

Multiple routes to youth well-being: a qualitative comparative analysis of buffers to the negative consequences of unemployment

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Introduction

Several societal changes such as increased global competition and the restructuring of national economies have hit young generations more severely than older cohorts (Blossfeld et al, 2008). Furthermore, in recent decades, youth transitions have become not only considerably prolonged but also de-standardised, leading scholars to characterise these as yo-yo transitions (Walther, 2006). The latter means that young people swing back and forth between different states such as educational programmes and work, and changes in one area may be accompanied by setbacks in others such as moving back into the parental home due to losing one's job (Stauber and Walther, 2006). The labour market situation for recent school leavers was further weakened by the 2008 economic crisis in the majority of European countries (except Germany) (Rokicka et al, 2015). At the same time, work is still considered to serve as a central component of identity as well as simply providing income, and unemployment can have devastating consequences for people's psychological well-being and their ability to relate to others (Gallie, 2013; see also [Chapter 6](#) in this volume).

Furthermore, the last 20 years have seen major shifts in welfare state approaches to labour market policies emphasising the growing responsibility of people to make themselves 'employable' (de Graaf and Maier, 2017). Thus, from one perspective, there is more pressure on the unemployed; but at the same time, the risk of unemployment is increasing due to volatile labour markets. The new social investment state promises that youth will be taken more seriously in welfare state studies and policies (Otto et al, 2015). The most important functions of social investment policies are to create, mobilise, and preserve human

capabilities (Hemerijck, 2015) in order to help people overcome difficult life events. Unemployment is one such difficult event, and it has been shown to have negative economic and social consequences for individuals (Gallie, 2013). Whereas the policy imperative is to 'make transitions pay' over the life cycle by providing 'active securities' or 'social bridges' across volatile transitions between jobs (Hemerijck, 2015), evidence has demonstrated that those who are already better off often benefit more from social investment measures (Cantillon, 2011; de Graaf and Maier, 2017). This questions some of the social investment state promises and makes younger generations especially vulnerable in the light of these policies because of their relative lack of wealth.

Although the volatility of labour markets and the de-standardisation of life courses are a pan-European phenomenon (Eurofound, 2014), there are important differences between countries in the ways they cope with these risks. This has led scholars to distinguish several youth regimes (Walther, 2006; Chevalier, 2016) inspired by the seminal welfare regime typology elaborated by Esping-Andersen (1990). Whereas classical welfare state studies have often focused on the consequences of poverty when assessing the potential of countries to de-commodify, it is clear that the consequences of unemployment encompass more than mere financial outcomes. Therefore, it is important to look at relationships between unemployment experience and subjective well-being which enable researchers to assess the perceptions of unemployed persons (Anderson and Hecht, 2015; Samuel and Hadjar, 2016). This study aims to explore how governments can make welfare-enhancing choices to increase youth well-being, especially for those who are most vulnerable. It understands well-being as a proxy for adaptation to the social environment. It uses life satisfaction to refer to long-term cognitive evaluation of life as a whole, and not happiness which is used mostly to describe momentary pleasant emotions (Eger and Maridal, 2015).

Whereas previous research generally agrees that unemployment has negative effects on an individual's well-being (see McKee-Ryan et al, 2005; Paul and Moser, 2009; Wanberg, 2012), in recent years, increasing attention has been paid to how and why the effects of unemployment on well-being vary in line with the arrangement of the welfare state and other contextual factors (Gallie and Paugam, 2000; Eichhorn, 2013, 2014; Oesch and Lipps 2013; Russell et al, 2013; Wulfgramm, 2014; Calvo et al, 2015; Voßemer et al, 2018). These studies have revealed that the loss of life satisfaction in the unemployed is often mitigated by more generous unemployment

benefits (Wulfgramm, 2014; O'Campo et al, 2015; Voßemer et al, 2018). However, results on other types of policy such as activation measures are more ambiguous (Wulfgramm, 2014; Voßemer et al, 2018). Furthermore, besides policies, the nature of the family might have an effect on how youth experience unemployment (Gallie and Paugam, 2000). The extended family model – that is, the trend toward living for a longer period of time with parents and grandparents – tends to compensate for the negative consequences of unemployment on well-being in both financial and social terms. Additionally, research has indicated (Strandh et al, 2011; Gallie, 2013; Oesch and Lipps, 2013; Calvo et al, 2015) that the impact of personal unemployment might depend on the overall level of unemployment in a country. For instance, it could be more negative during times of high unemployment, because the prospects of re-employment are poorer and the increased insecurity translates into lower well-being (Strandh et al, 2011). On the other hand, higher aggregate unemployment may also be accompanied by lower negative effects of personal unemployment, because individuals can attribute their situation externally.

So far, some studies within the comparative literature on the welfare state (Gallie and Paugam, 2000; Walther, 2006; Chevalier, 2016) have addressed the variety of youth situations. The present study attempts to complement this comparative welfare literature on youth by extending the underlying model by both adding dimensions and encompassing a wider geographical coverage of European countries, and through approaching the model configurationally. The latter means that the study assumes that explanatory patterns work as packages, because, instead of having isolated effects, each attribute tends to empower or compensate each other attribute differently in different contexts. Furthermore, equifinality is assumed, meaning that there can be different routes or institutional packages to buffer the negative consequences of unemployment on well-being.

This chapter is organised as follows: first, it introduces the chosen explanatory framework, maps the empirical evidence so far, and derives configurational research hypotheses. Then, it proceeds by empirical analysis to estimate the outcome dimension – the effect of unemployment on well-being among young adults – and it introduces the operationalisation and calibration of the explanatory dimensions. Next, it investigates what combinations of contextual and institutional dimensions mitigate the negative effect of unemployment on well-being. Finally, it offers concluding remarks and implications for future research.

Analytical framework

When framing the research problem, the present study is influenced by Gallie and Paugam (2000) who conceptualise a country's ability to provide protection against misfortune in the labour market in a two-dimensional space: the unemployment welfare regime and models of family residence. Specifically, in line with their model, household support is assumed to have compensative abilities that mitigate the negative consequences of unemployment in certain contexts. Therefore, the experiences of unemployment should not be analysed homogeneously, but as phenomena that take place within particular contexts; because of this, they may have a different dynamic within each national context.

The first dimension – the unemployment welfare regime – is the nature and form of intervention, comprised mostly of different types of passive and active labour market instruments or policies (hereinafter PLMPs and ALMPs). For instance, it is plausible to assume that the well-being of the unemployed will vary in line with unemployment benefits. There are at least two mechanisms that explain the alleviating effect of PLMPs: the first is tied directly to resources and financial hardship and the second to reduced stigmatisation for material deprivation (overview in O'Campo et al, 2015; see Wulfgramm, 2014; Voßemer et al, 2018). Furthermore, the duration of unemployment is probably associated with the extent of and arrangements for ALMPs to assist the unemployed in their job search.

In this analysis, aspects of unemployment welfare regimes are called *institutional factors*. Gallie and Paugam (2000) distinguish between four types of employment welfare regime: universalistic Nordic countries, employment-centred continental European countries, liberal Anglo-Saxon countries, and subprotective Southern European countries. These types are operationalised on the basis of three measures: (a) level and duration of financial compensation; (b) degree of coverage, meaning the extent to which people receive benefits to compensate for being out of work, including both insurance-based and means-tested benefits; and (c) the extent of ALMPs. According to Gallie and Paugam (2000), two of these four regimes perform better in terms of alleviating the negative effects of unemployment on well-being: the subprotective and universalistic regimes. However, their routes to positive outcomes differ. Whereas in universalistic regimes, the welfare state's protective nature tends to be the explanatory factor, in southern countries, it is apparently support from the household and the family residence model that is crucial. Concerning the latter, Gallie and Paugam (2000) identify three models of family residence: an extended dependence model, a

model of relative intergenerational autonomy, and a model of advanced intergenerational autonomy. Because the family residence dynamic is not determined entirely by the social protection regime, it is important to distinguish between these aspects when analysing the consequences of unemployment for well-being. Thus, according to this labour market policy and family model nexus, the welfare regime type is conceptualised as a system of public regulation concerned with assuring the protection of individuals and maintaining social cohesion by intervening in the economic, domestic, and community spheres through both legal measures and resource distribution (Gallie and Paugam, 2000: 3). This study follows this recommendation when determining the key explanatory conditions included in the analyses and adding family residential model as one of the *contextual* moderators of well-being in the unemployed.

Hypothesis 1: The functional equivalency hypothesis. There are two functionally equivalent combinations of conditions (routes) associated with a small negative effect of unemployment on well-being. These are:

Universalistic route: PG * PC * AP * fa → LS; and

Subprotective route: pg * pc * ap * FA → LS¹

The universalistic route to life satisfaction (LS) combines high benefit generosity (PG) and coverage (PC), as well as the capacitive criteria of active labour market policy (AP) and a low share of young persons living with their family (fa). Countries following this route are the ones with universalistic (unemployment) welfare regimes and advanced intergenerational autonomy. The subprotective route combines low levels in all institutional factors included in our analysis (pg, pc, ap) and a high level of young people living with parents (FA).

Empirical evidence on the moderating role of ALMP on well-being is ambiguous (Wulfgramm, 2014; Voßemer et al, 2018). Whereas Wulfgramm (2014) finds positive moderating or no moderating effects in ALMP expenditure, Voßemer et al (2018) find negative associations. One potential reason for these mixed findings is the challenge of measuring ALMP and its various substantial cross-national differences – not only in extent but also in overall orientation. Thus, ALMPs have different designs and targets. One broad distinction is whether they are oriented more towards training or re-employment (Bonoli, 2010; Nelson, 2013; Martin, 2015). For instance, Chevalier (2016) distinguishes between encompassing and selective youth economic citizenship, with the former emphasising the enhancement of human capital as the main role of ALMPs and the latter aiming to lower labour costs associated

with hiring workers. Bonoli (2012) similarly emphasises that the effects of different ALMP instruments differ between contexts and economic cycles depending on whether they are more protection-, investment-, or recommodification-oriented. In some cases, measures that are described as ‘active’ do not really have the objective of increasing the likelihood of labour market (re-)entry. This type of ALMP, sometimes referred to as ‘parking’ (Bonoli, 2012), consists of work experience programmes in the public or non-profit sector, but also some training, typically in the form of shorter courses that have very little impact on chances of finding a job. Given this mixed evidence and the previous discussion of the different orientations of ALMPs, it is assumed here that for ALMPs to have capacitive effects (AP), they should meet either generosity (AG) or investment criteria (AI), i.e. $AP = AG + AI$.

Hypothesis 2: ALMP hypothesis. It is either the generosity of ALMP (AG) or the human capital investment orientation of ALMP (AI) that will be decisive in releasing potential capacitating effects of these policies on alleviation of the loss of well-being in the unemployed.

Capacitating route: $AG + AI \rightarrow LS$

In addition to institutional factors, the degree of social integration and concomitant well-being of the unemployed depends on *contextual factors*. High aggregate unemployment may increase the negative effect of personal unemployment, because people perceive lower chances of re-employment. However, it might also operate differently: if personal unemployment is attributed internally (‘personal failure’) and the social work norm is strong, unemployment might be easier to tolerate if there are many other unemployed people (Strandh et al, 2011; Oesch and Lipps, 2013; Wulfgramm, 2014). Therefore, in addition to the family residential model, the study includes the overall level of unemployment in a country as the second contextual moderator, because stigmatisation can be expected to be lower in countries that have higher aggregate unemployment. However, this association is expected to hold only in the case of the extended family model, because in regimes with advanced intergenerational autonomy, the importance of employability is related more strongly to self-fulfilment, and a period of unemployment still runs counter to the normative framework of appropriate behaviour. In other words, it is assumed that in more individualistic countries in which social investment policies are more developed (Bouget et al, 2015), these arrangements have established ‘new’ norms that appear to define the role of an active, responsible, and ‘able’ employee and citizen for everybody (de Graaf and Maier, 2017).

Hypothesis 3: UE hypothesis. The higher the overall level of unemployment in a country, the lower the related stigmatisation and the loss of well-being. However, this connection holds only in the case of the extended family model.

Less stigmatisation route: $UE \star FA \rightarrow LS$

Method, data, and empirical analyses

Method

According to the hypotheses, the interplay between institutional and contextual factors is expected to be associated with the positive outcome – that is, a low negative effect of unemployment on well-being. This association will be explored with qualitative comparative analysis (QCA), arguably the most suitable method to reveal complex relationships in terms of conjuncturality, equifinality, and asymmetry (Ragin, 2008; Schneider and Wageman, 2012) and especially relevant in comparative welfare regime analyses (Emmenegger et al, 2013; Brzinsky-Fay, 2017). The mathematical basis of QCA is Boolean algebra and set theory instead of probability theory and linear algebra (Ragin, 1987).

QCA technique explores set relations in terms of necessity and sufficiency. A condition X is necessary (\leftarrow) for an outcome Y if X is also given whenever Y is given. X is sufficient (\rightarrow) for Y if Y also occurs whenever X occurs (Thomann and Maggetti, 2017). For the sufficiency analysis truth table algorithm is used (Ragin, 1987). Truth table consists all logically possible configurations, its link with outcome and each cases' belonging into those configurations.

The main parameters of fit for QCA are consistency and coverage. Consistency indicates the strength of the theoretical argument² – that is, how consistently do the countries that combine a particular institutional and contextual policy mix (X) also display the effect of unemployment on well-being (Y). The meaning of coverage is similar to the 'variance explained' in regression analysis, and indicates the share of outcome (Y) explained by a particular combination of institutional and contextual conditions (X).³ These two parameters tend to be negatively associated: the stricter the consistency threshold, the fewer the cases that can be explained, and vice versa. In addition to consistency and coverage, the proportional reduction in inconsistency (PRI) is also reported. This measures the degree to which a certain combination of conditions is a subset of the outcome, but also its negation. The analysis is conducted with the R packages (collections of functions and data sets developed by the community) QCA (Duşa and Thiem, 2014) and SetMethod (Quaranta, 2013).

In order to employ QCA, raw data are calibrated into membership scores (fuzzy scale data). This *calibration* process entails choosing three qualitative anchors for each outcome and condition included in the analysis: fully in (1), fully out (0), and the crossover point (0.50) when cases are not clearly in or out of the set. These thresholds were chosen based on an inspection of the data, because theoretically, there were no good justifications to be adopted. A method based on log odds⁴ was used for the calibration procedure. The threshold for sufficiency was set at 0.75⁵ and relied on a ‘complex solution’, meaning that it did not take logical reminders – theoretical configurations not covered empirically – into account when minimising the solution. Robustness tests were also employed to assess the sensitivity of our results. This approach follows Skaaning (2011) and focuses, first, on the choice of consistency thresholds in sufficiency analyses and, second, on the calibration thresholds in converting the raw outcome into set-membership values when employing robustness tests.

Measurement and calibration of outcome: the effect of unemployment on well-being

Well-being is defined according to the psychological literature on subjective well-being (Diener et al, 1999). This study follows the tradition of most quantitative studies on well-being and operationalises it with a single-item measure (Voßemer and Eunicke, 2015). In particular, life satisfaction measures reflect the cognitive component of individuals’ well-being, meaning how people judge their life as a whole (Diener et al, 2013). Such global life satisfaction measures have been shown to be valid, reliable, and sensitive to change, making them appropriate for this analysis (Diener et al, 2013). Specifically, microdata from the European Union Statistics on Income and Living Conditions (EU-SILC) 2013 were used to operationalise the effect of unemployment on life satisfaction as the outcome dimension. Almost all European Union countries were included in the analysis except for Croatia, Cyprus, Luxembourg, and Malta for which there was no available information for all institutional and contextual factors.

In order to analyse the effect of unemployment on life satisfaction for youth, the sample was restricted to young persons aged between 16 and 29 years. The key variables of interest were employment status and life satisfaction. The dependent variable, life satisfaction, was based on the following question: ‘All things considered, how satisfied are you with your life as a whole nowadays?’ with answers on an 11-point scale

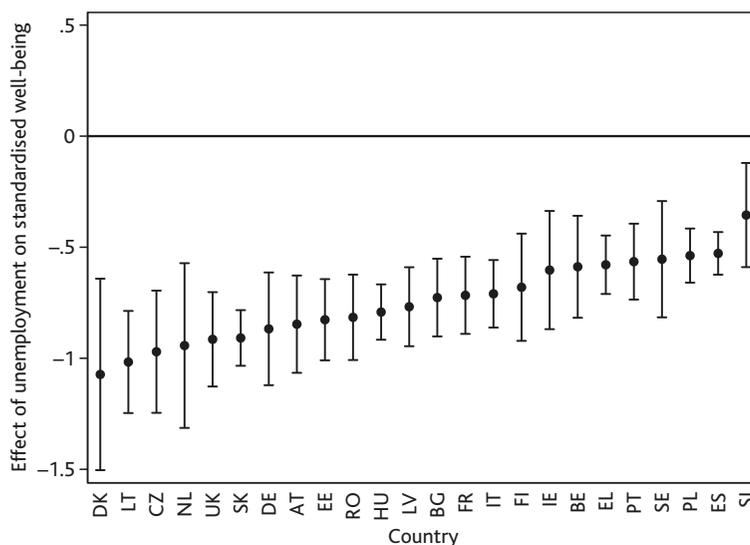
ranging from 0 (*extremely dissatisfied*) to 10 (*extremely satisfied*). The life satisfaction measure was standardised for the analysis.

The key independent variable of interest was employment status. Respondents' self-defined status was used to differentiate between those who are in dependent employment and those who are unemployed. The employed included all workers having a job, regardless of their contract (temporary or permanent) or their working hours (part-time or full-time). 'Unemployment' was based on a self-defined status and considered whether the person has actively looked for a job in the last four weeks.

The analyses to estimate the effect of unemployment on life satisfaction also controlled for a number of variables that are assumed to affect the risk of unemployment as well as young people's well-being. Moreover, controlling for these variables makes the size of the effects more comparable across countries. Other than socio-demographics such as gender, age, and migration background, the study also adjusted for individuals' education level (defined as ISCED 0–2, ISCED 3–4, and ISCED 5–6) and years since leaving education.

Estimated effects of unemployment on life satisfaction for EU countries are shown in [Figure 4.1](#), and these are used as the source to operationalise the outcome dimension using a design greatly influenced by Schneider and Makzin (2014). In line with previous studies (Wulfgramm, 2014, Voßemer et al, 2018), one can clearly see that the experience of unemployment reduces overall satisfaction with life among youth. However, the effect of unemployment on life satisfaction varies substantially across countries (between -0.35 and -1.07). In particular, the smallest negative effect is found in Slovenia (SI), but also in countries such as Belgium (BE), Finland (FI), Greece (EL), Ireland (IE), Poland (PL), Portugal (PT), Spain (ES), and Sweden (SE). At the same time, the effect is largest in the Czech Republic (CZ), Denmark (DK), Lithuania (LT), the Netherlands (NL), Slovakia (SK), and the United Kingdom (UK). The remaining nine countries – Austria (AT), Bulgaria (BG), Estonia (EE), France (FR), Germany (DE), Hungary (HU), Italy (IT), Latvia (LV), and Romania (RO), fall somewhere in between, making up 'hard-to-decide' cases in terms of outcome.

These data were prepared for configurational comparison by calibrating them. Based on the chosen crossover point (-0.7), there were 9 out of 24 cases with a positive outcome – Austria, Belgium, Finland, France, Denmark, Ireland, Germany, the Netherlands, and Sweden (see Appendix for fuzzy membership scores of each country). However, because the results did not suggest clear qualitative differences in terms of belonging to 'positive' or 'negative' outcome sets (for example, at

Figure 4.1: Estimated effect of unemployment on life satisfaction

Source: EU-SILC 2013

the chosen crossover point, Finland and Italy were relatively similar), sensitivity tests were conducted with different thresholds to test the robustness of the results in terms of the chosen threshold. These results are reported in the discussion section (details are available upon request).

Measurement and calibration of explanatory dimensions

Five *institutional* and *contextual* factors were used to explain the buffering of the effect of unemployment on youth well-being (Table 4.1 provides an overview).

Two first indicators aim to capture the generosity and coverage of passive labour market policies. In operationalising the *generosity of PLMP* (PG), one of the main variables in previous analyses exploring the potential factors that might mitigate the negative effects of unemployment on life satisfaction has been the level and duration of financial compensation. The generosity of unemployment benefits has also shown the most robust results, because it has the capacity to provide a financial buffer and minimise stigmatisation. However, there are problems in finding the most valid indicators. Taking only replacement rates into account misses an important aspect, because there is also substantial variation in the duration of benefits. One alternative would be to use per capita expenditure indicators on PLMPs, because this may

Table 4.1: Dimensions included in the configurational comparison

	Label	Set	Operationalisation	Min	Max	Mean	Calibration thresholds	Source	
Outcome	LS		Small effect of unemployment on well-being	Controlled difference in life satisfaction between employed and unemployed persons	-1.07	-0.36	-0.75	-0.4; -0.7; -1	EU-Silc 2013
Institutional factors	PG		Generosity of PLMP	PLMP_generosity (replacement*duration in fully paid weeks)	7.79	115.17	41.98	93; 50; 12.5	Own calculations based on qualitative reports2; Eurostat 2013
	PC		Coverage of PLMP	LMP beneficiaries per 100 persons wanting to work; Category 8	8.30	104.10	36.48	90; 45; 12	Eurostat 2013
	AP = AG + AI	AG	Generosity of ALMP	(exp. per persons wanting to work)	33	7 085	1 940	5,000; 2,000; 200	Unt and Jeliaskova 2018
		AI	Investment orientedness of ALMP	(the share of expenditures in Cat. 2 above average)	1.10	3.18	2.24	2.8; 2; 1.5	Eurostat 2013
Contextual factors	FA		Extended family model	(the share of young persons living with family)	2.50	57.10	29.40	50; 30; 5	Eurostat 2013
	UE		High share of unemployment		5.20	27.50	11.11	18; 10; 6	Eurostat 2013

also include information on coverage. However, expenditure-based measures do not capture the design of unemployment benefit systems. Therefore, Eurostat Qualitative Reports of Labour Market Policy Statistics (Category 8, Out-of-work income maintenance and support, subcategory unemployment insurance) for European countries were used to construct a benefit generosity index that makes it possible to capture both replacement rates and benefit duration (average worker, maximum duration).⁶ For instance, when calculating Austria's PG, nine months of maximum duration of unemployment insurance were first converted into weeks ($9 \times 4.33 = 38.97$) and then multiplied by 55 ($38.97 \times 0.55 = 21.43$), the replacement rate of that benefit, giving 21.43 – that is, 21 fully paid weeks. Thus, the PG index is a hypothetical benefit in which the replacement and duration indicators have been converted into fully paid weeks (see [Table 4.2](#) for raw and calibrated data of all countries included in the analysis). Admittedly, this measure of PG might still have some limitations, because it delivers identical values for low, but long benefits and high, but short benefits – two scenarios that are quite different in terms of substance. However, this limitation is rather theoretical for the present data, because countries with the lowest replacement rates (Greece, Malta, Poland, and the UK) also have relatively short durations.

Next, [Figure 4.2](#) shows how the explanatory dimensions relate to well-being. The PG varies quite substantially across Europe, with the lowest in the UK (7.79) and highest in Belgium (115.17). Fifty weeks was chosen for the crossover point, which is equivalent to almost one fully paid year. A substantial gap (30 fully paid weeks) is visible between countries with benefits above 64 (Spain) and below 34 (Sweden) fully paid weeks. According to the chosen criterion, seven countries have positive membership (more than 0.5) in the 'generosity of unemployment benefits' (PG) set that also includes Portugal and Spain. This is in contrast with Gallie and Paugam (2000), who classify Southern European countries as being subprotective regimes offering only limited support. Based on the present operationalisation and calibration, this continues to hold only for Greece and Italy.⁷ [Figure 4.2](#) additionally reveals that both the employment-centred continental and universal regimes – those usually considered to show relatively high levels of generosity – are rather diverse based on the present operationalisation, with Belgium, Denmark, Finland, and France being among the more generous while excluding Austria, Germany, and Sweden. This diversity might be one of the retrenchment consequences of the 2008 economic crisis (Kersbergen et al, 2015).

Table 4.2: Dimensions included in the analysis: raw and calibrated data

Operationalisation	Effect of unemployment on well-being		PLMP_ generosity (replacement * duration in fully paid weeks)		PLMP_ beneficiaries: LMP beneficiaries per 100 persons wanting to work_cat8		ALMP_ generosity: LMP expenditure per person wanting to work (in PPS)		ALMP_investment orientedness: the share of training (cat 2) is above EU average (0.16)		Capacitive ALMP	Share of young persons (25–34) living with parents	Unemployment rate; general		
Source	EU-SILC 2013		Eurostat 2013, authors' calculations		Eurostat 2013		Unt and Jeliaskova 2018		Eurostat 2013		AP = AG + AI	Eurostat 2013	Eurostat 2013		
Calibration	-0.4, -0.7, -1		93; 50; 12.5		90; 45; 12		200; 2 000; 5 000					50; 30; 5	18; 10; 6		
Countries	LS	LS_cal	PG	PG_cal	PC	PC_cal	AG	AG_cal	AI	AI_cal	AP	FA	FA_cal	UE	UE_cal
AT	-0.85	0.19	21.43	0.09	39.8	0.38	2 697	0.67	0.47	1	1	22.6	0.29	5.4	0.03
BE	-0.59	0.75	115.17	0.99	104.1	0.98	7 085	0.99	0.16	1	1	17.9	0.19	8.4	0.23
BG	-0.73	0.43	31.18	0.18	15.4	0.06	158	0.04	0.01	0	0.04	50.5	0.96	13	0.75
CZ	-0.97	0.06	12.29	0.05	22.7	0.12	693	0.1	0.02	0	0.1	33.2	0.62	7	0.1
DE	-0.87	0.16	31.18	0.18	66.3	0.81	2 355	0.59	0.22	1	1	16.8	0.17	5.2	0.03
DK	-1.07	0.02	93.53	0.95	39.1	0.37	6 606	0.99	0.38	1	1	2.5	0.04	7	0.1
EE	-0.83	0.22	22.25	0.1	16.7	0.07	237	0.05	0.11	0	0.05	21.1	0.26	8.6	0.26
EL	-0.58	0.77	20.78	0.09	13.2	0.05	600	0.09	0.10	0	0.09	52.6	0.97	27.5	1
ES	-0.53	0.85	64.95	0.74	36.4	0.31	1 199	0.21	0.12	0	0.21	37.4	0.75	26.1	1
FI	-0.68	0.55	74.69	0.85	62.7	0.76	3 382	0.8	0.48	1	1	4.3	0.04	8.2	0.21

(continued)

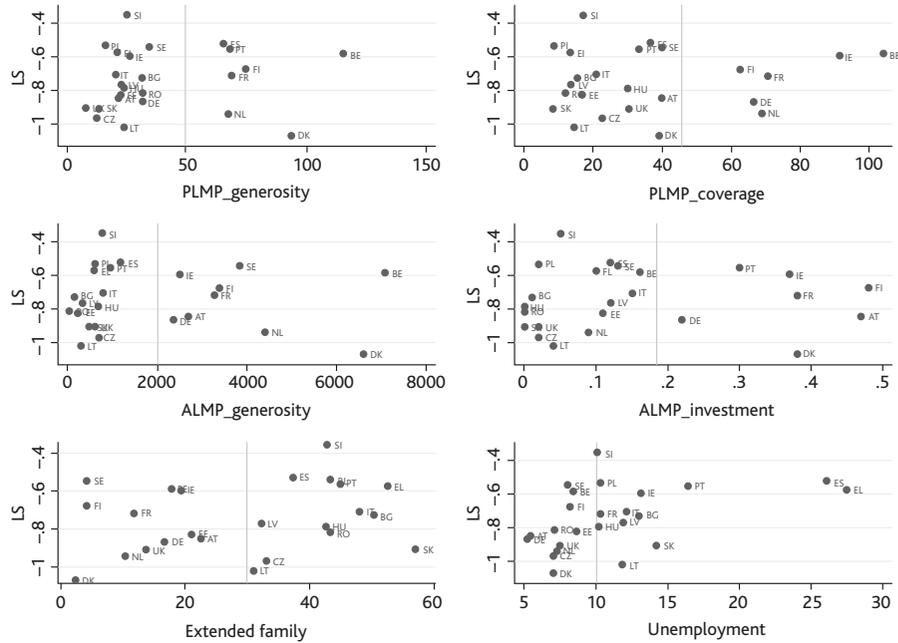
Table 4.2: Dimensions included in the analysis: raw and calibrated data (continued)

Operationalisation	Effect of unemployment on well-being		PLMP_ generosity (replacement * duration in fully paid weeks)		PLMP_ beneficiaries: LMP beneficiaries per 100 persons wanting to work_cat8		ALMP_ generosity: LMP expenditure per person wanting to work (in PPS)		ALMP_investment orientedness: the share of training (cat 2) is above EU average (0.16)		Capacitive ALMP	Share of young persons (25–34) living with parents		Unemployment rate; general	
FR	-0.72	0.46	68.59	0.79	70.5	0.85	3 279	0.78	0.38	1	1	11.9	0.1	10.3	0.53
HU	-0.79	0.29	23.38	0.11	29.8	0.2	671	0.1	0.00	0	0.1	42.7	0.87	10.2	0.52
IE	-0.60	0.73	25.98	0.13	91.4	0.96	2 511	0.63	0.37	1	1	19.4	0.22	13.1	0.76
IT	-0.71	0.48	19.92	0.08	20.7	0.1	784	0.12	0.15	0	0.12	48.1	0.94	12.1	0.69
LT	-1.02	0.04	23.38	0.11	14.3	0.06	302	0.06	0.04	0	0.06	31.1	0.54	11.8	0.66
LV	-0.77	0.34	22.42	0.1	13.6	0.05	321	0.06	0.12	0	0.06	32.3	0.59	11.9	0.67
NL	-0.94	0.08	67.13	0.77	68.9	0.83	4 398	0.92	0.09	0	0.92	10.5	0.09	7.3	0.12
PL	-0.54	0.84	15.59	0.06	8.5	0.03	607	0.09	0.02	0	0.09	43.5	0.88	10.3	0.53
PT	-0.56	0.79	67.55	0.77	33.3	0.26	956	0.15	0.30	1	1	45	0.9	16.4	0.92
RO	-0.82	0.24	31.18	0.18	12.1	0.05	33	0.04	0.00	0	0.04	43.5	0.88	7.1	0.1
SE	-0.55	0.81	34.21	0.22	40.2	0.39	3 832	0.86	0.13	0	0.86	4.3	0.04	8	0.18
SI	-0.36	0.97	24.70	0.12	17.1	0.07	779	0.12	0.05	0	0.12	43	0.88	10.1	0.51
SK	-0.91	0.11	12.99	0.05	8.3	0.03	485	0.07	0.00	0	0.07	57.1	0.98	14.2	0.83
UK	-0.91	0.1	7.79	0.03	30.4	0.21	600	0.09	0.02	0	0.09	13.8	0.13	7.5	0.13

The *high share of beneficiaries of unemployment benefits* (PC) is the second condition reflecting differences in coverage in countries' PLMPs. The degree of beneficiaries of unemployment benefits is operationalised on the basis of Eurostat, and measures the proportion of the beneficiaries of labour market policy support (regular support – that is percentage of LMP participants per 100 people wanting to work, Category 8⁸ to include only out-of-work, support-related intervention). PC also varies substantially across European welfare states (Figure 4.2, upper-right panel) and is lowest in Slovakia (approximately 8 out of 100 persons looking for work receive benefits) and highest in Belgium⁹ (104.1). Literature on welfare and/or employment regimes often distinguishes between Bismarckian and Beveridgian types of benefits (Bonoli, 1997; Kuitto, 2016), the former being generous but contribution-based (i.e. covering only those with solid employment profiles), the latter offering universal coverage. Gallie and Paugam (2000) extend this distinction to four types of coverage: (a) universal regimes – comprehensive; (b) employment-centred – variable; (c) liberal/minimal – incomplete; and (d) subprotective – very incomplete. Whereas these classifications are helpful in terms of analytical distinctions, they do not give any guidance on empirical equivalences. Therefore, 45 was chosen as the crossover point here to distinguish between high- and low-coverage (PC) countries because of the substantial gap between 40.2 (Sweden) and 62.7 (Finland). This means that countries in which at least 45 out of 100 people wanting to work receive benefits are considered to have a positive membership (more than 0.5) in PC. These are Belgium, Finland, France, Germany, Ireland, and the Netherlands.¹⁰

The *capacity of ALMPs* (AP) is the third condition for describing the employment policies of welfare regimes. According to the present analytical framework, in order to belong to the capacitive ALMP (AP) set, a country must be one of the generous ALMP (AG) or investment-oriented ALMP countries (AI) – in Boolean terms: $AP = AG + AI$. AG was operationalised as the expenditure per person wanting to work measured in purchasing power standards (PPS). AI was operationalised as the share of expenditure in training-related instruments,¹¹ coding countries above the EU28 average as investment-oriented and those below as not investment-oriented. Figure 4.2 shows these two alternative measurements of ALMP measurements by country. It shows that AG varies strongly across Europe, and is lowest in Romania (33 PPS per person wanting to work) and highest in Belgium (7,085 PPS). Although there is an extensive and growing literature on the potential reasons for government increases in ALMP expenditure (Vis,

Figure 4.2: Outcome dimension (LS), explanatory conditions and chosen crossover points



Sources: Outcome LS – EU-SILC, explanatory conditions – Eurostat 2013 (excl. ALMP_genosity for which per capita measures were available only from 2011)

2011; Gingrich and Ansell, 2015; Häusermann and Palier, 2017) and also on the design of ALMP in different countries (Bonoli, 2010; Nelson, 2013; Martin, 2015), these do not give normative guidance on satisfactory ALMP expenditure levels that could justify the present choice for calibration thresholds. Therefore, 2,000 PPS was chosen for the crossover due to the extensive gap between Germany (2,355 PPS) and Spain (1,199 PPS). Accordingly, there were nine countries with positive membership (more than 0.5) in the AG set, including all Nordic countries, as well as all countries in Gallie and Paugam's (2000) employment-centred model and Ireland. Looking at the investment orientation of ALMP (AI), six out of nine countries were the same as in AG with the addition of Portugal. The following dichotomous measure was used for AI: 1 if the share of expenditures in Category 2 (training) was above the average (0.16); and 0 if it was below (see Table 4.2 for raw and calibrated data).

Contextual factors were captured by two conditions. A country's family residence model was measured by the *share of young persons living with their families* (FA). Comparing the proportion of adult children aged 25 to 34 years living with their parents, it is evident that the process of defamilialisation is far more advanced in Northern than in Southern Europe – an aspect already highlighted by Gallie and Paugam (2000). However, as shown in Figure 4.2 (lower-left panel), patterns in Eastern and Central European countries are much less clear. FA varies substantially across Europe, being lowest in Denmark (2.5) and highest in Slovakia (57.1). For the crossover point, 30 per cent was chosen, because there are clearly distinguishable groups above and below the interval between 25 and 34 per cent. According to this calibration, there are 13 countries with positive membership (more than 0.5) in the FA set, including all Southern European countries, but also several Central and Eastern European countries. Also, in contrast to Gallie and Paugam (2000), Ireland is not in the 'extended dependence' set according to the present data and calibrations. Family residence was used here as a proxy for intergenerational support, yet the operationalisation has its limitations because it does not capture all forms of possible support such as cash transfers.

In addition, *the level of aggregate unemployment* (UE) in a country was included as another important contextual aspect moderating the negative consequences of unemployment on well-being. Data on countries' unemployment rates (UE) were taken from Eurostat (2013), measuring the unemployment rate of the active population. UE varies between 5.2 and 27.5 per cent (see Figure 4.2) and is lowest in DE (5.2 per cent) and highest in EL (27.5 per cent). The crossover threshold was set at 10 per cent. When these countries are considered, there are 13

examples of ‘high unemployment rate’ countries. However, there are many borderline cases (SI: 10.1 per cent, HU: 10.2 per cent, FR: 10.3 per cent, and PL: 10.3 per cent).

Configurational analysis: identifying routes to well-being

The study explores the combinations of institutional and contextual factors that are potentially sufficient for relative well-being in the unemployed, defined as a small drop in life satisfaction compared to working youth.¹²

The sample of 24 countries selected in this analysis is represented in 11 of the 32 (2⁵) logically possible combinations (configurations or routes). [Table 4.3](#) (truth table) maps these routes and the countries that follow them (that is, belong to that particular configuration). Whereas consistencies are high – that is, the strength of many routes mapped in predicting positive outcome is high – there are two problems: one of idiosyncrasy – many routes are followed by only one country; and one of contradicting routes – some routes are followed by both positive and negative outcome countries (the former countries are highlighted in bold).

Next, the truth table was minimised¹³ to remove potentially redundant configurations and allow the exploration of more generalisable patterns. The minimisation process reveals three routes which buffer negative consequences of unemployment ([Table 4.4](#)).

The first route comprising institutional and contextual factors labelled **covered support** (PC * AP * fa * UE), which is associated with lower negative effects of unemployment on well-being, combines a high share of PLMP beneficiaries, capacitive ALMP, a low share of young people living together with their families, and a high share of unemployment. Ireland and France follow the covered support route. Thus, in this particular context (fa * UE), it is coverage in combination with capacitive ALMP and not the generosity of PLMP that are necessary components in routes which mitigate the well-being of the unemployed in these countries.

The second route, called **extended family support** (PG * pc * FA * UE), which is associated with lower negative effects of unemployment on well-being, combines generous PLMP with limited coverage of PLMP, an extended family model, and a high level of unemployment. Typical cases for this route are Portugal and Spain. In light of the hypothesis, this route is the most similar to the subprotective route described and formulated earlier; however, compared to Gallie and Paugam’s (2000) model and the first hypothesis derived from it,

Table 4.3: Truth table: empirical linkages between countries' combinations of institutional and contextual characteristics and outcomes

Generosity of PLMP	Coverage of PLMP	Capacitive ALMP	Extended family model	Level of unemployment	Life satisfaction	<i>n</i>	Consistency	PRI	Cases
PG	PC	AP	FA	UE	OUT				
1	0	1	1	1	1	1	0.97	0.93	Portugal
1	0	0	1	1	1	1	0.97	0.90	Spain
0	1	1	0	1	1	1	0.94	0.78	Ireland
1	1	1	0	1	1	1	0.92	0.32	France
0	0	1	0	0	0	2	0.78	0.44	Austria, Sweden
1	0	1	0	0	0	1	0.71	0.14	Denmark
1	1	1	0	0	0	3	0.70	0.34	Belgium, Finland, Netherlands
0	1	1	0	0	0	1	0.67	0.18	Germany
0	0	0	1	1	0	9	0.64	0.38	Bulgaria, Greece , Hungary, Italy, Lithuania, Latvia, Poland, Slovenia, Slovakia
0	0	0	1	0	0	5	0.63	0.30	Czech Republic, Romania
0	0	0	0	0	0	2	0.46	0.05	Estonia, UK

Notes: Countries in bold are those with positive outcomes – that is, membership scores higher than 0.5 in LS. Consistency and PRI scores above 0.75 are highlighted in bold (Schneider and Wagemann, 2010). PRI is the measure expressing the degree to which one and the same row is a subset of the outcome, but also its negation – the smaller it is, the more this is the case.

Table 4.4: Sufficient routes to outcomes

	Covered support	Extended family support	Capacitive support
	Route 1	Route 2	Route 3
Generous PLMP (PG)		•	○
High share of beneficiaries of PLMP (PC)	•	○	○
Capacitive impact of ALMP (AP)	•		•
Extended family model (FA)	○	•	○
High share of general unemployment (UE)	•	•	○
Consistency	0.91	0.97	0.78
PRI	0.67	0.92	0.44
Raw coverage	0.29	0.29	0.22
Unique coverage	0.12	0.15	0.1
Cases	Ireland France	Spain Portugal	Austria Sweden
Solution consistency	0.86		
Solution PRI	0.71		
Solution coverage	0.52		

Notes: • - condition present; ○ - condition absent; Countries highlighted in bold are those with positive outcomes – that is, membership scores higher than 0.5 in LS.

generous PLMP is a necessary additional component of this route if it is to meet the sufficiency criteria. Furthermore, the analysis reveals several southern European countries that do not meet the generous benefit criteria (Greece, Italy).

The third route, **capacitating support** (pg * pc * AP * fa * ue), indicates that in the context of high intergenerational autonomy (a low level of young persons living with the family), only the presence of capacitive ALMP is sufficient for the higher well-being of the unemployed, as long as the general level of unemployment is not high. This route, exemplified by Austria and Sweden, is in line with the second hypothesis that countries with positive membership scores in AP will be more successful in buffering the negative effect of unemployment. However, it is important to emphasise that ‘outside’ of this particular contextual combination (high intergenerational autonomy and low unemployment), the sufficiency of AP is not revealed.

The third, ‘less stigmatised’ hypothesis – the claim that countries with extended family models and high levels of unemployment will be associated with less negative consequences for well-being – could not be confirmed empirically. More specifically, as indicated by the extended family route, this mechanism only seems to work in combination with generous PLMP (PG * FA * UE).

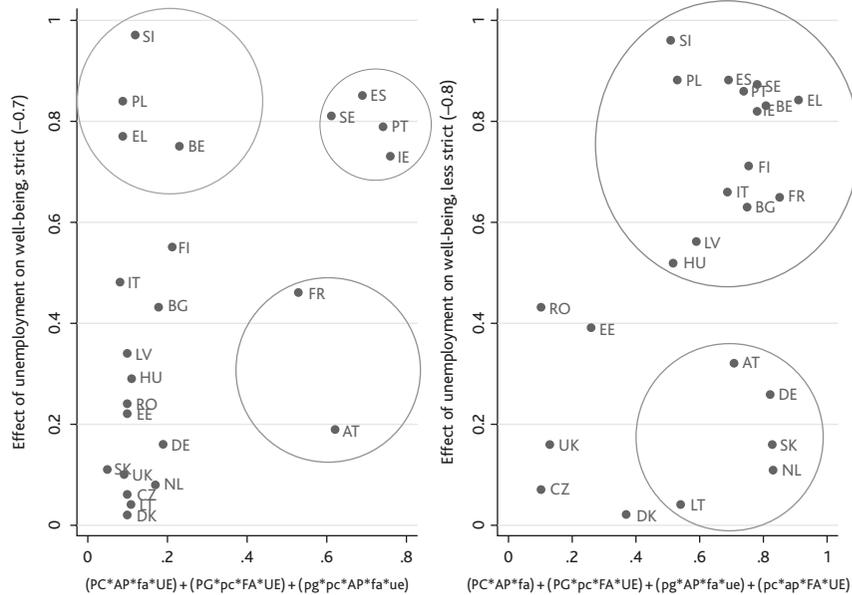
To conclude, whereas the three-route solution is quite solid in terms of consistency, coverage is moderately low – solution coverage 0.52 – indicating that it is able to explain approximately half of the cases. Because many positive outcome cases belong in the same configurations as negative outcome cases – in particular, Greece, Poland, and Slovenia – the model there seems to be missing some additional explanation for their routes to vulnerable youth well-being. Furthermore, because the definition of positive outcome depends on the calibration threshold, the sensitivity of the results was subjected to robustness tests. These focused on different thresholds for consistency of sufficiency and crossover points for outcomes (details available upon request).

In terms of the choice of consistency thresholds for sufficiency, the initial analysis (consistency for sufficiency at 0.75) was augmented with analyses using 0.8 and 0.7. Whereas easing the consistency threshold to 0.7 does not change the result, setting it at a stricter level of 0.8 leaves only two sufficient routes: covered and extended family support. In other words, increasing the strictness of consistency increases the strength of theoretical arguments for covered and extended family support, but countries that follow the capacitating route, such as Austria and Sweden, lose in empirical relevance and drop out of sufficient routes.

The next step was to test whether results still hold after relaxing the selection criteria for ‘successful’ countries at the crossover from -0.7 to -0.8.¹⁴ This step adds five positive outcome cases (Bulgaria, France, Hungary, Italy, and Latvia) to the analysis. The biggest change is in the empirical relevance of the results, because, in addition to the initial three routes, an additional route emerges and the coverage becomes 0.86. [Figure 4.3](#) depicts the main differences in results compared to the original analysis (while retaining the same consistency criteria of 0.75 for both).

The cases in the upper right-hand corner (surrounded by the circle) are those that can be explained – that is, those with positive membership in both the outcome set and (one of the) solution(s). It can be seen that whereas in the left-hand panel (the initial analysis), there are only

Figure 4.3: Sufficient routes to two alternatively calibrated outcomes and cases that can be explained by these



Notes: Left panel: strict calibration of outcome (crossover at -0.7 ; 9 positive outcome cases). Right panel: less strict calibration (crossover -0.8 ; 14 positive outcome cases). Upper right circle – explained cases; upper left circle – cases that have positive outcome but cannot be explained; lower right circle – cases in contradictory routes.

Source: Author's own

four cases, in the right-hand panel (ex post analysis), there are 13. The additional route that emerges depends only on contextual buffers to alleviate the loss of well-being in the unemployed. This route, $pc \star ap \star FA \star UE$, which has moderately satisfactory consistency (0.75) but very good coverage (0.48), is exemplified by 10 countries: Belgium, Greece, Hungary, Italy, Latvia, Lithuania, Poland, Slovenia, Slovakia, and Spain. Whereas all three initial routes also survive this sensitivity test, the covered support route changes. More specifically, compared to its original format ($PC \star AP \star fa \star UE$), the UE component becomes redundant in the covered route and the empirical relevance increases, because France and Ireland are joined by four other countries: Belgium, Finland, Germany, and the Netherlands. This also means that easing the calibration threshold of the outcome eliminated the problem of ‘unexplained’ cases – that is, the countries in the upper left-hand corner with a high value in outcome dimensions, which are not explained by any routes. However, the countries in the lower right-hand corner [Figure 4.3](#) (within the circle) – those with high membership in one of the routes but no outcome – are still contradictory.

Conclusions

This study aimed to investigate the interplay of institutional and contextual aspects of labour market policies in mitigating the negative effects of unemployment on the well-being of young people. The research design was based on a configurational comparison, because it was assumed that combinations of different explanatory dimensions form distinct packages. The specification of the model was influenced primarily by Gallie and Paugam (2000), who combined employment regimes and family models as sources of alternative explanations for the well-being of the unemployed. However, their model was amended to take into account labour market conditions using the aggregate unemployment rate and applying this analytical framework across Europe. The explanatory model used here consisted of five dimensions: three institutional (the generosity and coverage of passive labour market policy and capacitive impact of active labour market policy) and two contextual (the share of unemployment and the prevalence of extended family model).

First, by using comparative microdata and applying multiple linear regression models, it explained the differences on the outcome dimension – the effect of unemployment on life satisfaction – for a wide range of European countries. The result was that even after controlling for several aspects such as education and age, the loss of

life satisfaction among the unemployed still varied across countries. Furthermore, countries that do well have diverse welfare regime backgrounds. Second, it investigated whether there are distinguishable configurations of institutional and contextual factors that perform better in buffering the negative consequences of unemployment. The hypothesis was that there are four such configurations: first, the universal route, emphasising the strong presence of active and passive labour market policies; second, the subprotective route, which relies on extended family support; third, the capacitating route, emphasising the importance of activation measures; and fourth, the unemployment route, which relies on the extended family in the context of high unemployment rates that help to reduce the stigmatisation related to labour market exclusion. Based on the analyses and the subsequent robustness check, two functionally equivalent routes turned out to be the most robust: first, the covered route that combines both PLMP and ALMP in buffering the negative consequences of unemployment; and second, the extended family route in which generous PLMP combined with the extended family residential model facilitates a positive outcome. Whereas the policy design of the covered route is analogous to Gallie and Paugam's (2000) universal route, the mix of countries that exemplify it are mainly from continental rather than Nordic Europe (except Finland). At the same time, the extended family route provides an important addition to the suggested subprotective route as strong PLMP is a necessary component in it.

Moreover, results showed that the situation has turned out to be much more diverse than suggested by Gallie and Paugam (2000). Nordic countries in particular are much more diverse than expected, especially in terms of labour market-policy-related solutions, an aspect that is probably partly explained by recent retrenchment policies such as cuts in unemployment benefits (Arndt, 2017). Furthermore, the difference between Gallie and Paugam's (2000) universalistic and subprotective approaches is less clear, and even in Southern European countries, the importance of generous PLMP in addition to the extended family model (labelled extended family support in the present analysis) has been revealed. Thus, contrary to expectations, the family's ability to buffer negative consequences of unemployment is less clear.

In light of the existing understanding of the negative consequences of unemployment for youth well-being and its institutional buffers, and in accordance with many other studies (Wulfgramm, 2014; O'Campo et al, 2015; Voßemer et al, 2018), the present study did confirm that PLMP (in terms of either coverage or generosity) is an important and indeed a necessary component in both covered and extended family

support. Assuming the contextual dependency of some buffers as theorised by Gallie and Paugam (2000) and the reported vagueness of the effect of ALMP (Wulfgramm, 2014; Voßemer et al, 2018), the study showed that ALMP and the extended family tend to compensate for each other. In other words, the capacitive potential of ALMP holds only in the context of advanced intergenerational autonomy and relatively low unemployment, whereas in the context of high overall unemployment, extended family support compensates for the lack of ALMP. QCA is especially well-suited to revealing these types of macrolevel conjunctural associations in comparative welfare policy studies (Emmenegger et al, 2013). At the same time, the sensitivity analysis revealed that political choices that rely on capacitive ALMP at the expense of PLMP do not robustly mitigate the loss in well-being in unemployed youth, indicating the importance of combined investment and compensation-oriented policies in youth regimes. This indicates a need for caution regarding the effectiveness of retrenchment policies that cut back compensation-oriented policies and shift the focus (solely) towards activation measures.

Finally, once the calibration threshold for the outcome is eased and a slightly larger drop in unemployed youth well-being is still considered a positive outcome, an additional route emerges that relies only on contextual moderators (UE hypothesis). Thus, by relaxing the threshold and also considering countries that show moderately negative effects of unemployment on well-being to be successful, families still act as crucial social and financial shock absorbers in several countries facing high unemployment, and they still succeed even without accompanying labour market policies. It is also worth noting that this additional route explains almost half of the cases.

In conclusion, this study has contributed to the literature on comparative welfare policies by investigating whether potential buffers provided by combinations of institutional and contextual factors mitigate the negative effect of unemployment on well-being. However, there are specific limitations to this study. First, the sample size is a challenge for the number of dimensions included in the analyses, and it leaves many logical reminders and few empirical relevancies for different configurations. Second, despite the eagerness to investigate countries' approaches to the well-being of unemployed youth, the operationalisation of policies oriented explicitly towards youth is difficult for most aggregate labour market policy instruments available in Eurostat. Finally, the outcome variable is currently controlled for compositional effects across countries, but is not sensitive to between-group differences on the country level. The study aimed foremost to

apply Gallie and Paugam's (2000) model to a wider range of countries using QCA as a more flexible and system-oriented approach compared to the variable-oriented quantitative approach. Therefore, it did not test whether the explanatory dimensions might act differently for different subgroups,¹⁵ although how institutional packages 'work' inside the countries for different groups with different educational resources is a highly relevant question, for example. Addressing this question would also make it possible to test the next set of vital questions: are more resourceful young people (in terms of education) more likely to benefit from active labour market measures alone, or is the combined approach of PLMPs and ALMPs also the most beneficial for them? Which configurations are the best for buffering well-being in unemployed young people with a low level of education?

Notes

- ¹ In the formula, '*' denotes operator 'and', '+' denotes operator 'or', and arrows show sufficient (\rightarrow) relationships between configuration and outcome.
- ² Consistency of Sufficiency = $\text{SUM}(X \text{ AND } Y) / \text{SUM } X$ – that is, the sum of all conjunctions of particular X and Y (minimum rule), divided by the sum of Xs.
- ³ Coverage of Sufficiency = $\text{SUM}(X \text{ AND } Y) / \text{SUM } Y$.
- ⁴ There are two predominant approaches to calibrating the interval scale data: (a) log-odds based and (b) regression based. In the former, four main steps are distinguishable: (i) select three thresholds (fully in, fully out, and crossover), (ii) calculate the deviations of raw scores from the crossover (x crossover) of each case, (iii) translate the crossover-centred data into the metric of log odds (see Ragin, 2008: 87), and (iv) transform log odds into membership scores: degree of membership = $\exp(\log \text{ odds}) / (1 + \exp(\log \text{ odds}))$.
- ⁵ This decision means that only those configurations that are associated with a positive outcome with the consistency of 0.75 or higher are included in the calculations of solutions.
- ⁶ Because some simplifying assumptions have been made throughout this process of calculating the average generosity index, to avoid the risk of misinterpretations, OECD country chapters in the Benefits and Wages catalogue (www.oecd.org/els/social/workincentives) and Wulfgramm (2014) were used for comparison and robustness checks (details can be obtained from authors).
- ⁷ Alternative ways of operationalising PG would be one explanation for this contradictory finding. However, based on expenditure (share of Category 8: out-of-work income maintenance and support, in labour market policy [LMP] statistics in Eurostat, of GDP), the most regularly used indicator of 'welfare stateness' (Kuitto, 2016: 64), the result differs only slightly – ES, IT, and PT are all relatively high spenders, whereas EL is low (Eurostat, 2013).
- ⁸ LMP interventions in Eurostat are classified as follows: (1) LMP services (Category 1); (2) LMP measures; (3) Training (Category 2); (4) Employment incentives; (5) Sheltered and supported employment and rehabilitation; (6) Direct job creation; (7) Start-up incentives; (8) LMP supports (Out-of-work income maintenance and support; and (9) Early retirement.

- ⁹ The unit of observation in the LMP database is the LMP intervention, and data on participants are collected for each intervention, each of which is classified by the type of action. When gathering participants for each intervention in a category, there is an implicit assumption that each intervention (the unit of observation) is mutually exclusive, and that a person can participate in only one intervention at a time (Eurostat, 2013: Labour market statistics explained). However, it is also possible for double-counting to occur. For example, in Category 8 as used in this study, there could be a supplementary allowance that is used to top up unemployment benefit payments. In this case, participants could be double-counted, explaining, for instance, the percentage being above 100 in the case of BE.
- ¹⁰ Considering the validity of capturing the notion of coverage, using an alternative indicator was considered – that in the Social Insurance Entitlements Dataset – but PC from Eurostat was chosen instead to take into account both unemployment assistance and insurance-related benefits, because due to short employment spells, young cohorts are relatively more dependent on the former, making it more relevant in assessing their well-being.
- ¹¹ Category 2 in Eurostat LMP statistics.
- ¹² It is a common standard of QCA to start with a necessity analysis and follow this with a sufficiency analysis (Schneider and Wagemann, 2012) as in the present study. However, because none of the conditions included met the necessity criteria, all conditions were included in the sufficiency analysis. The latter makes up the so-called truth table.
- ¹³ The minimisation is based on the Quine–McCluskey algorithm.
- ¹⁴ An additional robustness check was made at crossover point -0.75 , which adds three positive cases: Italy, France and Bulgaria.
- ¹⁵ Because leaving the parental home can be considered as one of the crucial steps towards adulthood, an additional analysis by residential status was performed. However, the life satisfaction of young unemployed people did not differ by residential status. The non-significant effect is driven by small sample sizes, but might also suggest that although prolonged co-residence with parents is a proxy for overall familialism on the macrolevel, different mechanisms leading towards higher life satisfaction are at play on the microlevel.

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