a broader, perhaps transnational system) with regard to certain structural cleavages and (latent or open) conflicts.

Assimilation can then have two meanings. First, it refers to the (process of) social integration or the inclusion of individual immigrants into the various subsystems of the host society and/or their (increasing) similarity to individual actors in comparable segments of the native population, *e.g.*, by the adoption of certain cultural traits, the placement in the native (primary) labor market, intermarriage, or even emotional identification with the host society or parts of its subculture(s). We call this individual assimilation.

Second, assimilation refers to a specific pattern of the social structure of a society (or a larger system of societal units). We distinguish two central aspects of the social structure of a societal system: social inequality and social differentiation. With regard to social inequality, assimilation designates the (process of an) increasing similarity in the distribution of certain characteristics between ethnic groups as aggregates, for instance the complete disappearance of between-group variances in education, occupations, and income between ethnic groups. That includes, of course, the existence of social inequalities in general, but the remaining inequalities consist completely of individual within-group variances, and all ethnic-group variance has disappeared. Note that this process of assimilation can take place via changes on both sides, and by processes of so-called pluralistic assimilation. It only means that the distributions of certain characteristics are becoming similar between ethnic groups, regardless of the direction, place, or initiator of this

process. With regard to social differentiation, assimilation refers to the (process of) decrease of the ethnic institutionalization and ethnic coding of societal (sub)systems (and not just aggregates of populations), like, for instance, the dissolution of institutionally complete ethnic communities and/or the decline of ethnic boundaries and collective feelings of social distances and identifications. We subsume both structural processes under the label of societal assimilation. As the object of a sociological theory of intergenerational integration, these processes of societal assimilation as structural outcomes are the only ones relevant. However, every explanation of these outcomes has to deal with processes of individual assimilation and also the respective actions and experiences of individual actors, because the structural outcomes are the – not always intentional – results of the individuals' actions.

Societal assimilation as a de-emergence of systematic ethnic structuralizations, however, is not the only possible societal outcome of immigration processes, as the debate about the new immigration demonstrates. After the two dimensions of social structures mentioned above (social inequality and social differentiation), two other possible structural outcomes can be distinguished as alternatives to societal assimilation: ethnic inequality and ethnic differentiation. Ethnic inequality means the persistence of between-group variances in the individual traits of ethnic aggregates. In this context, we speak of ethnic pluralization if ethnic inequality refers to the horizontal dimension and to traits with equal evaluations, *e.g.*, with respect to lifestyles and professions with similar prestige. In contrast, ethnic stratification is characterized by vertical differences in the evaluation of traits, *e.g.*, differences in education and income or professions with different degrees of prestige, where distribution varies systematically between ethnic groups. What is most important, however, is that both aspects of ethnic inequality can be considered as purely individual differences between the ethnic groups and that they are not very much more than an ethnically biased individualistic pluralization in terms of lifestyles or the control of (economic) resources. By contrast, ethnic differentiation refers to the ethnic organization (and the cultural coding of certain ethnic boundaries) of social systems, *e.g.*, of an ethnic economy, an ethnic colony (with more or less perfect institutional completeness in the sense of Breton, 1964), a (transnational) ethnic network that transcends and connects various places regardless of national and territorial boundaries, or a regional ethnic subsociety. Ethnic segmentation designates a horizontal ethnic differentiation, *e.g.*, in the form of (regional) "parallel societies" or ethnic subcultures existing side by side without any further evaluation of power, prestige, and privileges. In contrast,

ethnic (neo)feudalism also encompasses a vertical order and closure of these ethnic (sub)systems. The most extreme example here is an (ethnic) caste system.

Societal assimilation, ethnic inequality, and ethnic differentiation can (and must) be thought of as (theoretically) independent of the third aspect of the integration of immigrants: the problem of the societal integration of a complete societal system or the emergence of cleavages and conflicts. Cleavages and conflicts can (and do) occur, of course, both in ethnically homogeneous and in ethnically heterogeneous societies, as the example of class conflict indicates. But societal (dis)integration in the form of ethnic conflicts must, of course, also be one of the objects of any theory of intergenerational integration.

The main objective and the minimal aim of any general theory of intergenerational integration is, then, to specify the mechanisms and (initial) conditions governing the emergence of one or the other of these structural outcomes, probably as a sequence of typical stages. The complications are obvious. There are innumerable possible combinations of conditions and sequences and a large number of possible interdependencies and feedback-loops between the diverse structural outcomes and the individual behavior that creates and is shaped by them. The main problem of any theoretical model of intergenerational integration is, then, to detect a basic and maximally simple situational logic for typical patterns of (dis)integration of immigrants over generations. In the following sections, we try to specify a general generating mechanism for the processes of intergenerational integration, drawing upon some (selected) elements of the model of sociological explanation. The rest of the article is devoted to using these elements to model typical conditions and processes as simply as possible, leading to the different possible outcomes described and typified above. For reasons of space, we largely refrain, in the later stages of the article, from modeling the emergence of ethnic conflicts, concentrating instead on the contribution made by aspects of individual and societal assimilation or the emergence and stabilization of ethnic inequality and ethnic differentiation and on interaction processes taking place between them.

INTERGENERATIONAL INTEGRATION AND THE MODEL OF SOCIOLOGICAL EXPLANATION

The *explanandum* at issue in the model of sociological explanation is made up of certain collective phenomena or correlations and trends.² In this concept, every collective phenomenon is, in principle, conceived of as a

(more or less complicated) aggregated consequence of individual actions, which are the result of (more or less rational) decisions by human beings geared to and shaped by socially structured situations. In its most basic form, the model consists of three elementary steps or logics: the logic of situation for the actors, the logic of selection, and the logic of aggregation. The logic of situation connects objective societal structures with subjective parameters guiding the actions of individual actors. The logic of selection specifies a rule about the (causal) connection between these parameters and the selection of a certain behavior. The resulting individual effects are part of the third step, the logic of aggregation toward a certain collective outcome, which in most cases deviates from the actors' intentions. Thus, the model systematically connects the macro level of social structures with some of the micro processes of actors and actions, and back again with the macro level of social structures. This elementary model can be extended in two directions. It may include one or more other levels of social systems, *e.g.*, markets, organizations, communities, social groups, or networks. In addition, it can be combined with processual sequences that connect chains into sequences of an extended situational logic, including feedback processes of cumulative causation or (process) equilibria, for instance in connection with chain migrations and the emergence of ethnic communities and transnational systems. Apart from these more general methodological points, the model of sociological explanation makes some substantial propositions that guide the specification of the three logics. We shall adopt and apply them to our specific problem: the explanation of different trajectories and structural outcomes of intergenerational integration.

Social Production Functions and Cultural Goals

The first step concerns the logic of situation the actors are facing. Any general theory of intergenerational integration must include a strong argument indicating why certain structural characteristics of a social environment display – at least sometimes – a systematic and objective influence on this logic and on the respective definition of the situation – and when and why this “irresistible” structural logic loses its strength or is replaced by another one of similar objectivity. The answer to this question is the concept of social production functions. The concept is based upon ideas in the household production theory proposed by Lancaster (1966) and Becker (1965) and its sociological elaboration, notably by Lindenberg (1989, 1992). It rests on the general assumption that, directly or indirectly, every (social) action has to do

with the fulfillment of certain general (everyday) needs. Two such general needs are assumed to exist: physical well-being and social approval. To satisfy these two needs, actors must achieve or produce certain commodities. Commodities are goods that are able to produce physical well-being and/or social approval directly. This makes them preeminent among the actors' interests, and thus they represent the dominant goal of all their activities in a certain social field, like a family or an ethnic group, in a functional subsystem, like the sphere of politics, or in an entire society. In addition, they have to be produced by investing in other resources or goods and by spending (real) time. Since these input factors are instrumental to the production of the commodities, they are means that become (intermediate) goals themselves. As a consequence, social behavior can be understood as a chain of production in which lower-level means are invested as input factors to produce higher-level goal(s). The important point here is that the dominant goal and the conditions of its production by certain means are not idiosyncratic and not universal for all societies or historical periods. Rather, they are systematically structured by the (formal and/or informal) constitution of the respective society or another social system that the actors are part of. Therefore, the dominant goal can (and does) change and vary between societies and other social contexts. The socially constituted dominant goal is, by the way, nothing other than what Robert K. Merton called a "cultural goal": a "frame of aspirational reference," a "thing worth striving for" or the "design for group living" (Merton, 1967:132). It shapes the primary interests and orientations of all actors living within the boundaries of the respective (societal or group) constitution. This is true even for those who do not accept it as appropriate or legitimate. Merton assumed economic success as the cultural goal in modern Western societies. Cultural goals and institutionalized means constitute the main elements of the objective logic of the situation for the actors, and the constitution of the respective social production functions forms the frame that shapes the actors' subjective orientations and interests and hence govern the definition of the situation and the framing of alternatives and actions.

For the analysis of processes of intergenerational integration, the concept of social production functions is relevant in that it offers a straightforward and simple argument about why people – even of very different social and cultural backgrounds – have very good reasons to gear their actions to the prevailing constitution and cultural goal(s) in the host society and why it is worthwhile for them to invest in (institutionalized) means of gaining control over them (*cf.* Kalter and Granato, 2002:201; *see also* Nee and

Sanders, 2001). To this extent, immigrants have (or should have) an objective interest in assimilative actions and investments in receiving country capital, like formal education or the acquisition of the host society's language, and one would expect the same investment strategies to apply as for the indigenous population. The problems migrants (and their offspring) face (in relation to most sections of the indigenous population) are obvious: what they mainly have at their disposal is ethnic group capital, like the sending country's language or ethnic social capital. However, ethnic group capital is clearly less efficient than receiving-country capital. By comparison, it is, in most cases, specific capital, because its usability depends on special circumstances, such as the existence of an ethnic community or a transnational network. By contrast, receiving country capital is (again by comparison and in most cases) generalized capital that is highly efficient within the whole scope of the respective constitution and sometimes beyond it, or even worldwide, for example in the case of financial or human capital. There are several reasons for the lower efficiency of (most) ethnic group capital. The most important ones seem to be lack of relevant (input) means – like abilities and knowledge – that could be used in the new environment, and (overt or covert) discrimination (*cf.* Kalter, 2003: 81; on the effects of language (dis)abilities on the prospects of structural assimilation, *see, e.g.*, Dustman and van Soest, 2002; Pendakur and Pendakur, 2002). Precisely because of these structural (and/or institutional and cultural) disadvantages, gaps and delays in the achievement of the prevailing cultural goals and the production of physical well-being and social approval have to be expected from the pursuit of assimilative strategies alone. Therefore, under certain circumstances, the tendency to use the less efficient ethnic capital and to improve its productivity may become a reasonable option, *e.g.*, by investment in an ethnic business, cultivation of ethnic networks, or even the organization of an ethnic movement aimed at changing the constitution of the (host) society and the prevailing social production functions in favor of the controlled ethnic capital.

Resources, Options and Strategies

Immigrants and their offspring have several options. In the simplest case they can decide between (individual) assimilation or segmentation, and also between acceptance of the prevailing constitution and seeking to change it through political action. All these options result in certain structural outcomes. Therefore, the second step in the model of sociological explanation

requires the specification of a logic of selection for these options, which allows for the consideration of the particularities of the respective logic of the situation and of different social production functions. The Expected Utility (EU) Theory is especially well suited for this purpose. According to this theory, actors will prefer that option for which the product of each goal's value and the expectation that the respective option will attain the goal (the sum of all intended goals) is relatively higher (for details and criticism, *see, e.g.*, Abelson and Levi, 1985; Schoemaker, 1982). A clear simplification of the modeling process results from the consideration that many decisions display a specific simple structure in terms of the actors' bounded rationality: it is a choice between an attendant option with a secure gain and a – more or less – risky and costly investment. The options are labeled “niv” and “inv,” “niv” meaning the (attendant) waiving of an active investment and “inv” the engagement in a risky investing activity. EU weights for this decision can be derived as follows (*cf.* Riker and Ordeshook, 1973:22):

$$(1a) \text{EU}(\text{niv}) = \text{U}(\text{squ})$$

$$(1b) \text{EU}(\text{inv}) = p\text{U}(\text{inv}) + (1 - p)\text{U}(\text{squ}) - C.$$

$\text{U}(\text{squ})$ denotes the (securely) expected gain from keeping the status quo without any investment, and $\text{U}(\text{inv})$ the expected gain for a successful investment. The subjective probability of success is p , while C denotes the certain investment costs. If the investment is not successful (with the probability of $(1-p)$), one can still expect the status-quo payoff. We then have the following condition for a transition from the niv option to the inv option:

$$(2) \text{U}(\text{inv}) - \text{U}(\text{squ}) > C/p.$$

The term on the left-hand side stands for the investment motive, the one on the right stands for the investment risk. The success expectation p is of particular importance in overcoming the investment risk. If p decreases, the transition threshold increases disproportionately, and if it approaches zero, then even extremely high incentives for investment have no effect.

In principle, this model can be applied to all decisions of relevance to intergenerational integration. The decisions involved in the processes of intergenerational integration are of three kinds. First, we have the decision to invest in resources and capital, both of which are directly related to the social production functions of the receiving country. Alternatives here are investment in the acquisition of receiving-country capital (option rcc) or noninvestment. The respective incentive is denoted by $\text{U}(\text{rcc})$, the success expectation by $p(\text{rcc})$, and investment costs by $C(\text{rcc})$. The (successful)

investment then means social integration into the host society and hence a form of (individual) assimilation. The most relevant and prototypical example is investment in formal education with its major significance for opportunities in the receiving country's labor market. Second, there is the decision to improve utility production through investment in ethnic group capital, brought along into the receiving country (option *egc*). Here, the most important and significant examples are starting an ethnic business or founding an ethnic organization. The respective gain is denoted by $U(egc)$, the success expectation by $p(egc)$, and investment costs by $C(egc)$. What investments in receiving-country capital and in ethnic group capital have in common is the fact that the comprehensive framework is established by the (unquestionable) orientation to the (major) cultural goal of the receiving country, which in Western industrial societies is usually economic advancement. To this extent, all investments are made in strict acceptance of the prevailing, nonethnic social production function. A third kind of investment can then relate to the change of prevailing production functions (option *csp*) in favor of a reevaluation of the ethnic group capital already in stock. Therefore, it is a kind of political investment within the scope of the mobilization of an ethnic conflict. The respective gain is denoted by $U(csp)$, the success expectation by $p(csp)$, and the costs for participation in the ethnic movement by $C(csp)$.

We assume that the actors will compare all three investment options with each other and with the inactivity option "niv." The respective EU weights can then be summarized as follows:

$$(3a) \quad EU(niv) = U(squ)$$

$$(3b) \quad EU(rcc) = p(rcc)U(rcc) + (1 - p(rcc))U(squ) - C(rcc)$$

$$(3c) \quad EU(egc) = p(egc)U(egc) + (1 - p(egc))U(squ) - C(egc)$$

$$(3d) \quad EU(csp) = p(csp)U(csp) + (1 - p(csp))U(squ) - C(csp).$$

Naturally, the model in its general form cannot predict which of the options will actually be selected. For that purpose the model's parameters have to be connected with the structural conditions of the logic of situation via special bridge hypotheses. Such bridge hypotheses can (and must) be formulated for each structural variable relevant for the different constructs of the decision model. The attractiveness of investment in receiving country capital $U(rcc)$, for example, depends on economic opportunities within the host society or on the cultural evaluation of, say, education. Success expectations $p(rcc)$ correlate with the availability of information, which increases

with the duration of stay, and costs $C(rcc)$ are influenced by cultural and social distances that have to be overcome. Accordingly, the evaluation of investment in ethnic group capital $U(ecg)$ increases with the market opportunities and productivities of ethnic businesses, and hence indirectly with the number of immigrants in an ethnic group. The success probability $p(egc)$ increases with entrepreneurial experience and with the availability of ethnic social capital. In addition, costs $C(egc)$ decrease with an increasing opportunity for exploiting ethnic solidarities. With regard to the political option csp , it can be assumed that 1) the value of a constitutional change $U(csp)$ rises with increasing ethnic discrimination and after futile investment in receiving country capital, 2) the success probability $p(csp)$ increases with (ethnic and particularly non-ethnic) competencies and (ethnic) social relations that can be mobilized, and 3) the costs $C(csp)$ of political investment will decrease in the presence of an organizational (ethnic) infrastructure.

Justifying the respective bridge hypotheses on the relation between situational conditions and the constructs of the EU model represents a constant challenge in its own right. Correlations are frequently neither direct nor linear, for example those between group size and ethnic market opportunities, or success expectations increasing with education, and they also change with societal and historical conditions. This is the main reason why correlations between different variables encountered in the research on migration display little stability and also why some classical correlations have already changed before the new immigration came about, *e.g.*, the correlation between language ability, economic advancement, and identification with the host society. However, one can generally predict that the *niv* option will always become likely (compared to each of the three investment strategies) if the success expectation p is low – regardless of certain incentives or costs. This should apply to immigrants of the first generation and those with exclusively specific capital and should apply, in fact, with regard to all three investment strategies.

Aggregation and Emergence

The actors' (investment) decisions and their individual effects always lead to some structural consequences. In the simplest case, they aggregate to simple distributions of traits within a population of otherwise unconnected actors, as in the case of ethnic inequality. However, we often have to deal with complicated emergences connected with the unintended consequences of actions. An example would be the formation of ethnic communities and

transnational systems as an indirect and unintended consequence of investment in an ethnic (niche) economy with the aim of achieving the given primary cultural goal (e.g., economic security) by using ethnic group capital. The emergent situation created by the given logic of the situation and the logic of selection thus structures a new logic of the situation for all participants, with attendant consequences for the parameters of the decision model and the subsequent actions. This can lead to typical trajectories of social (initial) conditions, situation logics structured by those conditions, (investment) actions controlled by them, and new social consequences developing in their wake. There are several instruments available for the modeling of such structured processes, like models of diffusion and contagion (also dependent on network structures), models of the origin of segregations, the emergence of vertical stratifications and of the inheritance of social inequality, or (game-theoretical) models of collective action. These instruments can also be applied directly at certain points of the explanatory reconstruction of patterns of intergenerational integration. There is no hard-and-fast rule for the specification of a certain logic of aggregation. But there are several instruments that are especially useful for the modeling of typical constellations of processes of intergenerational integration. We shall be using some of them in the following reconstruction.

THE BASIC MODEL OF INTERGENERATIONAL INTEGRATION

Taking its bearings from the model of sociological explanation, the basic model of intergenerational integration explains different structural outcomes of immigration – societal assimilation, ethnic inequality/ethnic differentiation, ethnic conflicts – as aggregated consequences of the immigrants' rational "situation-logical" actions geared to the prevailing circumstances. The starting point is the concept of social production functions, which states that these actions (ultimately) serve to secure physical well-being and social approval by investment in socially defined cultural goals with institutionalized means whose efficiencies are also socially determined. Then (for simplicity) we assume two options: 1) assimilative actions geared to the standards of the receiving country's social production functions (rca) according to equation 3b and 2) all ethnic alternatives (ega), i.e., passive adherence to the status quo or efforts to secure or improve the ethnic social production function (according to equations 3a, 3c, and 3d). Ethnic activities will be preferred if their EU weight is higher than the EU weight of one of the assimilative alternatives: $EU(ega) > EU(rca)$.

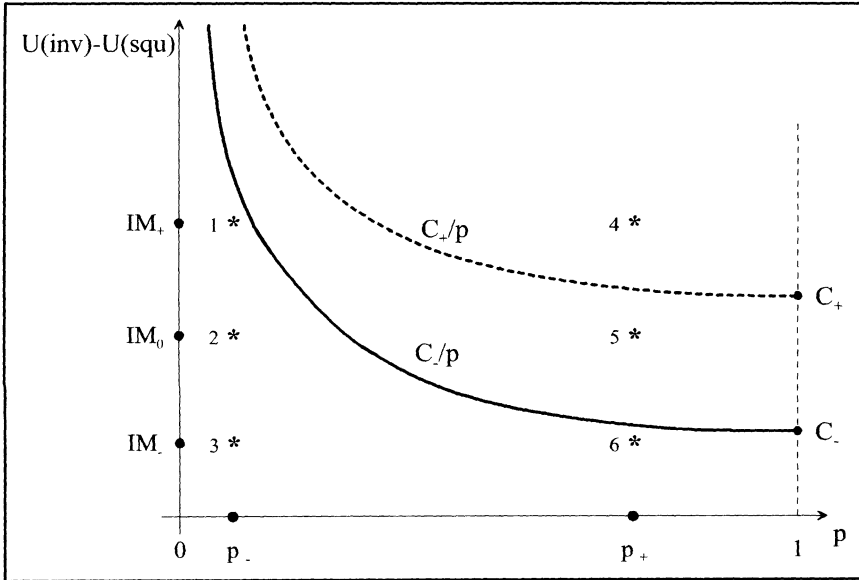
The Basic Functions

The differences between EU(rca) and EU(ega) and action resulting from them thus represent the micro-theoretical core of the processes. They are not, however, their causes. They are rather the structural conditions of the respective logic of situation that have to be connected systematically with the parameters of both EU weights via bridge hypotheses. In principle, the model of intergenerational assimilation takes account of all the conceivable structural conditions on all levels, like the institutional and social conditions of the country of origin and the receiving country, available ethnic networks, social capital and ethnic communities and institutions in the receiving country, and the immigrant's individual traits, resources, different forms of capital and attitudes, as determined by the country of origin and the individual migration biography, including certain cultural and social distances. A very specific assumption, moreover, is that – *ceteris paribus* – the number of immigrants with the same ethnic membership systematically influences the value of both EU weights. The theoretical argument for this assumption is derived from the opportunity theory of Blau (1977, 1994), which states that intergroup relations are objectively structured by opportunities determined by (relative) group size. There are two reasons for this assumption. On the one hand, opportunities for within-group interactions increase with number. On the other hand, higher numbers provoke conflicts between the groups and hence create (mutual) closure tendencies. It can thus (*ceteris paribus*) be expected that as group size increases the EU weight for ethnic orientation also increases, while the EU weight for assimilative orientation to the host society decreases.

Against this background, two (ideal-) typical relations between differences in EU weights and their change as a function of group size and other structural conditions are specified. They are summarized in Figure I. Functions 1a and 1b describe differences and changes in EU weights for assimilative activities and functions 2a and 2b those for ethnic activities. The presentation is a variant of the tipping-point model according to Schelling (1978), which Laitin (1995) applied to explain especially the persistence of ethnic marginality, for instance in the case of middleman minorities (for a similar model, *see* Esser, 1986b).

Function 1a reflects a strong tendency to assimilation, which barely decreases even in the case of increasing group size N and inner ethnic opportunities. It describes the structural situation of immigrants with low cultural and social distances toward the receiving country and with high

Figure I. The Basic Model of Intergenerational Integration^a



Note: ^aU denotes values of the expected -utility weight of the alternatives. N represents variations in group size. EU(rca) refers to actions oriented toward the recipient country with different functional connections to N (functions 1a and 1b), EU(ega) to ethnic group oriented actions, also with different functional connections to N (functions 2a and b).

amounts of generalized capital that can be efficiently used within the scope of the host society's social production functions. Of special note is the way in which the success expectation p for effective inclusion in the host society increases with generalized capital (with regard to the relevant equation 3b). Even an increasing number of ethnic competitors barely influences opportunities, while low cultural and social distances keep costs C for assimilative efforts low. In the case of ongoing immigration and increasing group size, these costs also remain low if there are neither traditions of social distance nor current reasons for dissociative closures in the host society. Function 1b describes the exact opposite: higher cultural and social distance and little available generalized capital that can be used in the receiving society. Small numbers of immigrants of whatever cultural origin are given a rather friendly reception and initially have good chances of integration into the receiving society. But as group size increases, these chances are clearly slighter from the start, and competition for structurally limited positions also claimed by other immigrants will soon ensue.

Accordingly, functions 2a and 2b indicate differences and changes in the EU weight for the ethnic option when group size N increases. It is generally assumed that the correlation between group size and the EU weight for the ethnic option becomes stronger if an ethnic organization takes shape. Against this background, function 2a describes the situation in which chances for an ethnic organization are low. Immigrants constitute an otherwise disconnected aggregate of individual and individualized actors or families. Though (again in line with Blau's opportunity theory) chances for inner-ethnic relations increase (and hence the value of ethnic orientations), this increase is weak because it is geared solely to the statistical probability of encountering opportunities. Here we see the difference over and against function 2b, which describes the situation of immigrants who are embedded in ethnic networks and who possess extensive ethnic social capital. Once a certain critical mass is reached, an ethnic organization will emerge much more easily. Spatial segregations and the collective solidarities and identifications always present in ethnic networks support this process. With a successful ethnic organization, all parameters for the EU weight of the ethnic option then change in their turn. The value U of the ethnic option and the probability p for the success of any further ethnic investment increase, while costs C decrease. This is especially true for the investment in an inner-ethnic economy or in ethnic institutions, but it also applies to the mobilization of ethnic movements: the structural demand for ethnic supplies increases in proportion to the size of the group, while the supplies themselves become cheaper to produce.

The clear increase in function 2b after the take-off phase also represents certain cumulative processes of ethnic institutionalization (not modeled here). Once launched, a successful ethnic organization reinforces – *ceteris paribus* – the further organization, and once established, the ethnic networking and creation of an inner-ethnic moral system further accelerate this process. In addition, cumulative interactive effects connected with spatial segregation achieve greater significance. Though at first they may be due solely to selective migration by otherwise unconnected actors, they now increasingly contribute to (further) ethnic organization and social distance (*cf.* Massey, 1985; Massey and Denton, 1998; for the general dynamics of segregation processes even in the absence of any discrimination, *see* Schelling, 1971).

However, the increase in the EU weight for the ethnic option flattens out again with further increase in group size. The organization of ethnic networks and of the strong ties they require becomes more and more difficult in large groups. In addition, the upper limit of the attainable value of ethnic

investment is soon reached. We assume that the reason for this is that ethnic organized capital is (mostly) specific capital, its usability in the scope of the receiving country's social production functions is only limited, and even if the ethnic organization expands further, its value remains more or less clearly below that of the receiving country capital attainable by assimilative means.

Differences, Changes, and Dynamics

Differences between the EU weights of the two options can be thus related to three structural conditions and functional correlations: first, changes in EU weights for both options due to group size N ; second, changes in the assimilative option's EU weight according to the level of cultural and social distances or the controlled generalized capital (function 1a and b), and third, changes in the EU weight for the ethnic option according to the level of embeddedness in ethnic networks (functions 2a and b). The three structural conditions themselves are not static, but change – partly endogenously – with the process itself.

The group size changes (under otherwise constant structural conditions) as a result of further immigration on the part of those who had originally stayed behind in their countries of origin and by the absorption of assimilated immigrants in the receiving society (leaving aside remigrations). Follow-up immigration increases group size, absorption reduces it. Changes in group size due to follow-up immigration and absorption can themselves be based on (endogenous) cumulative processes, particularly chain migration or chain absorption. The larger the number of other persons who have already emigrated from the areas of origin or have already been absorbed, the lower the risk will appear for one's own decision to take this (risky) step, and the more unattractive it becomes to stay in one's country of origin or one's own ethnic group. Very different developments and equilibria are possible. Three typical cases call for special mention: the – more or less cumulative – increase in group size through major, ongoing follow-up immigration; the decrease of a formerly high number through the dwindling of follow-up immigration (or increasing remigration) and continuous absorption of following generations; or an equilibrium of continuous replenishment through new immigration and concomitant absorption (or remigration) of formerly migrant persons.

It should be added that not only the size but also the composition of ethnic groups and hence their respective functions change with these processes. Accordingly, another argument for the increase of function 2b after

reaching a certain critical magnitude can be derived. Follow-up immigrants are mostly persons with low levels of individualization, and – *e.g.*, in the course of family reunion – they provide for the completion of everyday ethnic life routines even without further ethnic organization and, accordingly, for an enhancement of the value of the ethnic option. These processes of change in group sizes are symbolized in Figure I by the two opposite arrows on the x axis.

Changes in cultural and social distances or in the generalized capital determining the EU weight of the assimilative option (functions 1a and 1b) can be explained – in the simplest case – by differences in exposure to the receiving society, caused, for example, by the duration of stay and/or interethnic contacts. The central theoretical argument is a simple learning-theoretical extension of Blau's opportunity theory. The acquisition of assimilative traits (such as command of the language spoken in the host society, knowledge of norms and values, availability of information, and interethnic friendships) is initially a matter of (learning) opportunities. Accordingly, it can be assumed – again *ceteris paribus* – that the EU weight of (individual) assimilation increases with the level of the (temporal and social) exposure to the receiving society, as caused, for example, by duration of stay and/or developments over generations. Hence, it becomes evident that it is not time or generation *per se* that causes this change. Opportunities and rewarding reinforcements must really come about, and it is therefore not unimportant in which sector of the receiving society the exposure takes place. For example, an increase in the EU weight for investment in receiving country capital will not be expected if exposure takes place within a deviant or marginalized subculture of the host society. Other changes in given structural conditions, *e.g.*, the availability of positions in the course of business cycles or changes in social distances due to public campaigns of welcome or of xenophobia, have similar effects. These processes are depicted by the twin arrow in functions 1a and 1b.

Ethnic networks are the central structural condition for differences in the EU weight of the ethnic option (functions 2a and b). Thus, a shift of the situation from function 2b to function 2a implies the erosion of ethnic networks. This erosion results from processes of migrants' individualization and notably from increasing independence of ethnic networks and ethnic social capital, for example due to an initial economic advancement or to interethnic contacts. Here, cumulative processes of de-institutionalization and the breakdown of ethnic communities are also possible, *e.g.*, via processes of chain absorption (of the offspring) of ethnic entrepreneurs who had

initially provided the basis for ethnic organization and who are now using the capital thus accumulated for their individual assimilative advancement. Conversely, as individual independence decreases, ethnic associations of formerly individualized members of an ethnic group become likely. These changes are depicted as twin arrows between functions 2a and 2b in Figure I.

The relations described in functions 1a, 1b, 2a, and 2b indicate four (extremely) simplified special cases of structural conditions and processes of (intergenerational) integration or assimilation, respectively, for which all kinds of deviations and combinations can result in individual cases. The prototypical case for the model is the structural dimension of (intergenerational) integration, more especially the use of investment to achieve inclusion in a primary labor market of the receiving society versus (noninvestive) integration into an ethnic economy oriented to the ethnic status quo. Of particular importance here is the demonstration of the possibility in principle to relate different variables of the sociology of migration to one general basic process, to specify them as initial conditions of a basically uniform process, and then to derive the structural outcome of (intergenerational) integration that one can theoretically expect, according to the empirical conditions prevailing in the given case.

VARIANTS OF INTERGENERATIONAL INTEGRATION

According to the model of intergenerational integration, there is no universal process for the development of interethnic relations in the course of international immigration. All structural outcomes are possible: (societal) assimilation, horizontal and vertical ethnic inequality and segmentation, and the emergence of ethnic conflicts with the aim of changing the receiving country's constitution. In the following, we shall draw on the relations suggested by the model of intergenerational integration to describe various typical conditions and trajectories leading to these different kinds of structural outcomes. We begin with the classic process of assimilation over generations. Then we address the emergence of ethnic structuring in the receiving society in the form of ethnic inequality and segmentation and their interplay. For reasons of space, however, we shall refrain here from deriving the conditions and processes operative in the emergence and mobilization of ethnic conflicts.

Assimilation

The model of intergenerational integration shows that the classic case of

assimilation actually only occurs under quite special conditions. This becomes obvious in a reconstruction of the race-relation cycle of Robert S. Park (1950:49). As is generally known, Park postulates a typical sequence in the development of interethnic relations as a consequence of immigration. After an initially friendly phase of contact, conflicts over scarce resources soon occur, which are then defused by the emergence of spatial segregations and ethnic divisions of labor in a process of so-called accommodation. The fourth phase is the emergence of (societal) assimilation – regarded as “irresistible” and “irreversible” – taking the form of the gradual disappearance of the relevance of the ethnic dimension in the course of generations.

The model of intergenerational integration can easily reconstruct this process. It is obviously assumed that the process of migration has only just started and that at first the respective ethnic group is very small. Additionally, it seems to proceed on the assumption that there are rather marked cultural and social distances and low generalized capital, on the one hand (function 1b), and ethnic social embeddedness (function 2b) and continuous increase in group size N , *e.g.*, by processes of chain migration, on the other. Initially, and as long as the group size is small, competition and distances are low, and immigrants will also tend toward assimilative contact, a feature that is simply due to a lack of ethnic opportunities. Then, with continuous follow-up migration and increasing group size, we find increasing competition, distinctive closures, and a clear decrease in assimilative propensities. These processes constitute a phase of intensifying conflict bound up with an increase in group size. At the same time, tendencies toward ethnic segmentation increase, which can also be organized through the available ethnic networks. The establishment of ethnic divisions of labor and ethnic communities once again mitigates competition with members of the host society and the visibility of immigrants mitigates again. In this way, the accommodation of henceforth separate and self-sufficient groups postulated by Park can arise. The fourth stage – (societal) assimilation over generations – would, of course, not be arrived at under otherwise constant circumstances. We have now to assume that the basic situation of the respective actors changes, whatever processes may be responsible for that. The model specifies two mechanisms for this: on the one hand, exposure to the host society (function 1b), and on the other, the dissolution of social embeddedness (function 2b). In the course of the generations we can at least assume increasing exposure to the receiving society, over and against the first generation. With the change to function 1a that this implies, (societal) assimilation does indeed become all but inevitable – even if group size stays large or increases further.

Assimilation would also occur in spite of the continuing existence of ethnic segmentations, due, for example, to the ongoing replenishment of ethnic communities by follow-up migrations. However, everything depends on whether exposure to core areas of the receiving society actually occurs. Similar processes would have to be assumed for changes in ethnic social embeddedness.

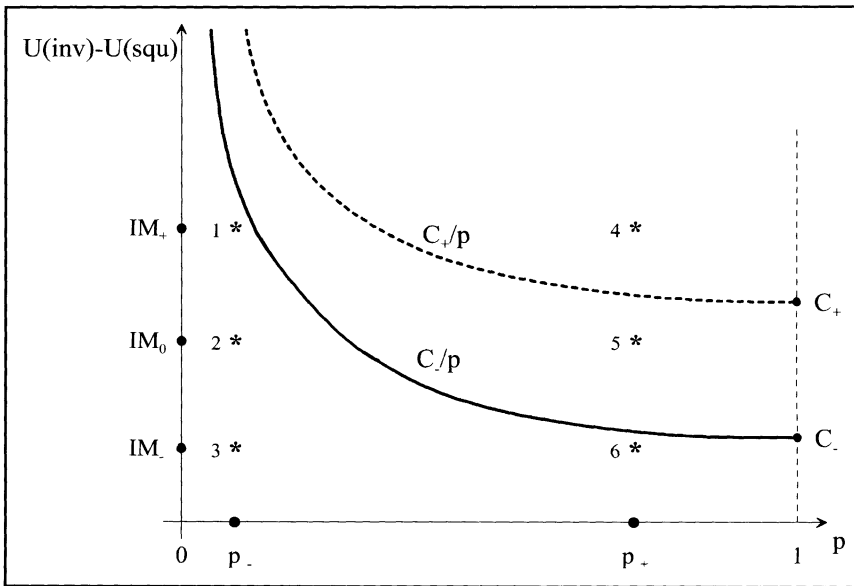
The reconstruction of the race-relation cycle shows that, though the hypotheses about its generality and irreversibility are certainly not accurate in the sense in which they are postulated, they are not totally unfounded. The implicit assumption about the way things develop over time is frequently corroborated empirically. There is a steady and “irreversible” increase in group size (*e.g.*, due to processes of chain migration), latent cultural and social distances between immigrants and natives are (initially) substantial and increase with group size, the endowment with generalized capital is low, information on particular aspects of the receiving society is absent, spatial segregation, social embeddedness in ethnic networks, and corresponding ethnic solidarities quickly set in, thus allowing for and accelerating the organization of an ethnic community once the critical mass with respect to group size has been reached. All these conditions are still common to most instances of (international) immigration. Therefore, the controversy has rather been about the (implicit) assumption that in the course of the generations the necessary exposure to the receiving society does indeed arise (inevitably), which explains the transition from function 1b to 1a, or that individualization and the dissolution of ethnic networks do indeed occur, thus explaining the transition from function 2b to 2a. However, these are not theoretical questions that can be answered in a general way, but questions pertaining to the given empirical circumstances and thus to the specific initial conditions of the general model of intergenerational integration.

Ethnic Inequality

Any persistent systematic differences in socially relevant features caused by ethnic membership would contradict the assimilation hypothesis. We have distinguished two forms of ethnic structuring: 1) ethnic inequality as ongoing distribution differences in aggregates of populations according to ethnic membership and 2) ethnic differentiation as the formation of ethnic (sub)-systems within or alongside receiving (and sending) countries. Ethnic inequality is a special case of social inequality in populations; ethnic differentiation is a special case of social differentiation in societal systems in general.

In the light of more general sociological concepts seeking to explain social inequalities and social differentiations, we assume that the explanation of assimilative and/or ethnic investments (as expressed in equations 3a, 3b, and 3c) constitutes the (micro-) theoretical core of these processes, *e.g.*, investments in formal education and/or in the effort of setting up an ethnic business. Figure II illustrates the general conditions governing the transition

Figure II. Conditions for the Change from Inactivity to Investment^a



Note: ^aIM refers to three different levels of the investment motive $U(inv)-U(squ)$ following eq. (2) in paragraph 3, p to subjective expectations of success in investments, and C to investment costs. C/p represents the perceived investment risk and hence the threshold condition for an investment. Points 1 to 6 refer to typical constellations of different values for IM , p , and C .

to one of these two investments. The most important parameters are both related to the functions of the basic model of intergenerational integration and used to explain the different structural outcomes.

Following equation 2 and summarized for both forms of investment, Figure II describes the increase of investment risk C/p as a function of different values for success expectation p over and against the given investment costs C . The prototypical case drawn upon to explain the emergence of stable ethnic inequalities is that of educational investments $EU(rcc)$ ac-

According to equation 3b, compared to $EU(squ)$ according to 3a. In meritocratic societies and in the course of capitalist globalization, these investments are perhaps the most important investments made in generalizable capital and, accordingly, one of the most significant means for achieving relevant cultural goals in general. We begin with educational decisions of typical immigrants of the second generation whose parents had relatively low levels of education and little information on the host society when they first entered the country. We assume that, in principle, even for first-generation immigrants' children the value of $IM+$ would be maximally achievable. However, the special immigration situation makes the investment appear unlikely, as the parents' low levels of information strongly reduce success expectations. Even in the case of such a strong investment motive (and even if investment costs equal zero), the investment in question would therefore not be made (constellations 1 through 3). The threshold could be only overcome by a clear increase in success expectations. This is one of the assumptions implicit in the hypothesis of intergenerational assimilation. Exposure to the receiving society increases, and both information and other conditions for educational success improve in the course of the generations. Success expectation rises to approximately $p+$, thus causing an investment to be made (constellation 4). But this would only happen in the case of maximal investment motive ($IM+$). It needs to be said, however, that these are frequently unlikely conditions – even for the following generations. The parents' low educational levels, the whole migration background, the “wrong” cultural capital, and the low degree of embeddedness in nonethnic networks all reduce the overall usability potential of the investment to something like IMo . The threshold C/p would only be crossed if there were a lowering of costs to $C-$, e.g., by reducing social distances (constellation 5).

Though educational investments represent one core factor in the stabilization of ethnic inequalities, they are not the only mechanism. Dynamics of endogenous stabilization or of reinforcement of formerly weak differences may also develop (on such models, *see* Kalter, 2003:72). Here we need only refer to Raymond Boudon's classic model for the explanation of the (endogenous) stabilization of existing educational inequalities (1974:146). With an approximately constant supply of higher positions available on the labor market, the queue for better positions becomes longer, while the higher supply of (formally) qualified applicants devaluates the educational certificates – and hence increases the relevance of symbolic qualification signals and of a certain kind of cultural capital. This is why participation in higher education usually displays only a minor effect on intergenerational mobility.

In the case of immigrants, (visible) ethnic membership exacerbates the situation by counting as a (negative) symbol for the actual value of an educational certificate.

All this strongly suggests that even after several generations in so-called “open” societies, ethnic disadvantages must be expected for the majority of immigrants of alien ethnic origins. However, this is not inevitably the case. If certain ethnic groups (*e.g.*, Jewish immigrants of the old and Asian immigrants of the new immigration to the United States) assign a special value of their own to education (increase of IM in the model) and are able to ensure high success rates through family structures (increase in p), ethnic disadvantages (in this respect, at least) should soon vanish – or else make way for quite another kind of ethnic inequality, the kind caused by disproportionate advancement and success. And if following generations are exposed to more marginalized and deviant segments of the receiving society, thus reducing the evaluation of education and the success expectations, then clear mobility restraints are to be anticipated despite a certain degree of cultural assimilation, *e.g.*, language acquisition as a result of exposure to the host society.

Ethnic Differentiation

Investment in an ethnic business is the prototypical case for the emergence of ethnic differentiation, initially perhaps in the form of an ethnic niche economy. This may then result in the establishment and the complete institutionalization of a (self-sufficient) ethnic community. The investment involved need not be aimed at the establishment of such ethnic segmentation. From the individual actors' point of view, it is frequently nothing other than an alternative strategy to assimilation as a way of attaining the receiving society's cultural goals (or securing the individual's own livelihood). It is chosen simply because it promises to be more successful than assimilative investment. Hence, the point at issue here is whether or not to engage in any kind of investment activity at all (according to equation 3a), and, if so, whether to make an assimilative investment in receiving country capital (according to equation 3b) or an ethnic investment (according to equation 3c). The attractiveness of an ethnic investment for (specific) members of an ethnic group is directly evident from the model. The gain achievable by an assimilative investment is clearly higher (IM+) than the gain promised by an investment in an ethnic business (IMo). But (under certain circumstances) other investment conditions clearly favor the ethnic option. For example,

exploiting ethnic solidarities (and difficulties), can clearly cut down on production costs. In addition, no costs are incurred for overcoming social distances (C-). However, with success expectations (p-) still very low, this is not a sufficient basis for the investment decision. Here, the market chances become a decisive factor. The chances of success will not increase before the potential demand for products of an ethnic business reaches a critical mass. Spatial segregations and ethnic networks promote the attainment of such a critical mass. Ethnic social capital, especially in the form of trust and informational relations, increases the individual entrepreneur's chances of success (*cf.* Aldrich and Waldinger, 1990:128), as does experience with the business in question and – in general terms – endowment with generalizable capital like education, financial resources, and general business experience. With such improved chances of success (*e.g.*, p+), the investment risk C/p can easily be exceeded, despite the comparatively lower revenues generated by the ethnic business (constellation 5).

Against this background, the emergence of transnational ethnic differentiations in the course of the immigration processes also becomes intelligible. The most important structural reason is the recent clear reduction in transport, communication, and transaction costs for ethnic investments, even over long distances. This generates further potential for reducing costs and risks, including the outsourcing of production to indigenous regions, the expansion of sales markets for (ethnic) products, and the cultivation and utilization of geographically wide-ranging ethnic networks. On the other hand, such transnational enterprises demand higher organizational effort in comparison to local ethnic communities. The findings of Portes, Haller, and Guarnizo (2002:290) to the effect that transnational entrepreneurs differ appreciably from their local counterparts on account of their higher education and higher professional experience can also be readily interpreted in terms of the model. And it is easy to understand why transnational ethnic entrepreneurs take a continued interest in the (political) concerns of their countries of origin. The circumstances there directly affect the conditions governing the productivity and the potential success of their business enterprise.

The Interaction between Ethnic Differentiation and Ethnic Inequality

Once established, an ethnic infrastructure reduces costs for further ethnic investment and increases both their prospects of success and the value of attainable gains. Thus, in general terms, the development of institutionally

complete ethnic communities initiated and possibly cumulatively reinforced in this way will enhance the value of the ethnic option, and, more especially, the value of noninvesting acceptance of the given situational circumstances of ethnic segmentation from core spheres of the receiving society. From this there results an important connection between the emergence of ethnic differentiations and the (possibly permanent) consolidation of vertical ethnic inequality, as well as with the dynamics described in the basic model of intergenerational integration. Let us therefore return to the model of investment in receiving-country capital, taking educational investments as an example. We assume a rather cautious estimation of the attainable gain from (IMo). The first generation faces the usual low success chances, therefore no investment will be made (constellation 2). For the next generation, success chances have risen to $p+$, perhaps due to stronger exposure to the receiving country, and social distances are no longer high (C-). The value of the noninvestment option $U(\text{squ})$, however, increases with the development of the ethnic community (induced by follow-up migrations). Accordingly, the investment motive $U(\text{inv})-U(\text{squ})$ decreases, for example to IM- (constellation 6). The result of this is that, despite clearly improved chances of success and only low cultural and social distances, the following generation will not invest in the relevant receiving-country capital – with all the indirect and unintended structural consequences that this immobility involves. Norbert F. Wiley (1970) has referred to this phenomenon as the “ethnic mobility trap.” It is the stabilization of ethnic inequalities without any discrimination, because it rests exclusively on voluntary decisions which the actors have very good reasons for making. This model seems to have been forgotten in the recent debates on the different paths and outcomes of intergenerational integration.

This connection between the establishment of ethnic differentiations and the consolidation of (vertical) ethnic inequalities can also explain the frequently observed emergence and consolidation of vertically evaluated ethnic differentiations (*see also* Fong and Ooka, 2002), all the way up to (quasi-)caste systems of an ethnic form of (neo)feudalism and segmented ethnic ghettos in societies recipient to international immigration (*cf.* for instance, Berreman, 1960 and Massey and Denton, 1998 on the case of blacks in the United States). This applies especially if group size continuously increases by chain migrations, if no absorption takes place, *e.g.*, due to the cumulative processes of re-evaluation in connection with the ethnic option, or if absorption is balanced or outnumbered by replenishment from follow-up migrations.

To be sure, the emergence of vertical ethnic differentiations and inequalities need not be an inevitable consequence of ethnic investments. The generalizable capital also attainable via ethnic investments, like money income and human capital, improves the conditions for more profitable investments in receiving country capital, especially for following generations. Their withdrawal from ethnic enterprises and their absorption into the receiving society can themselves result in processes leading to a dwindling of ethnic differentiation, *e.g.*, in the form of cumulative chain absorption, because now the attractiveness of the ethnic option will decline for people who have remained within the ethnic community. The likelihood of such (possibly cumulative) processes involving the intergenerational dissolution of ethnic segmentations and subsequently of (clear) ethnic inequalities will increase with the attractiveness of assimilative cultural goals and the effectiveness of the assimilative means and forms of capital required for the purpose in the host society. And one can safely assume that these characteristics of assimilative goals and means are structurally inherent in them.

*CONCLUSIONS: DECLINE OR RETURN OF
ASSIMILATION(-THEORY)?*

This article took its initial bearings from a number of more or less recent debates on different concepts of intergenerational integration, notably those between (classical) assimilation theory and several different criticisms of it, such as the various multiculturalist, differentialist, or pluralist approaches, the concept of segmented assimilation, and current approaches on transnationalism. The aim was to outline a general model of intergenerational integration from which different structural outcomes of international immigration could theoretically be derived. Accordingly, the question raised in the title of this article can be answered as follows: A new theory of intergenerational integration is indeed required, but the model proposed here is not completely new. It integrates several well-known correlations that have frequently been tacitly assumed, or have been part of descriptive typologies, into the methodology employed by the model of sociological explanation. Methodologically, the most important feature is the systematic reference of the respective variables and conditions of intergenerational integration to a coherent (micro-)theoretical model of (investment) decisions by the actors involved, as well as the modeling (not described here in detail) of emergent structural effects deriving from the actions thus explained, including longer sequences, structural equilibria, and the immigration process itself. Inter-

generational assimilation is one of the possible structural outcomes in this model, but it is not the only one. And (classical) assimilation theory – like the alternative concepts – is only a special case, with particular but well specifiable preconditions in its substance.

Is there anything we can say at this stage about the controversy over the decline or return of assimilation, the range of (classical) assimilation theory, and the more normative question of appropriate migration and integration policies? We believe that there is. And we intend to couch this belief in the form of a daring and certainly controversial hypothesis. It has to do with one of the central theoretical foundations of the model of intergenerational integration: the concept of social production functions and the subsequent differentiation between specific and generalized capital. The hypothesis states that in all immigration processes there is a structural change in the institutional and cultural conditions for productive actions, making certain resources and investments more efficient than others for the attainment of the respective cultural goals. Despite all the transnational and supranational processes taking place, the relevant national institutions and cultures still play a central role here, *e.g.*, within the educational systems. And if the nation-state is not directly involved, there are still the given regional and local circumstances asserting their relevance. To this extent, there are always certain institutional and cultural cores to which actors should orientate themselves, for it is in their own interests to do so. And this is precisely what we can observe empirically. In most cases, the ethnic resources used and produced in this process make up a comparatively (more or less) specific form of capital with only limited usability and productivity. Therefore, more generalized forms of capital, like a universally usable language, social relations not bound to ethnic limits, or human capital in the form of technical and administrative knowledge, maintain their status as the constitutional core of investments, even under the conditions of the new immigration.

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