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## INTEGRATING PERSPECTIVES ON YOUTH LABOR IN TRANSITION

ECONOMIC PRODUCTION, SOCIAL REPRODUCTION,  
AND POLICY LEARNING

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### 23.1. INTRODUCTION

Youth unemployment has received considerable political and media attention since its staggering rise in certain areas of Europe in the wake of the Great Recession. In particular, the European Union (EU) flagship program, Youth Guarantee (YG), has been critically examined to assess its effectiveness in addressing youth unemployment and inactivity throughout the EU (Dhéret and Morosi 2015; O'Reilly et al. 2015; European Court of Auditors 2017). Using this program as a focus to understand how innovative policy practices have been developed, Petmesidou and González Menéndez (this volume) illustrate why this policy initiative has only been partially successful, with a significant distinction between active countries and regions and those exhibiting considerable inertia with regard to policy learning and innovation. The contributions to this volume also show that youth labor market challenges are by no means confined to youth unemployment and that a broader perspective on youth transitions is needed to inform policymakers.

In this concluding chapter, we provide an integrated analysis of the findings presented in the volume. First, we discuss the main challenges by comparing

youth transitions across countries, and we also discuss the importance of using a wider range of indicators and a more comprehensive policy focus. Second, we argue that the concept of economic production encapsulates some of the key dimensions and foci for policy initiatives related to labor market flexibility, mobility, and reforms of vocational education and training (VET) systems; where appropriate, we also include some policy pointers.<sup>1</sup> Third, we contend that an exclusive focus on this domain of economic production risks undervaluing the continued importance of the sphere of social reproduction and the role of family legacies and how these affect established and emerging forms of inequality. Fourth, we propose that given the complexity and variety of youth transitions, policy initiatives need to focus simultaneously on both dimensions so as to develop multifocused strategies that will ensure successful youth transitions. We conclude by identifying key issues for future research and policy intervention resulting from this comprehensive analysis that take into consideration the consequences of increasingly precarious patterns of mobility and labor market transitions, the need to engage employers, and the effect of inequalities rooted in the family.

## **23.2. COMPARING YOUTH TRANSITIONS ACROSS COUNTRIES**

A central tenet of European employment research is the value of cross-country comparisons (O'Reilly 2006). These are often motivated by a desire to understand what drives similarities and differences between social and institutional arrangements, or what policies work better in different countries. Why do some countries perform better than others? What can we learn from these cases? How can this influence change where performance is weaker? And, is it possible to transfer best practice? These are some of the questions that catalyze an interest in conducting comparative research in the first place. However, how we go about conducting these comparisons raises a few methodological and empirical issues.

When faced with an array of potential sources of data, one of the greatest challenges to researchers is finding an analytical framework that will allow them to order this material in a coherent manner. For this reason, it has become increasingly common for researchers to rely on comparative regime typologies, such as those proposed by Esping-Andersen (1990), Pohl and Walther (2007), Hall and Soskice (2001), and Wallace and Bendit (2009). These frameworks provide heuristic devices that enable comparisons across countries and between regime types. Typologies simplify and help us understand the complexities of institutional arrangements. They allow us to compare characteristics and trends between groups of countries seen as sharing key institutional characteristics and then to compare differences between these groupings. Typologies can also

help with the formulation of hypotheses concerning expected similarities and differences (Ferragina and Seeleib-Kaiser 2011).

### 23.2.1. The value and limits of youth transition typologies

One of the most popular typologies for examining youth transition regimes has been that of Pohl and Walther (2007). This is discussed extensively by Hadjivassiliou et al. (this volume) and is also used in several other chapters in this book. However, one of the doubts raised about typologies that were developed before the Great Recession is how well they can accommodate change. Hadjivassiliou et al. suggest that the recent economic crisis has led to a hybridization of youth transition regimes as a result of policy learning, innovation, and reform; one catalyst for this development has been the implementation of the YG. Hybridization challenges the static picture suggested by established typologies. This does not imply second- or third-order regime change (Hall 1993), nor has it led to a process of “conversion” (Thelen 2004; Streeck and Thelen 2005). But it does illustrate attempts at policy learning, adoption, and transfer that can result in “layering,” in which new policy elements are grafted onto existing institutions (Petmesidou and González Menéndez, this volume). The introduction of new policies targeting joblessness (i.e., unemployment and inactivity) among youth, such as the YG, creates a complex picture. On the one hand, policy initiatives recommended to all member states can propagate practices encouraging common elements toward convergence between regime types—for example, toward the strengthening of apprenticeships—as well as encouraging the development of a mode of governance that supports regional/local partnerships between key stakeholders (Hadjivassiliou et al., this volume). On the other hand, the implementation of these common goals illustrates the persistence of divergence in the institutional capability to make these policies effective. This has resulted in an increasing hybridization within regime types.

Examples of the values and limits of these typologies can be seen, for instance, in two chapters in this volume. First, Petmesidou and González Menéndez start out with the youth transitions typology to examine the role of policy innovation in building resilient bridges for youth transitions. However, they find that this established typology is less helpful for distinguishing between countries that frequently experiment with new proactive measures and those exhibiting considerable inertia. The distinction between innovative and inert countries cuts across established youth transition typologies. Second, the chapter by Spreckelsen, Leschke, and Seeleib-Kaiser builds on the *Varieties of Capitalism* approach (Hall and Soskice 2001), which positions the United Kingdom and Germany as diametrically contrasting labor markets. As a result, one might expect to find significant differences in the integration of youth EU migrant citizens in each country. In fact, the authors find that youth EU migrant citizens are well integrated in

both countries in terms of finding employment but that the quality of these jobs is hierarchically segmented and closely related to their region of origin. Intra-EU youth migration can provide new opportunities as well as reproduce existing inequalities in a new form. The authors suggest that the region of origin appears to have a stronger determining effect than the characteristics of the youth transition regime into which these young people enter. These findings raise novel questions that sometimes challenge established knowledge and assumptions when categorizing countries into particular “regime” types.

A further limitation with the use of typologies arises because some countries, such as France, sit awkwardly in “ideal types.” Others, such as the Netherlands, are sometimes relegated to different categories depending on the focus of the typology—that is, welfare systems versus labor market institutions—or because of the methods used to develop the typology (Arts and Gelissen 2002; O’Reilly 2006; Ferragina and Seeleib-Kaiser 2011). There is also considerable diversity within types. For example, there is more variability among the Baltic states and other Eastern European countries than the “post-socialist” label would suggest (Deacon 2000). Established youth transition typologies can provide useful abstract “regime” types, but once we move down the ladder of abstraction, we find a greater degree of diversity within regimes than the initial macro picture would suggest.

As a consequence, a number of chapters in this book employ alternative approaches to comparing countries that go beyond the established youth transitions regimes. Mazzotta and Parisi prefer to use the classification of EU member states into groups based on models of flexicurity as developed by the European Commission on the basis of principal component analysis in 2006. Hajdu and Sik are interested in comparing countries along an East–West divide; they want to understand whether there is any difference in young peoples’ values regarding work and, to this end, examine differences by birth cohorts, age groups, and time periods. Other authors use geographical regions that largely correspond to the categories found in youth transition regimes without assuming that there will be institutional effects (Berloff et al.). Others again prefer not to be constrained by any typology; for instance, the questions examined by Medgyesi and Nagy on how households pool resources between family members go beyond the dimensions usually considered in comparative approaches to youth transitions.

In other cases, the research focus encourages the authors to make comparisons of different measures that are universally experienced across the EU, albeit at different levels. So, for example, Leschke and Finn base their comparative analysis on benefit eligibility, levels of benefits, and forms of labor market regulation; Berloff, Matteazzi, and Villa compare the legacy of workless households on youth employment probabilities across the EU; and Mascherini examines the variation in NEET (not in employment, education, or training) rates and how this has been adopted as a policy target throughout the EU. Comparing which

economic sectors are more “youth friendly,” Grotti, Russell, and O’Reilly provide the added value of allowing more straightforward policy recommendations vis-à-vis how youth can be integrated more effectively in the labor market and what role employers can play. The units of comparison are not always common components of established typologies, but they are identified as having a determining effect on youth transitions, and they draw our attention to shared experiences as well as identify country differences in outcomes and policy reach.

Two chapters focus their comparison on a single country. Ortlieb and Weiss examine the integration of Eastern European migrants across a range of economic sectors in Austria. By keeping constant the destination country, they are able to explore similarities and differences related to the types of young people recruited to different sectors. The second single-country study (Zuccotti and O’Reilly) compares the scarring effects of being a NEET by gender for five different ethnic groups in the United Kingdom. This choice is in part driven by the fact that the ethnic composition of the youth population varies significantly across countries in Europe so that it is difficult to find good-quality, comparable cross-national data on this issue that do not conflate ethnicity as a synonym for migrant or exclude nationals of color. In this case, a national comparison of ethnic and gender differences provides a more refined understanding of differences between ethnic groups, including White nationals, than a simple White versus non-White or migrant versus nonmigrant comparison would provide.

Overall, the collection of chapters in this book illustrates both the strengths and the limits of using established cross-national typologies. The chapters also show how alternative approaches can be used, depending on specific research questions concerned with understanding the variety of existing youth labor transitions. These approaches are able to identify both country specificities and shared universal trends as they seek to distinguish between institutional effects and other influential factors.

### 23.2.2. Using a wide range of indicators

To capture the diversity of youth labor transitions, we need to draw on a broad range of indicators. First, we need to go beyond conventional analysis focused solely on systems of vocational education and training. Hadjivassiliou et al. (this volume) show convincingly how this broader perspective involves examining recent changes in the underlying logic and design of school-to-work (STW) transitions. This requires analysis of the reach and effectiveness of both active labor market policies and specific policies targeted at NEETs, as well as employment protection legislation (EPL) to complement our understanding of how different labor market institutions within the economic sphere of production shape transition trajectories for young people.

Second, we need to take account also of inactivity rather than a narrower focus only on those who are unemployed. This is particularly relevant from a youth and gender perspective, as illustrated by Mascherini’s (this volume) examination

and differentiation between various categories of NEETs. Likewise, Flek, Hála, and Mysíková (this volume) advocate that youth labor market transitions are different from those of prime-age workers, examining simultaneously movements between employment, unemployment, and inactivity.

Third, we need to develop a better understanding of youth early career insecurity. Several chapters in this volume use standard indicators to this end (Grotti, Russell, and O'Reilly; Akgüç and Beblavý; Spreckelsen, Leschke, and Seeleib-Kaiser). Examples on the outcome side are temporary employment, (solo) self-employment, and part-time or marginal employment shares. Examples on the policy side inspired by the flexicurity agenda are EPL, capturing job security, and active and passive labor market policy indicators, capturing, respectively, employability security and income security (Hadjivassiliou et al.; Smith et al.; Leschke and Finn). Further distinctions are made between measures of job quality in terms of skill–occupation match and wages, as well as examining the effect of family background on successful transitions (Filandri, Nazio, and O'Reilly). Berloff et al. use a particularly innovative and comprehensive approach to capture early career insecurities. Rather than examining a specific employment status or a single transition at a fixed point in time, they develop a dynamic approach. This involves examining youth labor market integration by focusing on individual trajectories—that is, monthly sequences of employment statuses over at least 2 years—and considering the timing, order, and length of employment, unemployment, and inactivity spells. Smith et al. emphasize the importance of not focusing only on objective measures of early career insecurity, such as temporary employment, but also including subjective measures, such as perceived vulnerability to job loss, underemployment, and concerns about future prospects. By taking inspiration in the transitional labor markets approach (Schmid and Gazier 2002; Schmid 2008), the contributions to this volume go beyond standard indicators and conventional analysis of youth unemployment to illustrate how youth joblessness and early career insecurity are experienced and addressed from a policy perspective.

### **23.3. YOUTH TRANSITIONS BETWEEN ECONOMIC PRODUCTION, SOCIAL REPRODUCTION, AND POLICY LEARNING**

In the years preceding the Great Recession of 2008–2009, there was evidence that the labor market for young people in Europe had been improving (Grotti, Russell, and O'Reilly, this volume, Figure 2.1). The Great Recession and the austerity years that followed knocked this trend off course: Where things were already difficult for young people, it made them even worse. Along with the worsening of labor market conditions, we can identify a structural shift in job opportunities for

young people between various economic sectors (Grotti, Russell, and O'Reilly, this volume). The economic crisis, in most countries, resulted in the nonrenewal of temporary contracts, followed by the destruction of full-time and permanent jobs; in the recovery, job creation for youth has shifted toward temporary and part-time work in many countries. Moreover, the economic crisis amplified the differences in labor market outcomes between young adults and prime-age workers (Flek, Hála, and Mysíková, this volume), and thereby increased the pressure on policymakers to act.

However, what we have learned about youth labor market transitions goes beyond the effects of the Great Recession, and it also reflects back on some more deep-rooted causes of inequalities among youth. Although there has been some improvement in countries that were least affected by the crisis, in others the situation has not improved significantly (O'Reilly et al., this volume; Grotti, Russell, and O'Reilly, this volume, Figure 2.2). Causes of youth joblessness and labor market insecurity are related not only to differences in VET systems, STW transition regimes, and EPL but also to socioeconomic inequalities rooted in families. The role of these factors, and the findings from this book, can be understood in terms of the inter-relationship between three key domains: economic production, social reproduction, and policy interventions. These domains affect patterns of inequality, mobility, and the form of policy intervention.

### 23.3.1. Economic production: Labor market flexibility, mobility, education, and skills

The sphere of “economic production” (i.e., the locus of where labor is employed) in our approach is shaped, among other things, by labor market institutions as well as the quantity and quality of the new generations entering the labor market. More precisely, we define the sphere of economic production as including the impact of labor market flexibility, new labor resources made available through mobility and migration, as well as reforms of education and training.

#### *23.3.1.1. Labor market flexibility*

The idea that labor market flexibility had to be encouraged in order to improve the efficiency of the labor market and favor the smooth transition of young people into employment has failed to recognize the impact on increasing inequality among young adults (Smith et al., this volume). Flexicurity, despite its ambition to achieve both increased flexibility and transition security (i.e., employment security instead of job security), has delivered only partly and continues to have different interpretations and unequal outcomes both across countries and for different labor market groups, including youth. Overall, only a fraction of school-leavers and university graduates manage to find a stable and satisfactory job within a relatively short period of time, with noticeable differences by age group, gender, education level, ethnicity, and across countries (Berloff et al.,

this volume; Zuccotti and O'Reilly, this volume). Instead, many young adults experience unemployment or frequent job changes combined with repeated unemployment spells, also later in their working life, when the turbulent STW period should already be overcome (Berloff et al., this volume). Often, unemployment spells of young people are not sufficiently buffered with income security to allow them to search for an adequate job (Leschke and Finn, this volume). Youth are thus pushed into temporary and marginal employment as well as increasingly into (solo) self-employment (Ortlieb, Sheehan, and Masso, this volume). To address this issue, forms of non-standard employment should be covered by unemployment and other social security schemes (Leschke and Finn, this volume; Ortlieb, Sheehan, and Masso, this volume). The increasing diffusion and promotion of flexible employment is likely to have long-term negative consequences for young people's quality of employment and labor market attachment.

Labor market flexibility, often implemented via deregulation at the margins, means, first, that labor markets are increasingly characterized by young workers moving quite frequently between jobs, with possible unemployment/inactivity spells in between; and, second, that one needs to consider not only the early years of working life (i.e., STW transition) but also the subsequent years (early career of young adults). This calls for a life course perspective that allows us to understand how earlier experiences affect longer term trajectories both with regard to labor market outcomes and in establishing independent households. A shift from a focus on STW transitions to a life course perspective also widens the possible policy responses: In addition to career guidance and job search support, they should include comprehensive investment strategies geared at young people and their families, as well as new measures having a focus on aspirations and motivation and the development of soft skills.

### *23.3.1.2. Labor market mobility*

Migration from Eastern and Southern Europe to the North and the West has significantly increased during the past decade, since the EU enlargements (in 2004 and 2007) and the economic downturn (in the years of the Great Recession and of austerity). Increasing geographic mobility within the EU is often viewed as one key instrument to address the consequences of asymmetric shocks, uneven economic development, and high youth unemployment, especially in Central-Eastern and Southern European countries. Intra-EU mobility, migration, and return migration have been supported by various EU policy initiatives and services (O'Reilly et al. 2015). These policy tools include the coordination of entitlement to social benefits, specific directives regulating the working conditions of groups of cross-border workers such as posted workers, and comprehensive information for EU citizens and businesses on rights in the country of destination and support when these rights are breached by public authorities (SOLVIT centers).<sup>2</sup> The European job placement service, European Employment Services (EURES),<sup>3</sup> provides support for jobseekers, employers, and students, including information

on rules and regulations as well as living and working conditions in the country of destination (Masso et al., this volume).

The analyses in this book show that young EU migrant citizens are largely rather well integrated and that labor market intermediaries play an important role in terms of reducing transaction costs, managing risks associated with the employment relationship, and building networks (Ortlieb and Weiss, this volume). However, labor market intermediaries are not necessarily neutral and often serve interests of employers first, which is particularly the case for private labor market intermediaries such as temporary work agencies. This calls for careful monitoring and regulation of private intermediaries, as well as a strengthening and promotion of public labor market intermediaries such as EURES. There is also evidence that young EU migrant citizens are often over-qualified and tend to have a higher risk of being employed in nonstandard employment relationships (Akgüç and Beblavý, this volume). The country of origin appears to contribute to the stratification of young people at least as much as the institutional arrangements in the countries to which they migrate (Spreckelsen, Leschke, and Seeleib-Kaiser, this volume).

The reintegration of young returnees into their country-of-origin labor markets also poses a policy challenge that is nearly uniform across countries (Masso et al., this volume). Of those who return “home,” some are able to reap the benefits of their time abroad, having developed their soft and hard skills. However, returnees might need additional support from public institutions, such as employment offices in the country of origin, given the fact that not all of them will be able to benefit from their experiences abroad. Also, access to services especially with respect to family-related issues (i.e., maternity benefits and health care) is part of the process leading to the return migration decision. The balance of rewards from migration, both for the individuals who left or returned and for the countries of origin and destination, is not a simple calculus (Fihel et al. 2007). Without question, intra-EU mobility has reduced youth unemployment across Europe, and many young people value the opportunity to work and live in a different country. At the same time, however, some patterns of intra-EU migration have also contributed to labor shortages in specific occupations or sectors in Central and Eastern Europe (Polakowski and Szelewa 2016).

### *23.3.1.3. The role of education and training*

It is the interaction between systems of education and training and labor demand to absorb young people that lie at the heart of many of the problems in youth labor markets (McGuinness, Bergin, and Whelan, this volume). Many chapters in this book show that higher education is associated with a lower risk of being unemployed (Flek, Hála, and Mysíková, this volume), with having a higher job quality (Berloffia et al., this volume; Filandri, Nazio, and O’Reilly, this volume), and with having a lower probability of returning to the family of origin’s household (Mazzotta and Parisi, this volume). However, young people

from lower class backgrounds often have less educational opportunities than their peers from higher class backgrounds, which perpetuates socioeconomic inequalities (Berloff, Matteazzi, and Villa, this volume; Filandri, Nazio, and O'Reilly, this volume). The chapters in this book also show that VET as well as apprenticeships are considered to have been effective in smoothing the process of STW transitions. In liberal (e.g., United Kingdom) and subprotective (e.g., Greece and Spain) countries, policymakers have recently begun to experiment with various policy initiatives—for example, through the European Alliance for Apprenticeships (Hadjivassiliou et al., this volume; Petmesidou and González Menéndez, this volume) and, in the United Kingdom, through the Apprenticeship Levy.<sup>4</sup> However, effective VET and apprenticeship schemes require a mode of policy governance that supports regional/local partnerships, networks, and active involvement of all relevant stakeholders, which are occasionally lacking and very difficult to emulate. In particular, measures need to focus on overcoming governance barriers that may result from excessive fragmentation of competencies between distinct partners as well as overcome rigidities created by overcentralization.

At the same time, there is evidence of overeducation for some young workers (McGuinness, Bergin, and Whelan, this volume), particularly among migrants (Akgüç and Beblavý, this volume; Ortlieb and Weiss, this volume; Masso et al., this volume). Core to the assessment of policy interventions in the VET system, it is necessary to understand how the supply of qualified labor will be absorbed by domestic or international labor demand. At the individual level, this translates into improving the quality and accessibility of information about potential education pathways and jobs. Also, increasing the practical aspects of degree programs can reduce the incidence of initial mismatch for graduates (McGuinness, Whelan, and Bergin 2016). Although there is greater understanding and recognition of EU qualifications across borders today than there was 20 years ago,<sup>5</sup> there are still many obstacles for young EU migrant citizens and third-country nationals that are only beginning to be addressed.

Together, the three dimensions of flexibility, mobility, and education are key to understanding how youth unemployment in Europe can be examined under the rubric of the sphere of economic production. VET systems and STW regimes interact and engage employers and trade unions in concert with domestic and international policymakers. This approach provides a more comprehensive analysis to understand how youth opportunities are shaped by the demand for, and availability of, youth labor both at home and abroad.

### 23.3.2. Social reproduction: Family legacies and new and emerging forms of inequality

Emerging patterns of segmentation in youth labor markets along the lines of education, gender, and ethnicity require a holistic analytical approach, including an

analysis of the legacy of family differences from the sphere of “social reproduction” (i.e., the locus where the labor force is produced) to understand how these interact with the sphere of “economic production” (i.e., the locus where labor is employed) (O’Reilly, Smith, and Villa 2017). The family provides an interface for youth transitions into the public realm: It acts as both a source of stratification and potentially as a source of protection.

### *23.3.2.1. Family legacies*

Parental employment status plays a significant role in explaining youth labor market outcomes. A number of chapters in this volume show how employment probabilities, decisions to leave/return to the parental home, and the pooling of household finances are differentially affected by the type of household in which young people grew up. Although some effects are universal (e.g., having grown up in a household in which no one was working increases the likelihood of that young person also being without work), the extent varies by country (Berloffia et al., this volume) as well as by different ethnic group (Zuccotti and O’Reilly, this volume). Without the role of families providing support and welfare for young people, it is very likely that the social consequences of the sharp increase in youth unemployment in Europe would have been much more severe. Families can provide support in difficult times, but this can also constrain young people’s steps toward economic independence and independent living. Also since the outbreak of the economic crisis, an increasing proportion of youth are staying longer in the family of origin or are returning to the family home after finishing education and/or not finding employment. Simultaneously, in some families, it is not only youth who benefit from cohabitation: Among some of the poorest families in Europe, youth employment is providing resources to be shared with other family members in need (Medgyesi and Nagy, this volume). Accrued worklessness across generations exacerbates household and youth inequalities between work-rich and work-poor households.

In summary, family legacies play a significant role providing support to their jobless children but with the side effect of increasing inequalities of opportunities among youth. Young people from higher social classes are better equipped to achieve good educational and labor market outcomes. Universal access to employment services—providing services also to less advantaged young people in low work-intensity households—might help address these inequalities. In addition, as some chapters suggest (Berloffia, Matteazzi, and Villa, this volume; Filandri, Nazio, and O’Reilly, this volume), the family of origin plays a crucial role in the transmission of gender roles during adolescence, shaping the attitudes of young women and men toward female participation. In order to enhance the participation of young women in particular, and youth employment in general, it is also crucial to strengthen policies focused on increasing parental employment, especially that of mothers.

### *23.3.2.2. New contours of labor market segmentation: Gender, ethnicity, class, and migrant status*

Although young women have been increasingly successful in education systems and in participating in higher education, the evidence in this book highlights the emergence of gender gaps opening up early in young people's labor market experiences. Men and women (aged 16–34 years) have similar chances of accessing paid employment rapidly, but as Berloff et al. (this volume) show, young women's labor market conditions deteriorate relatively quickly during their early working life in terms of both security and success, even before motherhood.

Young women also have a higher likelihood of becoming NEET (Mascherini, this volume), and young self-employed women often find themselves in more precarious situations compared to their male counterparts (Ortlieb, Sheehan, and Masso, this volume). These gaps reflect segregation of education and training choices and different sectoral choices (Grotti, Russell, and O'Reilly, this volume; Ortlieb, Sheehan, and Masso, this volume).

Specific gendered processes in the parental home and in the labor market (e.g., discrimination in recruitment, job allocation, and training) reinforce gender roles that subsequently produce lower quality labor market outcomes. Gender gaps emerging in early adulthood have long-term consequences over the life course. This suggests that well-known gender differences in labor market outcomes (not fully explained by early parenthood) have not yet been equalized for younger women, who are still encountering similar problems as those of older generations. A wide range of policies are needed to tackle the weaker position of young women in the labor market—from policies aiming to ensure equal access to employment and career opportunities to reconciliation policies (e.g., paid leave for fathers and affordable care services and flexible working hours for parents with small children).

Gender impacts are also intertwined in different ways with the effects of other social dimensions, such as ethnicity and class/family background. Zuccotti and O'Reilly's (this volume) analysis of gender and ethnic differences in the United Kingdom found that young White British men and those of Caribbean origin are more likely to be affected than any other group by the negative consequences of being NEET; however, young Asian women, especially those from Pakistani communities, have lower employment probabilities. Patterns of gender inequalities are changing at the margins, but often as a result of the situation for young men deteriorating rather than that of young women improving.

Policies need to take account of such intersectionalities in order to be effective and thereby also consider that age is a significant dimension of intersectionality (Hanappi-Egger and Ortlieb 2015). However, analysis of the policy environment for young people reveals, for example, that such policies are often gender blind (Petmesidou and González Menéndez, this volume), and there is limited evidence

of consistent gender mainstreaming. The substantial variation in gender differences between countries is only partially captured by STW regime frames of analysis. Greater attention to the differential outcomes for specific categories of youth (e.g., in the United Kingdom, young White British men or some young women of specific ethnic minorities) could make policies more effective if they were used to inform targeted policymaking. Although there is some evidence of good practices that acknowledge these differences, these policies are exceptions rather than the rule.

### 23.3.3. Policy transfer and policy learning

The third key component required to understand the form of youth transitions is related to the role of policymakers and to the possibilities for policy transfer and learning between countries. Across Europe, the policy architectures for addressing youth problems are very different: These range from countries with specific ministries, or transversal organizations, to those with no dedicated institutions (Wallace and Bendit 2009). Similarly, the design and capacity of public employment services vary significantly across Europe. It is frequently the case that policies affecting young people are spread across a range of very different institutions; but these often do not have consistent strategies, and they are frequently decentralized to local and regional levels (Petmesidou and González Menéndez, this volume).

We have argued that one of the distinctive characteristics of the current phase of youth unemployment has been an increased Europeanization of youth policies (O'Reilly et al. 2015), a process referred to as “transversalism” by Wallace and Bendit (2009). This reflects a broader project from the European Commission to encourage an exchange of information, good practice, and benchmarks. This includes, for example, the European Network of Public Employment Services,<sup>6</sup> which allows public employment services to collaborate, share good practice, and participate in learning events geared toward improving services for jobseekers. It also contributes to facilitating intra-EU labor mobility.

There have also been attempts to bring together a range of measures from different levels of government and ministries to develop a coherent and coordinated employment strategy to foster youth employment, including technical support from the EU. However, EU intervention is often focused on softer policy instruments, such as guidelines, recommendations, periodic reporting through the open method of coordination (Smith et al., this volume), the EU Agenda for new skills and jobs, and, since 2013, through the initiative of the European YG. Since 2010, through the EU Agenda for new skills and jobs,<sup>7</sup> there have been EU-level attempts to give new impetus to labor market reforms that help people gain suitable qualifications. The EU Agenda primarily aims at skills upgrading to cope with a shrinking working-age population and to stimulate young people to gain appropriate skills by prevention of early school leaving and increasing the number of young people in higher education or equivalent vocational education.

The YG, launched in 2013, was held up as the flagship program to address youth unemployment, and in many countries it was linked to attempts to strengthen the dual vocational training system, in particular by mobilizing employers to play a more active role. In Greece, Slovakia, and Spain, EU influence regarding the dual VET system created “windows of opportunity” for domestic policy entrepreneurs (or for negotiated agreements at the regional level in the case of Spain) to experiment with novel practices that promote work-based learning. However, recent assessments of the YG by the European Court of Auditors (2017) have been quite critical. They suggest that although there has been some progress, the initiative falls short of the initial expectations raised when it was launched. In particular, none of the countries evaluated (Croatia, France, Ireland, Italy, Portugal, Slovakia, and Spain) had succeeded in ensuring that NEETs had taken up an opportunity within 4 months. Part of this problem was attributed to the lack of resources available from the EU budget. But part of the lack of success was due to the difficulties faced by member states in carefully planning the implementation of the YG on the basis of their national specificities and limited institutional capacities to carry out implementation by the established public employment services. The European Court of Auditors’ evaluation suggests that the YG was insufficient to provide paradigmatic shifts in the key STW transitions mechanisms, partly as a result of path dependency combined with cultural and institutional stickiness. Any policy transfer or policy learning will need to take into account these different dimensions and levels of policymaking in order to be more effective in the future (Petmesidou and González Menéndez, this volume).

Being sensitive to such differences makes any discussion of policy implications of our complex analyses a difficult task. Nevertheless, some generalizable observations with regard to the policy implications of our research can be made. First, we need to highlight that we are aware of the potential interaction effects of any policy recommendations aiming at the reduction of youth unemployment and the improvement of STW transitions with macroeconomic conditions as well as with other policies. For instance, in cases of a lack of demand for young workers (Grotti, Russell, and O’Reilly, this volume), it would seem very unlikely that policies improving the supply side will be sufficient to address the issue of youth unemployment in the short term (Smith et al., this volume). Second, austerity policies implemented immediately after the Great Recession have very likely limited the effectiveness of new labor market policy initiatives that required additional financial resources—in particular, investment in education and training, in addition to active and passive labor market policies—observed in a number of countries.

### **23.4. DIRECTIONS FOR FUTURE RESEARCH**

In conclusion, the extensive evidence provided in this volume can be summarized in relation to three key features for future research encapsulated by our analysis

of the relationship between economic production, social reproduction, and policy interventions. These three areas capture increasingly precarious patterns of youth mobility and transition trajectories, the absence of employer engagement, and emerging inequalities linked to family origins.

First, we have seen that new job opportunities are becoming increasingly precarious. Where there has been job growth, it is more likely to be in temporary or part-time jobs, whereas more permanent full-time positions have been lost during the Great Recession. Our analysis of youth transitions has consistently indicated that many of these transitions are associated with a growing margin of precariousness. One dimension of this is also related to the encouragement of self-employment for young people, which can unleash a welcomed form of youthful entrepreneurship and creativity or can increase social insecurity and lead to indebtedness. The question as to whether some of these jobs are genuine self-employment or a disguised form of dependent employment has been gaining increased media and legal attention in discussions of the expansion of the “gig economy.” The form and characteristics of future jobs for youth and their long-term consequences will clearly become an increasingly important area for research and policy.

Second, one key dimension that is insufficiently addressed in the vast body of research has been the role of employers. Much research approaches this issue tangentially, by illustrating how more stable pathways for young people to find better quality jobs are found where employers are more integrated into VET systems. These systems clearly reflect that employers see advantages to participating in the collective organization and the shared costs of recruiting young people through these channels. Where these systems are more fragile, employers do not perceive an advantage in being actively involved in collectivist collaborations. Their ability to absorb young people coming onto the labor market is curtailed either because they do not perceive young people to have the skills they require or because they do not have the financial capability to integrate young people into their firms in a way that they would find profitable. This might be due to a lack of incentives in the policy instruments designed to integrate young people that sufficiently alleviate their anticipated long-term costs or because they have alternative sources of labor. Some country differences in this absorption capacity are related not only to firm size but also to the institutions encompassed in the sphere of economic production, including VET systems and EPL. Future research agendas clearly need to give this aspect more attention, alongside the uneven sectoral distribution of jobs for youth.

Third, we have also evidenced how the family plays a significant role both in contributing to the stratification of opportunities for young people and in protecting vulnerable youth in times of crisis. It is the interaction between inequalities in the sphere of social reproduction with an effect on which groups of youth labor are trained and employed in the sphere of economic production that provides a key nexus in the analysis presented in this volume.

The evidence of growing inequalities can be seen in the polarization between NEETs and those experiencing the negative consequences of overeducation. The NEET population illustrates the fact that a significant proportion of young people “fall out of the system.” A large proportion of these young people are more likely to come from already disadvantaged families. On the other hand, the consequences of overeducation for an increasingly better educated generation of young people run the risks of occupational mismatch and wage penalties in the long term. Evidence suggests that some of the negative effects of overeducation are also associated with coming from less advantaged parental backgrounds, as well as how young people are segregated into different educational pathways.

In addition to these polarizing trends, there is an emerging fragmentation of inequality between different subgroups of young people. This presents itself in new forms of inequalities that will shape young peoples’ attitudes and values around work, trade unions, and other collective organizations. Future analyses of youth labor market transitions need to take account not only of how reforms to VET institutions in the sphere of economic production will adapt to the challenges resulting from the growing digitalized and increasingly “personalized” service economy but also of how disadvantages in the sphere of social reproduction affect where different groups of young people are able to access pathways into the field of economic production and where there are spaces for policymakers to intervene effectively.

## NOTES

- 1 For more detailed information on the policy level, we refer our readers to the STYLE Policy Briefs that have been produced as part of the project: <http://www.style-research.eu/publications/policy-briefs>.
- 2 [http://ec.europa.eu/solvit/index\\_en.htm](http://ec.europa.eu/solvit/index_en.htm).
- 3 <https://ec.europa.eu/eures/public/en/homepage>.
- 4 The Apprenticeship Levy was introduced on April 6, 2017, in the United Kingdom. This amounts to a compulsory tax on employers’ payroll that is to be used to fund apprenticeships, unless employers show evidence of creating these kinds of jobs for young people within their organization. For an explanation of how this policy will work, see <https://www.gov.uk/government/publications/apprenticeship-levy-how-it-will-work/apprenticeship-levy-how-it-will-work>.
- 5 For example, through Erasmus+ (<https://www.erasmusplus.org.uk>) or initiatives to recognize skills.
- 6 For more information, see <http://ec.europa.eu/social/main.jsp?catId=1100&langId=en>.
- 7 The most recent update in 2016 particularly emphasized digital skills; see <http://ec.europa.eu/social/main.jsp?catId=1223>.

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