

A comparative analysis of NEETs' profiles and their determinants in Europe in the years of the crisis: a longitudinal perspective.

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Youth unemployment and inactivity have been increasing in most European countries and other advanced economies over the years of the economic crisis. The Not in Employment, Education or Training (NEET) category, which includes young people who do not study or work, is often used as a synonym for the unemployed, but the former is a wider concept than the latter. In fact, if it is true that most of the unemployed are NEETs (i.e. excluding those attending a training course), not all NEETs are unemployed. In particular, the NEET category covers early school leaving, unemployment and labour market detachment, i.e. several features of inactivity. There is a general agreement in considering the NEET term as a useful indicator for monitoring the labour market and social condition of young individuals. Especially in a comparative perspective, it gives an immediate grasp of the size of the youth population in a condition of potential vulnerability. Notwithstanding the potential of the term NEET, this category may turn out to be problematic as it may fail to identify clearly specific vulnerabilities and it encompasses a very heterogeneous group of people.

Despite the empirical attention that the NEET phenomenon has obtained, longitudinal analysis of this group of young people are scarce. This is surprising given that a longitudinal perspective can be very useful in order to disentangle the heterogeneity of the NEET construct. Moreover, NEET's experience relates not only to unemployment but also more generally to the initial stages of the working career, which are crucial in the development of individuals. In other words, the NEET status

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is a problematic condition in the transition to adulthood trajectories. Moreover, both unemployment and transitions to adulthood have been widely analysed in a longitudinal perspective.

In this contribution, we aim to fill the lack of longitudinal studies on the NEET phenomenon in a comparative perspective on 25 countries: Austria, Belgium, Bulgaria, Croatia, Cyprus, Czechia, Denmark, Estonia, Greece, Finland, France, Hungary, Ireland, Italy, Latvia, Lithuania, Luxembourg, Malta, the Netherlands, Norway, Portugal, Slovenia, Spain, Sweden, United Kingdom.

By means of EU-SILC longitudinal data (waves 12-17, years 2008-2016), we use monthly self-declared status to build the sequences of early work careers of individuals aged 19-29, accounting for episodes of work, education, unemployment and inactivity. We allot these trajectories into four categories defined *ex ante* depending on the length of the individual persistence in the NEET state over 48 months.

The contributions of this work are manifold. First, we study the differences between a longitudinal and a cross-sectional analysis on the understanding of the phenomenon. After reviewing all the major taxonomies used in recent studies, proposed both by researchers and international agencies – Eurofound in particular – we compare the longitudinal category of long-term NEETs and the cross sectional NEET rates. From this analysis, we can infer how persistent the NEET status is in each country: low persistence will push the longitudinal statistic toward 0, high persistence will push it toward the cross sectional value, i.e. some people are trapped in the NEET condition, others almost never experience it. The variability among European countries leads to informative insights at low computational cost.

Second, we study the individual characteristics that matter most in determining the belonging of individuals to each category by means of a multinomial logit model separately by country, with a focus on gender, age and educational attainment.

Third, a multilevel model links individual trajectory to country level features of the labour market for a simultaneous comparative analysis. The results pass different tests. We run stratified bootstrap estimates at the country level to preserve the cluster structure and a country -level jack-knife

procedure to test whether single countries may drive the estimates. Finally, we run a likelihood ratio test that reveals that the country level fixed effects covariates are improving the model by reducing the deviance of the likelihood for all the considered policies.

The main results of the multilevel estimates point to a crucial role of education in protecting young individuals from the NEET condition, and to a widespread disadvantage of women with respect to men. The disadvantage is mitigated by generous conciliation policies, despite they are not enough to help low educated women to participate to the labour market. Despite we could not test the joint effect of childcare policies and training, the latter seems to improve the condition for all gender and even more for female. Labour market flexibility seems to be linked to higher participation to the labour market, with a stronger effect for women in the most persistent NEET conditions.