1 Not in Employment, Education, or Training around the World

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1.1 Understanding NEET

During the economic crises in the years following 2008, policymakers of various governments regularly hit the alarm bells about the dire situation of marginalized youth in various European countries. Indeed, young people seemed particularly vulnerable during the Great Recession. In 2012, no less than 15% of young people aged 15–29 in OECD countries were *Not in Education, Employment, or Training* (so-called NEETs). These NEETs were regularly portrayed as an essential challenge for many Western countries (European Commission, 2010a, 2010b, 2011; Eurofound, 2012). Not without reason: NEETs are, in many ways, the most vulnerable of all youth. Early-career inactivity turns NEETs into the most likely candidates for long-term socioeconomic marginalization, criminal careers, and grave mental and physical health problems (Bynner and Parsons, 2002; Coles et al., 2002; OECD, 2010; Chen, 2011). Escaping a life as NEET is hard. NEETs are also economically costly, both because of costs of policies associated with NEET, but also because of lost outputs and unfulfilled potential. Total yearly costs associated with European NEETs surpassed €153 billion in 2011 (Eurofound, 2012).

But, as Figure 1.1 demonstrates, there are large differences between countries. In Turkey, almost 30% of all young people were NEETs. Even in the Netherlands – the country with the lowest rate – the NEET rate is 7%. This has prompted the expectation that the extent to which young people are prone to become NEETs at least partly depends on countries' institutional configurations and policies. However, whether this is actually the case remains an open question. Despite the apparent societal urgency, scientific attention to NEETs has remained rather modest. Consequently, our theoretical understanding of NEETs is still limited. We know too little about NEETs, whether being NEET is a transitory or long-lasting period, about differences in the timing of becoming NEET, or about the heterogeneity of the NEET population. Most studies use cross-sectional NEET rates, but it is very likely that more young people are affected by NEET periods between 15 and 29 than appears from cross-sectional studies, and

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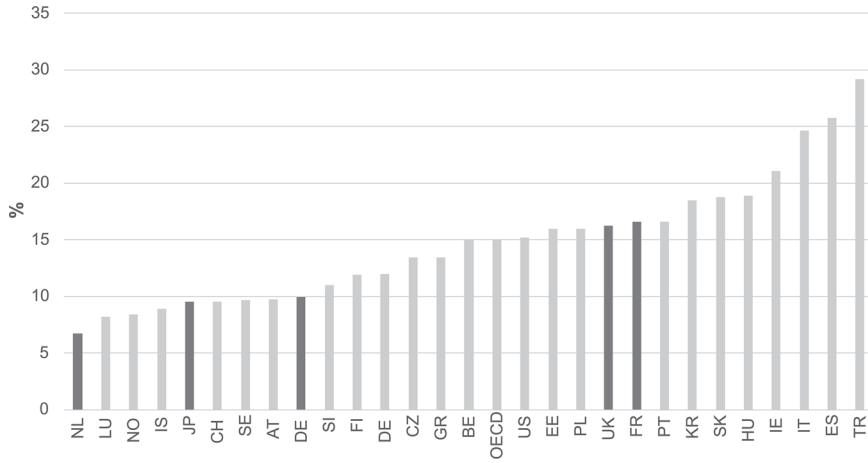

Source: OECD. (2014). Education at a Glance Chart C5.1-2. Paris: OECD.

Figure 1.1 Percentage NEETs in population (15–29 years) in Europe and Japan (2012).

that relatively few remain NEET for long (Furlong, 2006; Quintini and Martin, 2006; Quintini et al., 2007; Chen, 2011). Longitudinal studies would shed light on this. However, few such studies exist, and none examine age-specific NEET patterns (Furlong et al., 2003; Cusworth et al., 2009; Chen, 2011).

Although they are thought paramount in improving youth participation in education and the labour market, the role of institutional contexts and policies is poorly understood. Like youth unemployment, NEET risks plausibly arise from interactions between individual (life-course) characteristics and countries' education and labour market institutions and policies (Hodkinson, 1996; Müller, 2005). The effectiveness of institutions and policies thus differs for different types of NEET. Completely disillusioned and disengaged youth probably react very differently to institutional incentives than, for instance, young mothers. These interactions are seldom studied.

This book aims to fill these gaps. We investigate the patterns, determinants, and consequences of being NEET to reveal and understand country similarities and differences. The goal is to provide new theoretical and empirical insights on the temporal patterns of NEETs, the impact of individual and institutional characteristics, and the interplay between institutions and individual characteristics on young people's transitions into and out of NEET. The book addresses three main research questions:

1 *What are typical school-to-work trajectories that NEETs experience in different countries?* Answering this question will also help us to understand to what extent NEET is a long-lasting or just a transitory stage in school-to-work

transitions and paint a realistic picture of the extent to which NEETs are vulnerable. It also allows us to focus our explanatory work on the most vulnerable NEETs.

2 We also want to explain how cross-national differences in typical NEET trajectories between countries can be explained and study the role of institutions and policies. Are they relevant? Do they work differently for different people? We ask specifically: *To what extent can (a) individual characteristics, (b) countries' institutions and policies, and (c) their interactions explain why young people are more likely to become NEET in certain countries, and less in others?*
3 We know that early-career joblessness or inactivity can have cumulative negative effects in the medium and longer terms. In this book, we focus on the most vulnerable NEETs and ask: *What are the consequences of being vulnerable NEET in different countries?*

To answer these questions, we use various research methods and modes of inference. The core of the book is formed by five in-depth longitudinal analyses of five relevant country cases – Germany, France, Japan, the Netherlands, and the United Kingdom. These quantitative country case studies rely on sequence analyses (Abbott, 1995) and various type of regression techniques to explain sequences. This enables us to study the situation of NEETs in these countries in-depth and get a good grip on the extent to which typical labour market conditions, educational institutions, and policies generate different trajectories into and out of NEET. The country case studies also help us to understand the relevance of individual and family backgrounds for these trajectories in different institutional contexts, and the consequences of experiencing NEET status in various countries. But the chapters cannot be formally compared, and conclusions we may draw from comparing findings from these case studies are limited to the countries that are studied. Additional cross-national analyses of 24 advanced economies serve to examine the relevance of institutions and policies and draw conclusions about the interaction between individual circumstances and institutional contexts. While the data we use do not allow for strict causal analyses, multilevel analyses will provide insights into generally observable patterns of interactions between institutional and individual characteristics.

The book contributes to research on youth marginalization and school-to-work transitions. It aims to:

1 Increase our understanding of NEETs by building on common theoretical explanations for youth unemployment and long-term economic inactivity,
2 Use data that allow for distinguishing different NEET categories and age groups and conduct analyses on assumptions behind the NEET concept,

3 Analyse individuals becoming NEET as a dynamic process and not a single event, using longitudinal studies and sequence analyses,
4 Study the interplay of individual and institutional factors, which might affect the incidence and the age-specific risks of NEET periods, as well as the probabilities of short- and long-term durations of NEET-status.

1.2 NEET: Policy definition or social group?

One of the main challenges with studying NEETs lies in the heterogeneity of the category. NEET is a negative definition; whether someone is characterized as NEET follows from a list of things they are *not*. As such, the term does not delineate a sociologically meaningful social group. However, they are commonly regarded in research literature and policy white papers as a social category. And one that is fundamentally different from the "normally" unemployed youth. NEETs are commonly painted as much more vulnerable, much more persistently inactive, and much less responsive to policy initiatives (Eurofound, 2012; Holte, 2018). The label "NEET" suggests problematic youth that has to be taken care of or, as Holte mentioned, "the concept conjured images of teenage boys who were engaged in petty crime, youth gangs or drug usage, or considered at risk of becoming religiously or politically extreme" (Holte, 2018: p. 11). This image is almost certainly incorrect. The NEET concept certainly lumps together many different forms of youth inactivity and explanations (and thus solutions) for NEETs vary widely. There are also cross-national differences. Japanese NEET who have completely retreated from society, are from different social backgrounds and face different circumstances from German immigrant children who have trouble finding a job, who in turn differ from Dutch low-ability adolescents who fail to graduate from vocational education. Patterns in and out of NEET might also vary distinctly between groups. Also, not all those classified as NEETs might actually be or become disadvantaged.

Research that treats NEETs as a homogenous category ignores these within-group differences and may thus very well obscure important explanations for youth inactivity. Which begs the question: why are researchers using this category in the first place? The NEET definition was initially coined by policymakers to capture the group of young people under the age of 18 who were out of work and education or training but ineligible for unemployment benefits. It has subsequently been expanded in terms of ages covered and fills an important role for policymakers and researchers who are interested in youth inactivity beyond on youth unemployment (Ryan, 2001; Breen, 2005). In particular, youth employment systems and their ability to integrate school leavers in labour market are traditionally described and measured by the youth unemployment rate, which is the ratio of those young people who actively search for but don't find a job to the economically active population in the respective age group. Thus, youth unemployment rates cover the

share of young people who are part of the labour market but currently out of work (i.e. the share of those searching for jobs). Inactive youths are excluded by definition. However, because school-to-work transitions are often not straightforward and characterized by detours or erroneous periods or interim solutions of varying duration, the status of inactivity has a higher relevance for young people compared to adult persons. The concept of youth unemployment is not able to capture the situation of young people who are inactive and, therefore, incompletely represents the activity dynamics of school leavers (Dietrich, 2013).

Since the 1990s, various alternative concepts emerged in labour market research as well as among policymakers. One of these concepts is NEET, which was first used in the UK (Rees et al., 1996; Furlong, 2006; Yates and Payne, 2006) and is closely connected to the theoretical concept of social exclusion. NEET is conceptually related to youth unemployment but also differs fundamentally. The NEET definition is broader; it includes the share of all young people who are disengaged from both the labour market and education, whether they search for jobs or not. The NEET rate thereby overcomes two critical aspects of the youth unemployment rate: the NEET definition better captures different types of youth "joblessness" and does not depend on administrative or subjective reports of "unemployment" (OECD, 2010). The NEET rate has therefore become an essential indicator for political actors who aim to combat youth inactivity (European Commission, 2010a, 2010b, 2011; OECD, 2010; Eurofound, 2012). In this context, it is used in an increasing number of reports on cross-sectional youth labour market assessment (Eurofound, 2012, 2015; OECD, 2016) and enjoys the increasing interest of policymakers. The NEET concept (Raffe, 2003) has become a key term in cross-nationally comparative reports that international organizations regularly publish about youth labour markets. The NEET rate is interpreted as an aggregated indicator for "disengagement from the labour market and perhaps from society in general" (Eurofound, 2012: p. 1).

However, the NEET concept covers many groups, including the unemployed, sick or disabled, but also inactive young people, who do home or care work or who are engaged in constructive activities that do not cause later disadvantages regarding labour market integration. It is observed that young people from higher social origin not only have fewer and shorter interruptions of education and employment but also do not have too problematic NEET periods (Raffe et al., 2001). It is therefore important to analyse socioeconomic differences in the causes of NEET in connection with the outcomes of NEET periods. There is hardly any research that in a detailed way describes the longitudinal patterns of youth who experience NEET periods. To further illustrate why this is important, Figure 1.2 illustrates that overall NEET rates (the explanandum of many studies) hide important differences between age groups. Age-specific NEET rates indicate differences in the patterns, causes, and consequences of NEET within and between countries. Hence, research should distinguish teenage-NEETs (15–19), who might face scarring effects

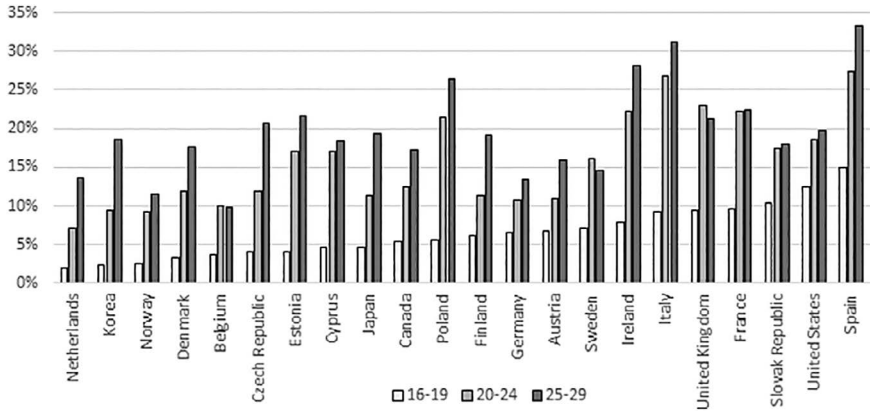

Figure 1.2 Age-specific NEET rates in selected countries.

(Hodkinson and Sparkes, 1997) or persistent (long-term) marginalization, from NEET groups after age 20. Very few studies do.

1.3 Different theoretical explanations for NEETs

NEETs are a group that has been defined by analysts following from policy decisions, rather than being a sociologically definable intermediate group. That makes theorizing about why some youth become NEET something of a challenge. It is apparent that a single theoretical explanation cannot suffice. Rather, a myriad of micro-level explanations is required to predict why some young people do not have jobs and are also not in education or training. To provide theoretical explanations of the impact of and mechanisms through which individual and institutional characteristics generate and penalize NEET periods in youth and young adulthood, we must consider key theoretical insights from various theories from labour economics and sociology.

A short description of various theoretical explanations will illustrate the point. For example, *human capital theory* (Becker, 1964, 1965), in its strictest form, has difficulties explaining NEETs. The theory would predict that periods spent outside employment, education, or training are either temporary phenomena driven by labour market inefficiencies or an extreme and implausible form of leisure. In the thick version of human capital theory, productivity is solely driven by one's skills that are rewarded on the labour market with a certain wage. Workers who are not productive in one job can either improve their skills through work experience, education, or training, or move to a job that is more in line with their actual skill level. Some frictional unemployment is possible, but if labour markets function efficiently, only temporary. Another potential explanation for NEETs that is consistent with human capital theory would be the choice to spend some time on leisure. The general idea is that

people derive utility from consuming products, but also from spending time on leisure. If people earn enough, they may decide to dedicate a portion of their time to leisure. However, the human capital model would not predict they would dedicate all their time to leisure, since their income would effectively be nought if they do not spend time on labour.

Alternatively, *matching theories* (Thurow, 1975; Kalleberg and Sorensen, 1979; Logan, 1996; Müller, 2005) consider labour market allocation as matching processes between people and jobs. They presuppose that jobseekers and employers strive for optimal matches, given their preferences, opportunities, and constraints. Employers match jobseekers to jobs based on observable characteristics that signal the extent to which candidates possess the required skills for the given job and favourable characteristics (indicating high or higher work motivation, reliability, etc.) in terms of productivity. Youth with the lowest skills and diplomas are therefore usually less likely to gain access to jobs and also are more likely to lose the jobs, if employed. This implies NEET is a logical possibility: those whose skills are not in demand are more likely to become NEETs.

Socioeconomic stratification in employment further derives from interpersonal differences that affect job-search behaviour and success, such as social capital (e.g. information and recruitment network recourses), cultural capital (e.g. non-cognitive competencies, internalized position in educational hierarchy), and, specifically, gendered time constraints. Motherhood is in many countries a precursor to reduced labour participation, much more so than fatherhood is.

Another labour market theory that does help to understand NEETs are *segmentation theories*. These theories assume that labour markets are not homogeneous with respect to job quality, wages, job security, employment mobility, or training opportunities. These differences are not gradually distributed across the labour force but cumulate in more or less separated segments. While Doeringer and Piore (1971) identified only two labour market segments, i.e. internal labour markets with good jobs vs. external labour markets with bad jobs that follow distinct logics (market vs. hierarchy), other authors focus on an additional occupational segment as a result of a structured vocational training system (Lutz and Sengenberger, 1974; Edwards et al., 1975). With respect to NEET youth, segmentation theories may explain country differences as well as differences between school leavers with or without a vocational degree. The occupational segment has positive individual employment consequences in countries with well-developed vocational training or apprenticeship systems. Therefore, in countries where these systems play an important role, the (aggregate) NEET rates and (individual) NEET occurrences and durations might be lower. In countries with established occupational segments, such as Germany or to some extent the Netherlands, NEET risks should be clearly lower for those with occupational degrees, because vocational training in these countries provides industry-specific, transferable skills and therefore increases the chances of young

people to stay in the firm as well as to use their qualifications for getting a job in another firm. In those countries without such a skill formation system, vocational qualifications are gained within the firm emphasizing firm-specific skills. It is only the internal labour market segment that prevents young people from becoming NEET. Typical management practices of large companies in Japan are prime examples of such labour markets. The Japanese management system consists of lifetime commitment, seniority-based earnings, and company unions coupled with periodic recruiting of new graduates, which concentrates the opportunity of young people at the entrance point of the internal labour market (Abbeglen, 1958; Aoki, 1988; Marsden 1999).

Insider-outsider-theories aim at explaining the existence of (involuntary) unemployment or NEET by the power differential between incumbent workers (insiders) and the non-employed (outsiders). Basically, insiders have a better bargaining position with employers, because firms have already invested in their employees and dismissal would lead to transaction costs, whereas outsiders usually do not have agents in this process (Lindbeck and Snower, 1989, 2001). Insiders skim transaction costs in terms of wage increase above the equilibrium, which may cause involuntary unemployment. The higher bargaining power of insiders can be observed when looking at trade union or social-democratic policies (cf. Rueda, 2005). The source of differences between insiders and outsiders are skills and qualifications or work experience. School leavers and labour market entrants are therefore seen as outsiders by definition. Skill formation systems relying on firm-specific qualifications or internal labour markets make it more difficult for school leavers to escape NEET periods at the beginning of their employment career. Skill formation systems relying on industry-specific qualifications shift the boundary between insiders and outsiders: insiders are here those with vocational degrees and outsiders those without vocational degrees.

Signalling theory explains employment chances by employers' risk calculations within a situation of asymmetric information (Spence, 1973). Their main interest is to ensure productivity of new employees, which they estimate using available information or "signals" (certificates, CVs, job references etc.). Proponents of this theory claim that credentials communicate information about the expected productivity of school leavers. High productivity is assumed for higher school leaving certificates or vocational degrees, whereas those with lower degrees or without any degree are assumed to be less productive. In this view, the education system is designed for uncovering students' productivity for future employers. Signalling theory can explain higher individual risks of becoming NEET for those who are leaving school without a degree or with only lower degrees. In countries with extensive vocational training, labour market entrants without vocational degrees should be more at risk of becoming NEET.

Finally, the *sociology of education* demonstrates that participation in education and training is strongly stratified by socioeconomic family background,

school biographies, immigration history, and health status as well as institutional setups of education systems (like tracking or residential segregation). Theoretical explanations for this social stratification of educational participation and attainment vary from theories on different cultural (Bourdieu and Passeron, 1990) and social capital (Coleman, 1988; Portes, 1998) to theories on differential educational decision-making (Breen and Goldthorpe, 1997).

If the overview of theoretical explanations above can tell us anything, it is that there are many arguably competing explanations for why youth become NEETs. To understand how we deal with this theoretical complexity throughout this book, three arguments are important. First, we maintain that these theories should not be regarded as competing explanations for why youth become NEETs. Consistent with the heterogeneous nature of the NEET concept, we see these theories as largely supplementary, and expect that they all explain a piece of the puzzle. We need all of them to understand why educational attainment, gender, bad health, immigration status, growing up with parents of low socioeconomic status (SES), or living in poor housing are among the main causes of NEET risks (Meadows, 2001; Coles et al., 2002; Strelitz and Darton, 2003; Cassen and Kingdon, 2007; Eurofound, 2012). We will use these theories pragmatically to explain why certain groups have a more problematic school-to-work transition or are more likely long-term NEETs than others.

Second, the theories described above are often used to explain how young people's circumstances are related to their (un)employment and educational participation risks. However, they all expect that NEETs at some point will land jobs or reengage in education and cannot explain why some young people (lower skilled, or former NEETs) resist work or education, even if opportunities are open to them (Furlong, 2006). Thick versions of human capital theory and signalling theory do deal well with non-frictional unemployment, let alone inactivity. Insider-outsider theories also predict that outsiders upgrade their skills until they can enter the labour market. So, these theories generally predict that NEET is a temporary and transitional stage, and that after some period of time, NEETs will either find jobs or drop back into education. However, the theories described above do a poor job explaining why some NEETs do not find their way back to the labour market or education. To understand such differences, we consider the development and pathways of NEETs' careers as part of the normal school-to-work transition. To do so, we take a life-course perspective. Earlier life experiences crucially shape later life-outcomes in two ways: the incidence and patterns of NEET are being shaped by earlier life experiences, and NEET experiences themselves are "earlier" life experiences. The life-course perspective thus enables us to properly identify differences in NEET probabilities and the impact of early life experiences on the stability and dynamics of NEET processes and thus helps us understand why some NEETs remain vulnerable, whereas others find their way to society again. If necessary and helpful, we turn to theoretical arguments that help to understand life-course differences. We may,

for example, use strain theory to explain why some youth become long-term NEETs (Merton, 1938). This theory predicts that disadvantaged youths learn to harbour low expectations of socioeconomic success. NEETs indeed are more likely to have low self-esteem and low expectations (Strelitz and Darton, 2003; Social Exclusion Task Force, 2008). When these low expectations are met (e.g. because of low educational performance), youths might develop retreatist attitudes, rejecting both societal norms of socioeconomic success and the prescribed means through which these norms must be met, i.e. through academic and occupational prowess. Based on this reasoning, we would expect that some young people will become long-term NEET, particularly if they are disadvantaged. Important factors for such cooling-out or disengagement processes might be the age at with young people are affected by NEET (early or later in school-to-work transition) and/or the duration of the inactive period (making NEET a self-fulfilling prophecy).

From the theoretical models so far, we may deduce the following **hypotheses**:

Hyp. 1. In all countries, most youth who are NEET are NEET for only a short period of time and will either return to education or find jobs after a short period of time.

Hyp. 2. In all countries, there exist a group of NEETs that experiences very long NEET spells (H2a). We expect these to be the most vulnerable (H2b).

Hyp. 3. Youth from backgrounds that are disadvantageous on the labour market, such as (H3a) those with relatively low credentials, (H3b) those with skills that are not in high demand (H3c) those from lower socioeconomic backgrounds, or (H3d) immigrants are more likely to experience NEET spells, and when they do, are more likely long-term NEET.

Hyp. 4. Women with children are more likely NEET, and more likely long-term NEET.

But, and this brings us at the third argument, the extent to which these micro-level explanations are important may strongly differ cross-nationally. We expect that these micro-level theories only explain cross-national differences to a certain extent, and that we need additional theories about contextual effects to help explain why youth with a given background and given characteristics are more likely to become NEET, or even long-term NEET, in one country than in another. Youth lives are crucially shaped by a wider societal context. The life-course perspective therefore also helps to understand how institutional contexts and their interrelationships with individual characteristics shape NEET risks, patterns, and consequences (Sampson and Laub, 2005; Mayer, 2009). As an institutional theory framework, it argues that life-courses and decisions are influenced by prevailing institutional configurations. Research into youth transitions has clearly shown that national

institutional differences structure differences in labour market entry patterns among youth. This is particularly important, as youth are in "a delicate phase of their working life, the first entry into the labour force," which is often determinate of later outcomes (Caroleo et al., 2018: p. 16). For example, the institutional features of employment protection legislation and the vocational specificity of the education system have been shown to "shape to a large extent the opportunity structure for school-leavers in Europe" (Wolbers, 2007, p. 208), together with macroeconomic labour market conditions. Thus, the NEET concept provides an opportunity to look beyond individual factors into "how structural forces such as the political economy shape young people's lives" and how social forces "shape young people's lives in different contexts" (Holte et al., 2019: p. 256).

1.4 Explaining cross-national variation in NEET rates: Institutions and policies

Various "institutional arrangements that shape young people's education-work transitions" are theoretically relevant for explaining life-course-dependent NEET risks (Raffe, 2008). First comes the education system. The extent to which the education system succeeds in allocating school-leavers to the labour market depends on its characteristics. Four dimensions are particularly important: stratification, standardization, vocational orientation, and institutional linkages (cf. Van der Werfhorst and Mijs, 2010; Bol and Van der Werfhorst, 2013). *Stratification* refers to the level of tracking within an education system. In stratified education systems, students are placed in hierarchical tracks ranging from lower tracks to higher (Allmendinger, 1989). Tracking can occur at different ages, most of the time it takes place in secondary education; however, some countries track in post-secondary education as well (Shavit et al., 2007). For instance in the UK, the level of tracking is low until the age of 16 when the more academically able students remain in sixth form college and study academic qualifications while the less academically able may go to further education colleges and study vocational subjects at a lower level, while in Germany students around age 10 have to make a decision between "Hauptschule" (lowest level), "Realschule" (intermediate level), and "Gymnasium" (highest level), mainly based on their abilities. In more stratified systems, the school-to-work transition can be smoother, for three reasons (Levels et al., 2014). First, more highly stratified education systems enable a more fine-grained distinction of school-leavers' true abilities and employers are better informed about the ability levels of job applicants (Müller, 2005; Andersen and Van der Werfhorst, 2010; Van der Velden, 2011). Second, in more stratified systems, the average skills level of workers can be more precisely defined; as a result, employers can better model job tasks to workers' skills (Marsden, 1999). Third, required skills levels can be much more precisely determined in more stratified systems, which improves the information about skills requirements and improves matching quality (e.g.

Dörfler and Van der Werfhorst, 2009). As a result of higher quality matching, we would expect that:

Hyp. 5. The allocation of school-leavers to jobs is generally more efficient in highly stratified countries, and the number of (long-term) NEETs is relatively low.

However, we would also expect that those who follow the lowest tracks will have the most difficulties finding jobs in more strongly stratified systems, since credentials from lower tracks will be regarded stronger signals of low academic achievement. As such, we would expect that

Hyp. 5a. Youth from lower educational tracks are more likely long-term NEETs in these systems.

The *level of standardization* reflects the way in which the education system is standardized nationwide. This could be based on the use of central exams, uniform curricula, same training for teachers, or standardized budgets. For instance, in the Netherlands, a national commission has control over all the exams for the secondary and vocational educated students. The grades of the exams count for 50% of the final grade in the examinations, the other 50% is based on school-exams. Diplomas serve as a signal of the type and level of skills that job-seekers have gained at school (Van der Velden, 2011), and can also be seen as observable signals of unobserved expected productivity or training costs (Arrow, 1973; Spence, 1973). If we regard diplomas as signals of acquired skills, it becomes clear that the more informative these signals are about the actual skills of job-seekers, the better informed employers are, and the more effective recruitment and selection for jobs will be (Breen, 2005; Andersen and Van der Werfhorst, 2010). In more standardized systems, the information level of diploma is higher (Allmendinger, 1989), which would imply that

Hyp. 6. In more standardized systems, a more successful allocation of school-leavers to the labour market ensures a relatively low number of NEETs, and also that those who experience a time as NEETs will be long-term NEETs.

Network theories further suggest that information generated by educational institutions (such as grade point averages or credentials) can be more effectively transformed into labour market signals if institutionalised ties exist between schools and workplaces (Rosenbaum and Kariya, 1989; Rosenbaum et al. 1990). Another important aspect of the education system involves the *level of vocational orientation*. Education can supply students with general and specific skills. The level of vocational orientation is mostly associated with the existence of vocational programs within a country in which students

learn occupationally specific skills. The Netherlands and Germany are mostly seen as countries with high levels of vocational orientation, while in Japan, France, and the United Kingdom, vocational education is much less prominent or is considered to be lower status. We distinguish four major types of upper secondary education systems: apprenticeship systems, school-based vocational systems, mixed systems, and general education systems (Müller, 1994; OECD, 2000). The more vocationally oriented the upper secondary education systems, the higher the participation after the end of compulsory education and, thus, the lower the NEET risks between ages 15 and 19. Moreover, the closer the linkages with the labour market, the more appropriate the (occupationally specific) skills, the lower the social stigma associated with lower academic ability of VET-trained youth (Solga, 2008; Gesthuizen et al., 2011), and hence the higher the employment chances of labour market entrants. This may result in the following prediction:

Hyp. 7. In more vocationally oriented systems, a more successful allocation of school-leavers to the labour market ensures a relatively low number of NEETs, and a lower the likelihood that those who experience NEET spells become long-term NEETs.

The *level of institutional linkages* is associated with the extent to which there exist strong linkages between education and actors on the labour market. This can play out in different ways. For example, vocational education can take place at school but can also be offered in an apprenticeship that combines school and work (Ryan, 2001). In such systems, links between schools and the labour market have been strongly institutionalized. Students in such a dual system not only learn occupationally specific skills, but also firm-specific skills (Hanushek et al., 2017). Moreover, in education systems with a high level of institutional linkages, employers can help to determine the curriculum of vocational education (Andersen and Van der Werfhorst, 2010) and might also influence the size of the output (Culpepper and Finegold, 1999; Thelen, 2004). Thus, the linkages between education and employers are tighter than in school based vocational oriented systems. This would lead us to believe that:

Hyp. 8. In vocationally oriented systems, the stronger the institutional linkages, the less likely it is that vocationally educated school-leavers become NEET and the less likely it is that vocationally educated NEETs are long-term NEET.

Next to education systems, labour market arrangements that shape labour market flexibility and employment protection might influence NEET risks and consequences (Van der Velden and Wolbers, 2003; Breen, 2005). High *employment protection* (e.g. the Netherlands) may create labour market

insiders (and outsiders) and thereby hamper youth's labour market integration. However, in theory, employment protection might also provide more protection – or stability in labour market integration – for those young people who have jobs. The empirical evidence is mixed. In general, youth unemployment is higher in countries with stronger employment protection (Esping-Andersen, 2000; Breen, 2005). However, deregulating the use of temporary contracts between 1992 and 2012 did not reduce unemployment risks and for low-educated young men, even increased them (Gebel and Giesecke, 2016). Decreasing the protection of permanent jobs also did not affect the risks of labour market exclusion for youths (*ibid.*). Moreover, high employment protection combined with strong employer linkages of the upper secondary education system (e.g. Germany) might also lead to higher youth's labour market integration and lower NEET risks (Gangl et al., 2003; Breen, 2005). Labour market flexibility might therefore cut both ways. On the one hand, flexible labour markets might support young people's labour market entry, as employers' hiring risks are relatively low. On the other hand, high employment protection might increase youth's employment stability after labour market entry (Brzinsky-Fay, 2007; Solga, 2008). Given the mixed theoretical expectations and empirical evidence, we may formulate competing hypotheses:

Hyp. 9a. In countries with higher employment protection, youth generally have more trouble making the school-to-work transition, which implies a higher number of NEETs, and a higher the likelihood that those who experience NEET spells become long-term NEET.

Hyp. 9b. In countries with higher employment protection, youth who do find jobs are more likely to keep those jobs, which implies a relatively lower number of NEETs, and a higher likelihood that those who experience NEET spells become long-term NEETs.

Active labour market policies (ALMPs) should also affect NEET rates. ALMPs do not necessarily reduce the chance that youth become NEET but are specifically designed to help NEETs find jobs or education or training programs and, if effective, should therefore shorten the period that youth are NEET. We may expect that in countries that spend more on such ALMPs, these policies are better organized. We may therefore expect that:

Hyp. 10a. In countries with higher levels of ALMPs, young NEETs are less likely long-term NEET.

However, ALMPs can broadly be divided in two different types of approaches (Dingeldey, 2007; Knotz, 2012). Some policies focus more on interventions aimed at enabling youth to finds jobs. These enabling ALMPs focus on helping youth to find jobs that match their skill levels, for example by (re-)training job seekers. By contrast, enforcing ALMPs aim to force young NEETs into

work, for example by lowering the level and duration of financial benefits (Knotz, 2012). Even though the underlying policies are different, they both aim to lower the chances for young people to become NEET. Therefore, we hypothesize that:

Hyp. 10b. In countries with higher levels of enabling ALMPs, young people who become NEET are less likely long-term NEET.

Hyp. 10c. In countries with higher levels of enforcing ALMPs, young people who become NEET are less likely long-term NEET.

Also, the structure of *labour market transition systems* remains a useful concept for understanding differences in school-to-work transitions (Raffe, 2008). Following the classic classification by Maurice et al. (1986), researchers generally distinguish between occupational labour markets (OLMs) and ILMs, and some countries that do not fit into the dichotomy (cf. Gangl, 2003). In OLMs (e.g. Germany and the Netherlands), matching processes are driven by highly standardized, vocationally specific qualifications. Such systems boast smooth school-to-work transitions, but those without such qualifications or qualifications with low demand risk long-term economic marginalization (Solga, 2008; Gesthuizen et al., 2011). Entry into ILMs (e.g. United Kingdom, Japan) is based on general educational attainment levels and work experience rather than occupationally specific qualifications (Gangl, 2001). ILMs generally have weaker linkages between educational programs and occupations (DiPrete et al., 2017). The school-to-work transition in ILMs is generally less smooth than in OLMs (Müller, 2005). Young people stay longer in general education programs (Shavit and Müller, 1998). In times of crisis, young people in countries with OLMs are more likely to remain in school than become job seekers, and they are better off for it in the long run (Witteveen, 2020). This might lower the risk that school-leavers become long-term NEET. Based on these reasonings, we may expect:

Hyp. 11. Compared to predominantly ILM countries, school leavers in OLM countries are less likely to become NEETs (11a), and NEETs are less likely long-term NEETs. School-leavers in OLM countries with lower qualifications are more likely to become NEETs that those with higher qualifications (11b).

From an institutional standpoint, NEET rates may also be influenced by *family policies*, including "public child-care provision, maternity and parental leave benefits, wage inequality, strictness of employment protection, and the tax penalty on second earners" (Estévez-Abe and Hethey-Maier, 2013). Both leave benefits and childcare have been highlighted as particularly important in the literature (Estévez-Abe, 2005). The availability of such family policies differs extensively between countries (Thévenon, 2011;

Thévenon and Luci, 2012). Empirical evidence suggests that the generosity of paid maternity and parental leave benefits is most beneficial in augmenting women's relative economic position (as compared to their husbands or cohabiting partners), while public childcare provision does not play a significant role (Estévez-Abe and Hethey-Maier, 2013). Women may also experience more barriers to further education and training (FET) over the life-course, which is linked to economic outcomes. For example, women are less likely to participate in FET in all European countries except Belgium and the Nordic states (Massing and Gauly, 2017). The length of paid parental leave also is important. There is a curvilinear relationship between the length of paid leave and young mothers' labour market participation (Del Boca et al., 2008; Akgunduz and Plantenga, 2012; Thévenon and Solaz, 2014; Nieuwenhuis et al., 2017). Young mothers who have no leave or only very short leave are more likely to become NEETs (OECD, 2011; Nieuwenhuis et al., 2012). However, if parental leave is too long, the resulting human capital depreciation and foregone work experience also create an impediment for women who seek to return to work (Pettit and Hook, 2005; Boeckmann et al., 2014; Nieuwenhuis et al., 2017). So, we may expect that:

Hyp. 12. In countries with longer leave schemes (e.g. maternity, paternity, parental), young people are less likely to become long-term NEET (13a), and this is particularly the case for women (13b).

Hyp. 13. In countries where childcare is more affordable, young people are less likely to become long-term NEET (14a), and this is particularly the case for women (14b).

In theory, *welfare regimes* may also affect the probability that youth become NEETs. Theorizations of the welfare state have a rich tradition in political science, sociology, and political economy. Since the early 1990s, international comparative studies in the social sciences have been greatly influenced by Gøsta Esping-Andersen's (1990a, 1990b) theory of the "Three Worlds of Welfare Capitalism," which originally focused on stratification and decommodification in pension provisions but has also been applied to sick leave, employment and unemployment benefits, health care provisions, family allowances, overall welfare state expenditures, and other welfare state benefits (Bambra, 2007). Esping-Andersen defines the welfare state as more than publicly provided social services and income transfers: rather, it constitutes qualitatively different forms of social protection that serve to order social relations, including varying levels and types of decommodification and social stratification. Decommodification describes the extent to which people can "uphold a socially acceptable standard of living" without relying on the market (Esping-Andersen, 1990b: p. 37). Stratification defines the structuring of social relations that result in part from the functioning of the welfare state institutions themselves, which creates groups or classes through the definition of policies distributing social benefits. A welfare

regime's approach can also be applied to youth policies. Pohl and Walther (2007) describe five types of youth transition regimes: universalistic, liberal, employment-centred, sub-protective, and post-communist. These groupings are based on information about educational and training policies, employment regulation and protection legislation, types of activation schemes, and cultural norms regarding interpretations of youth "disadvantage" and unemployment (Hadjivassiliou et al., 2016: p. 3). In universalistic regimes, personal development in the form of supportive activation policies is the focus of transition policies, supported by a strong sense of collective social responsibility, and is typified by the Nordic countries. In liberal regimes, individual rights and responsibilities are predominant, such as the workfare activation models seen in the United Kingdom. In employment-centred regimes, schooling is strongly stratified and plays a key role in "allocating the younger generation towards occupational careers and social positions in different segments" (Pohl and Walther, 2007: p. 547). Countries such as Austria and Germany exemplify this regime. In sub-protective regimes, high rates of unemployment have created a kind of "dualistic" welfare regime that depends largely on the family and informal work to supplement social provisions in early adulthood characteristic. Examples include the Mediterranean countries of Italy and Spain. Finally, the post-communist regimes are in the unique position of having a school-to-work transition that has changed from stable and secure but with very little choice, to high "de-standardization, uncertainty and risk" since the early 1990s (Pohl and Walther, 2007: p. 548).[1]

1.5 About this book

1.5.1 Objectives and challenges

The main objective of this book is to empirically explore the plausibility of the hypotheses formulated before. It follows from the empirical and theoretical considerations in the previous chapters that:

1. Not all NEETs are equally vulnerable. Most NEETs experience friction unemployment, and while background characteristics and circumstances may explain why some stay NEET longer, most NEETs are expected to (re-)enter the labour market of education at some point.
2. Only a proportion of NEETs are expected to remain long-term NEET. A longitudinal perspective is needed to distinguish vulnerable from less vulnerable NEETs, and NEET spells are best understood as part of the normal school-to-work transition.
3. NEET must be considered as an emergent process, reducible neither to individual characteristics nor to institutional environments. To understand and empirically study NEET, the interplay between the two is crucial.

These suppositions pose some daunting challenges for empirical research. First and foremost, research faces data issues. To study patterns of school-to-work transitions, we must rely on high quality longitudinal data on the school-to-work transition of a representative and large sample of potential school-leavers. These data would ideally offer longitudinal information about the education and labour market status of youths for a large period, as well as contain enough information about their family background, their skills, their abilities, their economic and social circumstances, and so forth. To study institutional effects, we would ideally compare a large number of countries and model the relationships between institutional configuration and the various NEET-related school-to-work transitions, or even identify their causal effects. Such analyses would ideally require a cross-nationally comparative longitudinal data sets with all the relevant variables. Unfortunately, such data sets do not exist, which makes studying NEETs quite the challenge.

1.5.2 Research strategy and methods of analyses

To solve the issues hampering our understanding of NEETs, this book takes a different strategy. Rather than relying on a single method or data type, we combine various types of research. We conduct in-depth analyses of different types and patterns of NEET in various countries (research question 1), explanatory analyses of how different NEET patterns are related to age, education, and gender differences in various countries (research question 2), and supplement this with cross-national analyses of how determinants of NEET risks depend on individual characteristics and their interaction with institutional configurations of education systems and labour market institutions (research question 3).

The objectives of our empirical analyses are thus to describe and understand the school-to-work transitions of NEETs in different countries and to explore what the relevance of institutions and policies is for explaining these differences. We move passed interpreting NEET status as an indication of universal vulnerability and distinguish those for whom NEET is just a temporary stage in a more or less successful school-to-work transition from those for whom it is a true ticket to inactivity. To do so, we start by analysing different school-to-work transitions in the Netherlands, Germany, France, England, and Japan. We formulate hypotheses on explanations for expected patterns in these countries, given specific institutional and policy contexts in these countries.

To establish different trajectories of the school-to-work transition that youth at risk make in these countries, we use sequence analyses techniques. In each country, we select youth who experience at least one month of NEET during their school-to-work transition. Since we focus on the longitudinal perspective of NEET, i.e. activity statuses across time, this means that we have a huge variation of possible individual trajectories of school leavers. Imagine a ten-year-period (=120 months) after leaving school, where every individual may have one out of six activity statuses each month. The

theoretically possible number of individual sequences can then be calculated as $6^{120} = 2.39 \times 10^{93}$. Even if we will end up with a much lower number of realized sequences, the still huge variation of "real types" requires a classificatory method, which systematically reduces complexity as well as it allows for comprehensive analysis. Social sequence analysis does exactly this by comparing each individual sequence with each other using an algorithm that produces a quantitative measure of inequality. This inequality measure is used with cluster analysis (cp. Everitt et al., 2011; Hennig et al., 2016) in order to create groups ("ideal types") of similar sequences. We end up with a country-specific typology, where the similarity within groups is maximized and the similarity between groups is minimized. We describe these ideal-types and interpret them against the background of the specific institutional configuration of the various countries.

The ideal-typological trajectories are then used as either independent or dependent variables in two types of regression models. First, we use available data on relevant background characteristics in the national data sets to explain cluster membership and test country-specific hypotheses, using multinomial logit models. This gives us an indication of explanations for the more problematic trajectories in different countries. Second, we exploit the longitudinal character of the data and use the ideal-types as categorical independent variables in regression analyses on various outcomes later in life. This allows us to investigate some of the consequences of trajectories later in life.

After these longitudinal analyses, we perform cross-national analyses to establish the relevance of institutions and policies. In three subsequent chapters, we perform multilevel regression analyses on large-scale cross-national data and explore the relevance of education systems, labour markets, and family policies more formally.

1.5.3 Caveats

By combining methods and data sources, we aim to better understand the school-to-work transition of young NEETs in different institutional contexts. However, when evaluating our analyses and the inferences we may draw from them, it is important to consider a number of caveats. First, as said, it is our objective to learn something about NEETs and their school-to-work transition by analysing longitudinal data from different interesting cases in a comparable way. One important issue regards the comparability of the data sets that we analyse. A formal comparison of results from different countries would require identical data sets for each of the countries, but of course, such comparable longitudinal data do not exist. As a result, the data sets we analyse differ in important ways. For example, different data sets have different sets of potentially interesting mediating and moderating variables, which means that the model can be specified rather differently in different countries. Also, measurements of independent variables differ slightly cross-nationally. For example, income and education level are measured differently in different

countries. These issues also pertain to the way in which NEETs are measured in different data sets. In the Netherlands, the register data only allow for distinguishing whether people work or are in formal education; no information about non-formal training is available. In Germany, France, Japan, and the United Kingdom, the use of survey data makes it possible to arrive at much more granular definitions, but here too, possibilities vary because of differences in survey questions about education, work, and training.

In general, we aimed to make the analyses as comparable as possible. That could mean we would use measurements that were as comparable as possible, for dependent and independent variables, and for time. We would also specify models as similarly as possible. However, because data are fundamentally different, we do caution against formally comparing the results from the country chapters.

Another important caveat regards causality. We assess the generalizability of the hypotheses that we derive from the country chapters using cross-national data from the OECD (2013a). These data are one of the most comprehensive cross-nationally and cross-culturally comparative data sets on education, skills, and work, and they offer the advantage of analysing long-term NEETs using comparable data from a very large number of countries. We analyse these data using the multilevel regression techniques that are best suited for analysing crossnational data. But this comes at a cost. The cross-sectional data and the analyses do not allow to formally identify causal effects of institutions and policies on long-term NEET risks. They do not allow controlling for unobserved heterogeneity. As such, one should be careful to interpret correlations that we present causally. The estimated associations can however help to understand whether institutions should be expected to causally impact the school-to-work-transition at all, and the analyses can also aid in understanding potential mechanisms underlying such institutional effects.

1.5.4 Overview of the organization of the chapters

To adopt a comparative perspective without losing too much in the analyses of trajectories, the book is set up as follows. First, five chapters focus on exploring common, but also specific aspects of NEET within typical countries. For country case selection, we adopted a diverse-case selection strategy (Seawright and Gerring, 2008) in order to achieve maximum variance along relevant institutional dimensions. Building on the work of the CATEWE project (Smyth et al., 2003: p. 13), we selected countries that form ideal-typical examples of distinct combinations of the education and labour market characteristics described above:

- Germany is a prime example of a country with a high degree of educational standardization, stratification and vocational orientation, and a strong institutional linkage between the education system and employers, with substantial sharing and cooperation between providers and employers in delivery of education and training (e.g. in apprenticeships) and a high occupationalization of the labour market.

- The Netherlands exemplifies countries with a high degree of standardization, a moderate degree of stratification and vocational orientation, tight couplings between the education system and employers, with collinear institutional linkages that are characterized by high levels of in-school provision of education and training specific to particular occupations that is agreed with employers. The labour market is strongly occupationalized.
- France and the United Kingdom are examples of highly standardized education systems that combine a moderate (United Kingdom) and lower (France) level of stratification and vocational orientation with a transition system that is loosely coupled or decoupled, but with strong market signals. These countries are best characterized by the low degree employer sharing of education and training provision, a low occupationalization of labour markets, and a limited school involvement in employment decisions.
- Japan is rather unique in that it has a highly standardized system with very weak stratification and vocational education, but has a highly idiosyncratic transition system of institutional ties between schools and workplaces, which produces strong labour market signals through grade point averages and school prestige.

With the exception of the level of standardization, these countries also vary substantially across the other potentially relevant institutional variables. Table 1.1 provides an overview of cross-national differences of policies and institutions in the countries we study.

Table 1.1 Institutions and policies in a comparative perspective

	The Netherlands	*Japan*	*Germany*	*UK*	*France*
Stratification	4 tracks	2 tracks	4 tracks	2 tracks	2 tracks
Age of tracking	12	15	10	16	15
Standardization	1	1	0.44	1	1
Vocational orientation	1.260	−0.729	0.887	0.467	0.393
Institutional linkages	20.0%	0.0%	45.0%	0.0%	11.3%
Labour market type	OLM	ILM	OLM	Mixed	Mixed
ALMP spending	2.74	0.39	1.65	2.93	n/a
Employment protection	++	0	+	−	+
Welfare regime	Employment	Weak	Employment	Liberal	n/a
Paid maternity leave in weeks	16	14	14	52	16
Childcare costs	19	19	11	25	9

Sources: Bol and Van der Werfhorst (2012), Leave Network (2018), OECD (2019a, 2020a), Pohl and Walther (2007).

Notes: Although the unique long-term organizational relationship between schools and workplaces in Japan has been called "institutional linkage" in the sociological literature (Rosenbaum and Kariya, 1989; Rosenbaum et al., 1990; Okano, 1993; Ishida, 1998), we call it "institutional ties" in this book to distinguish the system from "institutional linkages" that typically refer to the dual system in Germany in European context to avoid confusion. The institutional ties between school and workplaces are discussed in the Japanese chapter.

The country chapters serve two purposes. As a first common aspect, all chapters contribute to an in-depth understanding of inequalities in NEET patterns and risks of young people of different age groups (15–19, 20–24, 25–29) in different countries. Each chapter also focuses on distinct subgroups (i.e. teenage mothers, low SES youth) whose vulnerability may be increased by that country's specific institutions. Second, the chapters assess effect heterogeneity between subgroups. For example, while less-educated youth, immigrants, and children from low SES families are generally more at risk of becoming NEETs, their chances might depend on countries' institutional configurations. The country chapters use longitudinal data to gauge how individual and family circumstances predict transitions into and out of NEET, given the specific combination of education systems, labour market institutions and policies particular to the country under study. We explore Hypotheses 1–4 (see Section 1.3), as well as other country specific hypotheses.

Chapter 2 analyses NEETs in ***The Netherlands***. The Dutch boast the lowest NEET-rate among the OECD countries, which might partly be attributable to the Dutch VET system (Levels and Verhagen, 2013). The system has both strong school-based VET tracks and strong firm-based tracks (Wolbers, 2007; Levels and Verhagen, 2013). Furthermore, labour market protection is relatively strong, and the educational system is highly stratified. We use high-quality register data to analyse patterns into and out of NEET in this setting.

Chapter 3 is about ***Germany*** and provides important insights for our research questions. First, Germany's VET system includes both fully qualifying VET programs and a large sector of prevocational measures. In 2013, 27% of new VET enrolments entered such prevocational measures (Autorengruppe Bildungsberichterstattung, 2014). Second, the apprenticeship system is highly stratified by school attainment and entails enormous differences in career prospects of trained occupations. Third, the VET system is highly gendered. Women are underrepresented in prevocational programs and overrepresented in school-based (white-collar) VET programs (Solga and Konietzka, 1999). The German National Education Panel Study (NEPS) provides excellent life-course data and information on individual (non/cognitive) skills and qualifications – enabling us to account for selection processes into (different) VET sectors and programs as well as NEET patterns (persistent, short-term, perforated/or zig-zag). The NEPS subsamples support in-depth group comparisons and the application of matching techniques for counterfactual analyses on unbiased "treatment" effects (selection bias control).

Chapter 4 focusses on ***France***. Given the importance of formal qualifications or diplomas in the access to the labour market in France, youths with low or no qualifications have a higher risk of becoming NEET. Youths without qualifications and VET dropouts are more often unemployed and have little opportunity to return to studies. In general, VET is a lesser valued track on the French labour market. Moreover, vocational education revolves around

school-based education rather than firm-based apprenticeships. Research shows the effectiveness of apprenticeship training on the short-term employment of secondary school youths (Bonnal et al., 2002). This said, the various policies aimed at boosting apprenticeships have had a limited success amongst low-qualified youth and have failed to reduce social inequalities (Kergoat, 2010). France also stands out by the rigidity of its labour market arrangements, which is often thought to cause a relatively high YUP rate (Blanchard and Tirole, 2003). Youths with low skills or experience have great difficulties accessing the labour market, which confines them to precarious careers with lots of fixed-term contracts (Cahuc et al., 2013). We explore how female and male youth fare in this system.

Chapter 5 focuses on the **United Kingdom**, which was among the first countries to recognize the NEET problem (Social Exclusion Unit, 1999), particular for those under the age of 22. The problem has persisted at a similar level despite major institutional changes, most notably the expansion of education through greater participation in post compulsory secondary and higher education and numerous attempts to redesign the vocational system. In recent years, there has been a fall in the proportion of UK NEETs under the age of 18, but a corresponding rise in the proportion of older NEETs. This suggests policy efficacy might differ for age groups. Like France, the United Kingdom does not have a highly valued vocational system, and despite various reforms it is not clear that it provides a route into the labour market.

Chapter 6 then analyses young NEETs in ***Japan***, where the government made major changes to the original concept of NEET to deal with youth employment issues. The Japanese version of the NEET concept, referred to as "Niito," became a unique concept targeting unmarried individuals aged 15–34 who are were not seeking jobs, expressing no desire to work, were not engaged in any kind of education or training, and were not mainly engaged in housework. This conceptualization limited in scope to the most inactive jobless youth and is biased to males. We illustrate the patterns of NEETs in a non-European institutional context and contribute by providing an example of a society with highly expanded education, strong ILMs, a strong male breadwinner model, and relatively weak vocational education with specific institutional ties between school and the workplace.

In Chapter 7, we discuss various **policy initiatives** that have been initiated in the five countries we study to either prevent that young people become NEETs, or to help young NEETs back to school or onto the labour market. We describe some best practices but also show why some initiatives do not work. And we describe how sometimes a governance structure can form an impediment for successful intervention policies. This set allows us to fully understand the complexity of explanations for potential cross-national differences.

In Chapters 8–10, we perform several cross-national analyses to infer conclusions about the interaction between individual circumstances, policies, and institutional contexts. We focus on education systems (Chapter 8), labour

market characteristics (Chapter 9), and family policies (Chapter 10). We draw preliminary conclusions from the country case studies and test these conclusions with **comparative analyses** of cross-sectional data of over **20 OECD countries**. We also further explore whether institutions and policies have different consequences for different groups. These analyses provide insights about generally observable patterns of interactions between institutional and individual characteristics.

In Chapter 11, we draw **conclusions** and **discuss strengths and weaknesses** of our approach and research designs. We also discuss consequences of our analyses for policy and practice.

Note

1. We do not test hypotheses about welfare regimes in this book.