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**NONPARTICIPATION AND DISADVANTAGE
AMONG YOUNG ADULTS IN THE DANISH
WELFARE STATE – INTRODUCING A LIFE
COURSE PERSPECTIVE**

**BY
HELLE BENDIX KLEIF**

DISSERTATION SUBMITTED 2019



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NONPARTICIPATION AND DISADVANTAGE AMONG YOUNG ADULTS IN THE DANISH WELFARE STATE – INTRODUCING A LIFE COURSE PERSPECTIVE

by

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ENGLISH SUMMARY

This thesis argues that the issue of youth nonparticipation and disadvantage is not yet well understood. I frame a study of the issue within a sociological life course perspective that attends to conceptual, dynamic, contextual and multidimensional aspects. Through exploratory, descriptive and causal methods, and in utilizing Danish administrative register data, the thesis asks how this perspective might contribute to our understanding of the ways in which nonparticipation and disadvantage develops within the contemporary Danish welfare state.

The thesis articles make four separate contributions. Article I initially develops a longitudinal framework for understanding youth nonparticipation. This reveals that far from all NEET-occurrences develop into long-term engagements and that the subsystem of active labour market policies seems to represent a modifying element. However, for one in five young adults the Danish welfare context is not able to alleviate NEET-occurrences from developing more fundamentally into trajectories of transitional disadvantage. This finding represents the outlet for the second article. Article II identifies ideal type patterns through which transitional disadvantage develop. The results suggest that structural components of both family lineage and welfare setting are involved in this development. Article III and IV direct attention to young adults targeted by contemporary Danish labour market policies because of not participating in education or employment. By differentiating between subgroups of low educated young adults article III shows how a policy induced economic incentive at age 30 seems to mark a return to benefits among a group of former cash benefit recipients after a period in education. Finally, article IV focuses on the group of young benefit recipients furthest away from the labour market. By exploring multidimensional unemployment trajectories during a period of policy reform the article demonstrates how a majority of the targeted young adults experience long-term problems characterized by continuous and/or frequent hospitalization or treatment.

Despite the seeming passivity of holding a position outside education or employment the articles overall reveal high levels of participation in labour market oriented activation. This finding challenges the prevailing political dichotomy between 'passive' and 'active'. In addition to discussing the risks of nonparticipation and aiming at moving non-participating young adults towards ordinary participation, the findings emphasize the relevance of also discussing, which type of activities actually and effectively interrupt exposed youth transitions. Further, in studying early transitional processes that involve nonparticipation, the thesis results evidently point towards the structural components of disadvantage. For some, transitional difficulty and disadvantage is thus associated with poor childhood conditions, while for others it seems related to entering a post-crisis labour market still recovering from high youth unemployment rates. Such results suggest that the behavioural

strategies applied today within active labour market policy might not, if they stand alone, adequately address the problems encountered thus entailing a risk of further marginalizing part of the youth population already on the margins. Finally, the thesis results reflect the importance of long-term multidimensional strategies as part of the response to the documented difficulties among disadvantaged young target populations – which, for many, also include recurring or permanent health issues. Activities that hold a potential of bringing such young adults forward in their life seem to require flexibility to individual situations and an organizational set-up capable of integrating services across welfare providers.

DANSK RESUME

Afhandlingen argumenterer for, at vi mangler indsigt i, hvad det vil sige at stå uden for uddannelse og beskæftigelse som ungt individ i dag. Undersøgelsen rammesætter problemstillingen inden for et sociologisk livsforløbsperspektiv, der tager sigte på konceptuelle, dynamiske, kontekstuelle og flerdimensionelle aspekter. Ved hjælp af et eksplorativt forskningsdesign udforsker og beskriver afhandlingen denne tilgængs bidrag til forståelsen af, hvordan det at stå udenfor udvikler sig inden for den moderne danske velfærdsstat.

Afhandlingens artikler leverer fire separate registerbaserede bidrag. Gennem longitudinelle analyser viser artikel I, at langt fra alle episoder uden for uddannelse og beskæftigelse (NEET) udvikler sig til længerevarende forløb. For en ud af fem unge er den danske velfærds kontekst imidlertid ikke i stand til at forhindre, at NEET-episoder i de tidlige transitioner fra grundskole til videregående uddannelse og beskæftigelse udvikler sig til en mere grundlæggende udsathed. Dette resultat udgør afsættet for den anden artikel. Artikel II identificerer således idealtypiske mønstre, der beskriver, hvordan udsathed udvikler sig i de tidlige ungdomstransitioner og antyder blandt andet, at strukturelle forhold inden for familien påvirker denne udvikling. Artikel III og IV retter fokus mod unge ydelsesmodtagere, som, i kraft af en position uden for uddannelse og beskæftigelse, bliver mål for den aktive beskæftigelsespolitik. Artikel III skelner mellem forskellige grupper af lavt uddannede unge og viser, hvordan et politisk institueret økonomisk incitament ser ud til at markere en tilbagevenden til kontanthjælp blandt tidligere kontanthjælpsmodtagere, efter en periode med uddannelse. Endelig fokuserer artikel IV på gruppen af unge ydelsesmodtagere længst væk fra arbejdsmarkedet. Artiklen undersøger flerdimensionelle arbejdsløshedsforløb i en periode med politisk reform og demonstrerer, hvordan et flertal af de unge i målgruppen oplever langvarige problemer karakteriseret ved kontinuerlige og/eller hyppige hospitalsindlæggelser og behandling.

På trods af den tilsyneladende passivitet ved at stå uden for uddannelse eller beskæftigelse finder artiklerne samlet set et højt niveau af deltagelse i aktivisering foranstaltet af beskæftigelseslovgivningen. Dette fund udfordrer den fremherskende beskæftigelsespolitiske dikotomi mellem 'passiv' og 'aktiv', som blandt andet var omdrejningspunktet for dele af kontanthjælpsreformen. I tillæg til at diskutere risikoen ved ikke at deltage i ordinær uddannelse eller beskæftigelse, understreger resultaterne også relevansen af at diskutere, hvilke typer af aktivitet som faktisk er i stand til at afhjælpe unge fra eksempelvis at blive afsporet rent uddannelsesmæssigt. Ved at studere transitions-processer, som involverer ikke-deltagelse, peger afhandlingen videre på udsathedens strukturelle islæt. Hvor vanskelighederne i de tidlige transitioner fra grundskole til videre uddannelsesforløb for nogle er knyttet til dårlige opvækstkår, viser vanskelighederne sig for andre i overgangen fra

uddannelse til beskæftigelse. Sådanne resultater antyder, at de adfærdsmæssige strategier, som anvendes inden for den aktive beskæftigelsespolitik ikke alene formår at adressere de udfordringer, som unge har. Afhandlingens resultater peger mod vedvarende flerdimensionelle strategier som en del af svaret på de dokumenterede vanskeligheder blandt udsatte unge – som for mange også omfatter tilbagevendende eller permanente helbredsproblemer. Aktiviteter, som rummer et potentiale for at hjælpe sådanne unge videre i livet, synes således at fordrer fleksibilitet i forhold til den enkeltes situation samt et organisatorisk set-up der er i stand til at integrere services på tværs af velfærdsudbydere.

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“My dear, find what you love and let it kill you. Let it drain from you your all. Let it cling onto your back and weigh you down into eventual nothingness. Let it kill you, and let it devour your remains. For all things will kill you, both slowly and fastly, but it’s much better to be killed by a lover.

Falsely yours,
Henry Charles Bukowski”

Writing this PhD thesis has been a mixed blessing, which I find nicely expressed in the quote above - despite its atmosphere of doom. For I have felt like losing my life as I knew it, and I have both cursed it at loved it – equally intense.

Many people took part in this process. Some deserve a special thank you. So, Dorte, learning and training under your experienced, trusting wings, for what goes back much longer than the past three years, has been a privilege without comparison. I just feel lucky that I, back then at AKF, was at the same time and place as you. Thank you for giving me yet another opportunity.

Jacob. Thank you for staying on board throughout the period. You have provided me with constructive and quick feedback whenever I needed it. I learned a lot about the article format from you. I have far from perfected it, but you made things clearer.

Mor, uanset om det var i København, i Randers, i Grønhøj eller i Geneve, så var du med. Tak for din uendelige hjælp og omsorg. Det kan ikke beskrives med ord, hvor stor en aktie du har i, at det her lykkedes. Far, tak for altid at spørge nysgerrigt ind til hvad det egentlig er, jeg har lavet i de sidste 3½ år. Det var dejligt.

Family, friends, colleagues, Bongoleras, you have all provided a much needed space in between to do something other than reading and writing. Now we can do much more.

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Østerbro, August 2019

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CHAPTER 1. INTRODUCTION

This thesis aims at advancing our understanding of how disadvantage develops among young adults not participating in employment or education. Several contemporary changes have highlighted the need for developing new perspectives on the challenges met by young adults, and for engaging critically with new conceptual frameworks made available. On a national level, the past decade has been subject to significant changes regarding legislation targeted towards unemployed and inactive young adults, and internationally change is reflected in the ways in which youth unemployment, disconnection and disadvantage is addressed and conceptualized.

Utilizing exploratory, descriptive and explanatory quantitative methods and building on extensive administrative registers this PhD project attends to conceptual, dynamic, longitudinal and multidimensional aspects of nonparticipation and disadvantage. The project presents the overall argument that adopting a life course perspective can qualify our understanding of disadvantage and how it develops among young adults by directing attention to how contemporary youth transitions and trajectories, set within a Danish welfare state context, progresses on the individual level.

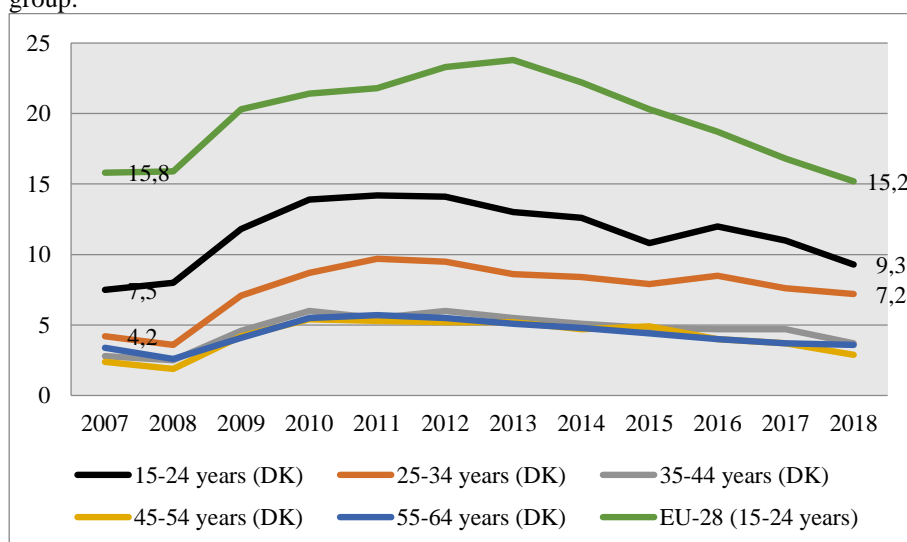
The following introductory sections unfold three contemporary changes. The descriptions refer to a Danish context, but reflect overall developments characteristic for European welfare states as such, however with variations between countries and welfare state models (Esping-Andersen 1990). Together with the remaining Nordic countries (Sweden, Norway, Finland and Iceland) Denmark represents a social democratic welfare model. This model, with its mix of a flexible labour market and a strong social security net, has been highlighted as exemplary for others for its ability to shield the population from the most problematic consequences of economic inactivity. However, following the increased means-testing, the lowering of benefits and the introduction of punitive and sanctioning elements to the system of unemployment insurance and social assistance, it has been argued that the commitment to safeguarding the population no longer extends to those at greatest risk (Lorentzen et al. 2014; Abrahamson 2015). Such changes are, amongst others, relevant to consider in the attempt to understand how disadvantage develops among young adults not in employment or education.

1.1. INCREASING LEVELS OF YOUTH UNEMPLOYMENT AND INACTIVITY

The global financial crisis of 2008 represents the first change of relevance. Going back 10 years the economic recession initiated an increase in unemployment rates

for all age groups within the Danish labour force, most substantially among younger cohorts. Figure 1.1 below describes how the unemployment rate develops among different age groups within the Danish labour force and includes the EU-average among 15-24 year olds as comparison. Considering the 15-24 year olds, the level nearly doubles from 2007 to 2011. From then on, the level drops steadily. However, ten years on in 2018 the unemployment rate is continuously higher than pre-crisis levels. This trend also holds true for the 25-34 year olds.

Figure 1.1: Unemployment rates (in percent) by age groups. Source: Statistics Denmark (Labour Force Survey: AKU121) and Eurostat (Labour Force Survey: tesem140). Note: The unemployment rate is given as the percentage of unemployed relative to the number of active persons in the labour force within the same age group.



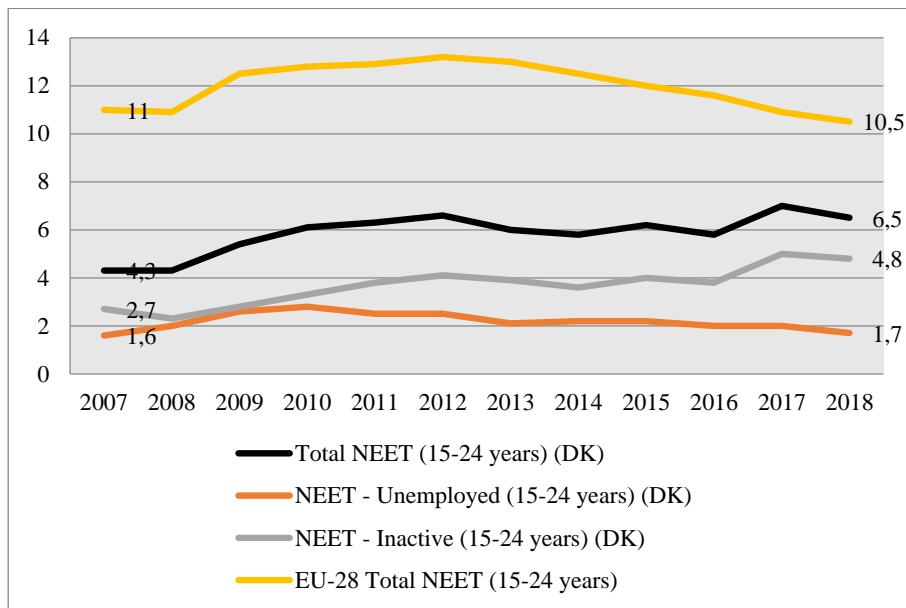
Increasing youth unemployment is found throughout European member states in the years following 2008. Compared to the European average (EU-28) the Danish level has been continuously lower, but the relative differences from lowest to highest point is equal to approximately 8 percentage points in both Denmark and EU on average.

While the unemployment rate tells a story about the challenges met by individuals active in the labour force, it captures only part of the situation developing among 15-24 year olds. With the majority in those age groups preoccupied with education, the unemployment rate becomes an insufficient measure with regard to their level of exposure to other challenges and potential disadvantage. When characterizing the position within the labour market among young adults, the European Commission, member states as well as European agencies and international organisations such as the Eurofound and OECD have thus extensively embraced the concept of NEET,

referring to those Not in Education, Employment or Training. Compared to the unemployment rate the term includes a broader group of young adults.

Besides belonging to age cohorts marked by historically high youth unemployment rates the NEET concept reveals a group of young adults standing outside the labour market as well as the educational system. Figure 1.2 below displays the development in different NEET rates among 15-24 year olds in Denmark and includes the average total NEET-rate in EU for comparison. As figure 1.2 illustrates, other types of inactivity exceeds the level of nonparticipation related to unemployment and make up the majority of the total NEET share among young adult Danes aged 15-24. Furthermore, the rise in inactivity has levelled out only recently. While youth unemployment slowly returns to pre-crisis levels, other types of nonparticipation have thus increased.

Figure 1.2: Rates (in percent) among 15-24 year olds Not in Education, Employment or Training by NEET status. Source: Eurostat (Labour Force Survey: yth_empl_150). The NEET rate is given as a percentage of 15-24 year olds not participating in education or employment relative to the total number of persons within the same age group.



This trend is disturbing from a societal perspective in light of ageing populations growing in size, with smaller subsequent cohorts to support them. The trend is worrying also from an individual perspective with research documenting how initially disadvantaged cohort members are generally doing worse in their later life

relative to their more advantaged peers (Bengtson et al. 2009). Research on youth unemployment further documents how, especially long, unemployment spells increase the risk of future unemployment and income development (Bell and Blanchflower 2011; Schmillen and Umkehrer 2017). However, the illustrated development raises the question as to which extent nonparticipation and disconnection from educational activities and employment as a macro-level outcome expresses disadvantage on the individual level. This further highlights the need to clarify how we understand disadvantage, how it can be studied and how it might be responded to politically. I will return to these issues in section 1.4.

1.2. CRISIS RESPONSE AND THE TIGHTENING OF ACTIVE LABOUR MARKET POLICIES

The political response to the post-crisis development in youth unemployment and inactivity rates followed relatively quickly within the Danish context. Several initiatives were implemented in order to mitigate the consequences and avoid nonparticipation developing into a long-term condition. Four so-called youth packages were passed in September 2009, November 2009, July 2011 and November 2012 respectively (Municipalities 2013). They each transferred financing to municipal job centres and youth guidance centres, sharing the overall responsibility for youth interventions, and were aimed at young people not in education or employment and those at risk. In youth package II, labelled “More young people in education and employment” (The Danish Government 2009), the then Liberal-Conservative Government, with support from the Social Democrats, the Social-Liberal Party and the Danish People’s Party, introduced job centre based active labour market interventions aimed at the 15-17 year olds. It also directed so-called *immediate offers*¹ to the 18-19 year olds already after four weeks of unemployment. With a strong focus on securing a smooth transition from primary school to secondary and upper secondary education youth package II also included an *Education Plan* for all 15-17-year-olds, along with the possibility to initiate financial sanctions if not followed. In addition, the municipal job centres would receive a financial bonus when activating long-term unemployed young people below age 30 specifically through job training and wage subsidized work.

However, with continuously increasing unemployment and inactivity among young adults, the Government, now consisting of a coalition between the Social Democrats, the Social-Liberal Party and the Socialist’s People’s Party, in cooperation with the Red-Green Alliance², passed youth package IV in late 2012 (The Danish Ministry of Employment 2012). It financed six central initiatives, three of which were targeted young adults with no more than primary school. The focus

¹ In Danish: Strakstilbud

² In Danish: Enhedslisten

was on helping them to get a foothold within vocational training (or other secondary tracks) through bridge-building and so-called training consultants. It further aimed at creating job openings for unemployed youth through increased funding for the already existing job rotation scheme and through subsidies directed at firms when taking on an adult apprentice above age 25.

Developing alongside such initiatives, and more of a slow change than a crisis response within the Danish political discourse and approach, is a drift towards *welfare conditionality* visible through an increased use of benefit retrenchments, sanctions and mandatory activation (Clasen, Clegg, and Kvist 2013; (Caswell and Larsen, forthcoming). Examples of this drift include the unemployment benefit reform of 2010, which introduced a reduction of the maximum unemployment benefit period from four years to two, and simultaneously doubled the employment requirement for entitlement to unemployment benefit from six to twelve months of full time employment (Thidemann Faber and Emerek 2012; Clasen, Clegg, and Kvist 2013). Another more recent example of the means taken to increase participation is the introduction in 2014 of the Danish Cash Benefit Reform (The Danish Government 2013). The reform targets unemployed and inactive young adults and expands the principles from a previous reform (The Danish Government 2005), by introducing an educational demand on all those below age 30 with no qualifications above primary school, when applying for social assistance benefit. Benefit cuts, mandatory activation and economic punitive sanctions are here used to incentivize action on the individual level. Further, the political discourse now expresses a clear aim of ending the so-called “passive-culture”. This involves removing altogether previous categories of temporarily passive benefit recipients or non-employable³. Instead, new categories are introduced categorizing young adult benefit recipients as either education-ready or activity-ready, with accompanying requirements for active participation in labour market interventions, regardless of whether the young adult faces problems of social- or health related character besides unemployment.

This drift represents the second contemporary trend, which I argue has changed the circumstances for young adults affected by unemployment and inactivity in the period following 2008. In combination with financing and implementing comprehensive youth packages aimed at alleviating crisis-related unemployment and inactivity, shifting Danish governments have weakened the social security safety net in the above illustrated manner in an attempt to increase incentives to participate in education and work. However, despite comprehensive attempts, including components of qualifying along with disciplining character, to increase labour market participation among *all* groups of young adults, and despite worrying societal and individual perspectives, the level of inactive young adults has continued to rise almost throughout the past decade.

³ In Danish: ikke-arbejdsmarkedssparate

1.3. THE PROCESSES OF INDIVIDUALIZATION

The third and final trend is the process of individualization characteristic of Western and European welfare states from the 1960's and onwards. This development is included in order to highlight its implications in the context of weakened social security and contemporary nonparticipation among young adults.

A central figure in developing the concept of individualization is German sociologist Ulrich Beck. According to Beck the post-industrial process of individualization describes a structural transformation of social institutions and of the relationship between society and the individual (Beck and Willms 2002:61). Social institutions, such as the education system, become driving forces of individualization through addressing the individual rather than the group or the collective. Beck describes this as *"an institutionalized coercion for individualization"* (Beck and Willms 2002:63), which involves a structural and institutional disembedding of the individual from previous social structures and affiliations, in particular that of class.

At least in principle the societal transformations related to processes of individualization bring along new chances, but also uncertainty and risk (Bengtsson et al. 2015). For a young adult embarking on further education, potentially as the first generation within the family, individualization represents a chance of doing better than the parental generation. It represents a chance of social mobility, but it also represents a risk, in that he/she breaks with what is known, potentially placing him/her in a position without much hinterland to obtain guidance from and without an established social network to benefit from. The structural and institutional weakening of traditional or collectivist ties thus places a greater amount of responsibility with the individual in the sense that chances, choices and risks are to be negotiated and handled on an individual level. In order for individuals to be able to handle such risks this requires, according to Beck, a modern welfare state, which provides for its citizens through basic security (Beck and Willms 2002:79).

While there is a broad agreement within academia that formal structural transformations have occurred, diminishing the power of previously strong social structures, it is debated to which extent social divisions continue to shape individual life chances. According to Furlong and Cartmel (2007) one commits an epistemological fallacy if the process of individualization is interpreted literally as evidence of the fall of social class and as the setting free of the individual (Furlong and Cartmel 2007:3-5). Grounded in empirical research they argue strongly for the continued importance and influence of class structure as a key source to social inequality and express the duality of individualization by stating that *"People's life chances remain highly structured at the same time as they increasingly seek solutions on an individual, rather than a collective basis"* (Furlong and Cartmel 2007:5).

Returning to Ulrich Beck, he argues that the political arena (anno 2000) more or less has *"absorbed individualization as a neoliberal agenda"* (Beck and Willms 2002:72), in which welfare provision such as basic security is cut down and in which individualization is translated into holding each individual accountable for his/her own choices as well as their outcome. He describes how the individual *entrepreneur* becomes: *"a garbage can for unsolved problems within all institutions"* (Beck and Willms 2002:72).

In this view, the neoliberal agenda – which Danish labour market policy, with increased welfare conditionality has contained element of since the mid 1990'ies - firstly removes focus from the potentially social and structural nature of the situation among young adults outside employment and education and secondly introduces individualized and disciplinary responses.

1.4. UNDERSTANDING THE CHALLENGES FACING YOUNG ADULTS NEET

The political responses to the portrayed challenges of nonparticipation among young adults have, to a large extent, been based on macro-level developments of unemployment rates, on the levels of nonparticipation in education and on the assumption that young adults outside employment and education are capable of rationally adjusting their behaviour based on the prospect of lowered benefits and economic sanctions. This macro-level view has been assisted by researchers from the academic field of labour market economics through a dominating focus on documenting aggregate-level, cross-sectional effects of initiated active labour market policies and interventions. And within the field of comparative policy studies a cross-sectional approach has been prevailing in attempts to disaggregate the total group of young adults NEET into sub-groups in order to identify group-specific challenges and needs (Eurofound 2016). While such accounts provide point-in-time measures, policy effects and current characteristics, they – if standing alone - run the risk of communicating and articulating nonparticipation and sub-group disadvantages as something static, as a characteristic with which we can describe young adults and thus as a condition upon which the welfare state can act.

Drawing on a life course perspective the work presented in this thesis is based on the argument that we – researchers, politicians, citizens - can benefit from supplementing the dominant macro-level approaches with an increased focus on what happens at the micro/individual-level over time. I argue that the issue of youth nonparticipation, which (in its most recent post-crisis form) has been targeted politically for at least a decade, is not yet well understood. And that an increased focus on how nonparticipation develops at the individual level and over time is crucial in order to identify and respond more effectively to the different challenges facing contemporary young adults outside the labour market and the educational system.

Based on a notion of post-industrial societies as characterized by the uncertainties and risks described in the previous three sections, life course researchers have recently suggested a focus on *vulnerability* as a way of studying and capturing essential dimensions of contemporary living conditions (Spini, Hanappi, and Bickel 2013). As a state, which captures segments within a population that live ‘on the edge’, Spini and colleagues define vulnerability as:

...a lack of resources or as a social weakness (...) which places the individual or group at risk of negative outcomes such as personal distress, downward-leading life conditions, and limited social participation and capability to live a valued life. It also affects individuals’ capacity to cope with critical events and to take advantage of opportunities (Spini et al. 2013:8).

In addition to determining the characteristics of vulnerability as a state, Spini and colleagues stress the centrality of considering vulnerability as multidimensional and dynamic, and as embedded in social contexts, which must be studied on the short-term as well as the long-term. The knowledge gained from studying vulnerability in this fashion may, according to Spini and colleagues help develop “...*more efficient strategies to compensate life trajectories of individuals who fall out of ‘normal’ or valued tracks*” (Spini et al. 2013:3).

Returning to the question raised in section 1.1, as to which extent nonparticipation (as a macro-level measure) expresses disadvantage or vulnerability on the individual level, the above definition and framing suggests a possible operationalization and represents – as such - a framework of inspiration in the article work of this thesis. The research articles thus each represent different elements of this framework and depart from the same basic consideration that investigating nonparticipation among contemporary young adults as a multidimensional, dynamic (non-static) state, embedded in social contexts might reveal new insights into how disadvantage or vulnerability develops.

1.5. RESEARCH QUESTIONS

Taken together, the contemporary changes represented by increased levels of nonparticipation, an enlarged political focus on overcoming “passivity” and the development towards increased individualization, invite questions such as: What does it mean to be disadvantaged within this setting? Is nonparticipation equal to disadvantage? When does nonparticipation represent a worrying condition, and under what circumstances? And how might it be responded to politically? The main aim with this thesis is to arrive at a clearer understanding of such issues. This is pursued through four different empirical studies each taking inspiration from a life course perspective in attending to conceptual, dynamic, contextual and multidimensional aspects of nonparticipation and disadvantage. In addressing

different aspects, they each provide perspective and insight to the following research question:

In what way does a life course perspective on nonparticipation among contemporary young adults contribute to our understanding of how disadvantage develops within the Danish welfare state?

While the four research articles contribute to this overall question they have been guided by their own separate research question. As such they can be read independently.

Summarizing shortly how the four articles relate to the research question above, article I can be seen as a first general attempt at reflecting critically upon the use of the NEET concept as a proxy of young adults at risk of social exclusion. As such article I pertains to the question of whether nonparticipation in education or employment expresses a disadvantaged position within the social context of the Danish welfare state. The findings represent the outlet for article II used more extensively to explore longitudinal characteristics and determinants of disadvantaged school-to-work transitions, among a selective sample of young adults who do not participate in education or employment for a longer and continuous period between age 16 and 20. In article III and IV, focus changes from exploring transitional characteristics to concentrating on young adults targeted by Danish labour market policies because of not participating in education or employment. Differentiating between subgroups of young adult benefit recipients, article III helps nuance our understanding of the consequences of contemporary policies based on the welfare conditionality described above. By extension, article IV directs attention to the group of young adults considered furthest away from the labour market, who - according to average effect estimates - do not respond to policy as intended. By constructing combined trajectories of health and educational or employment related activities, article IV investigates the interrelatedness of life course domains during a period of policy reform.

Table 1.1: The four questions guiding the research articles

	Question	Research approach	Element(s) from the life course perspective
1	<i>How does NEET occurrences develop and is the NEET concept a precise proxy of young adults at risk of social exclusion?</i>	Exploratory and descriptive	Life course in context: Danish welfare state

2	<i>What characterizes disadvantaged school-to-work transitions and how does this relate to indicators of childhood adversity?</i>	Exploratory and explanatory	School-to-work transitions, Cumulative disadvantage, Dynamic lives, Linked lives
3	<i>How are policy induced economic incentives related to outcomes of cash benefit and education among subgroups of low educated young adults?</i>	Explanatory and causal	Life course in context: policy reform
4	<i>What do we learn about disadvantaged young adult target populations, when studying combined health and labour market trajectories during a period of policy change?</i>	Exploratory and descriptive	Multidimensionality, Life course in context: policy reform

Although the four research articles make independent contributions to different theoretical and empirical fields, they share the following central features:

- Firstly, they all originate from an interest in approaching the issues under study from a methodologically quantitative exploratory and descriptive perspective. This is further elaborated in Chapter 5.
- Secondly, all studies focus on the micro/individual level thus supplementing existing quantitative knowledge, which predominantly originates from an aggregate perspective conveying average effects, point-in-time estimates and cross-sectional characteristics.
- Lastly, all studies make use of Danish administrative registers, which enable the construction of longitudinal and not least continuous individual trajectories.

The thesis is structured in the following manner: Chapter 2 presents the background for the project. Chapter 3 describes and relates the theoretical and conceptual framework to the work on the four thesis articles, while Chapter 4 outlines state of the art. Chapter 5 presents the dominant methodological approach along with central characteristics of the registerbased datasets used. Chapter 6 summarizes the main findings and contributions of each article while Chapter 7 discusses and Chapter 8 concludes. Chapters 9 to 12 contain the four articles.

CHAPTER 2. BACKGROUND

Before expanding on theory, methodology and previous research, this chapter presents the LISES project, which represents the thematic backdrop as well as the financial source (together with Aalborg University) of the PhD project.

2.1. LISES – ENHANCING EMPLOYMENT FOR THE MOST VULNERABLE GROUPS IN THE DANISH SOCIETY

LISES is short for Local Innovation in Social and Employment Services and is a four-year-long (2016-2020) research project financed by Innovation Fund Denmark (Innovation Fund). Participants include researchers from Aalborg University, six Danish Municipalities as well as KL – Local Government Denmark, the association of the 98 Danish municipalities (Caswell and Larsen 2019).

LISES aims at developing new knowledge and innovative solutions for the challenge of enhancing employment among vulnerable groups in the Danish society. The point of departure is that such innovations must acknowledge both political and organizational issues as well as how these shape citizens' behaviour and attitudes. The development of both knowledge and solutions thus takes place within collaborative settings including the research team as well as municipal managers and employees at different locations in the frontline (Caswell and Larsen 2019).

At the centre of all collaborations are five potentials, or formulated assumptions of where to find potentials, for more effective employment services targeted vulnerable citizens. The LISES project thus explores the potentials in:

- I. Actual client participation and co-production with the citizens
- II. The institutional interaction (such as meetings and conversations) between professionals and clients
- III. The cooperation with companies integrating employer expectation and engagement in the employment services for these groups
- IV. Integrated services across sectors and organisational units
- V. Local policy and organizational strategies and management that both can enhance the involvement of clients and adapt to changing policy and financial requirements

By valuing practical and contextual knowledge, the project develops a phronetic approach (Flyvbjerg, Landman, and Schram 2012) to the field of study. By extension, the project draws inspiration from the literature on cooperative knowledge production (CKP) (Huttermann and Sommerfeld 2008) and collaborative innovation (CI) (Sørensen and Torfing 2011). Both perspectives stress the

collaborative and relational element when using new knowledge for innovation in a public sector setting (Andersen, Caswell, and Larsen 2017). In order to gain access to practical and contextual knowledge LISES mainly draws upon qualitative methodologies such as interviews and in-depth case studies. As a practical framework for both collaborative interactions and collection of empirical material, the project has developed the so-called Mutual Innovation and Learning Platform (MILP). A MILP is typically a two to four-hour long interaction between researchers and practitioners, which centres around one of the five potentials presented above (Andersen et al. 2017:347).

2.2. THE POTENTIAL OF A CITIZEN'S-PERSPECTIVE

In the original project-description of LISES the PhD was formulated as part of a work package with specific focus on the experiences and behaviour of vulnerable citizens. Building on the literature on Street Level Organizations (Brodtkin 2011), and the importance highlighted there of considering the active role of professionals in forming actual social and employment policy, the work package was aimed at examining how citizens or clients experience social and employment policy, the way policy is delivered and how they participate in and modify policy delivery.

The initial intention was to combine qualitative and quantitative approaches to the issue thereby allowing us to examine both the outcomes of social policy and the mechanisms through which these outcomes are produced. And although we never fell short of good intentions, real life planning, the timing and order of research focus, empirical work and article work, and perhaps not attending properly to framing mutual research questions resulted (so far at least) in parallel rather than combined qualitative and quantitative approaches. Seen from the viewpoint of working on the PhD, this however allowed me an extreme level of - very rare and much valued - freedom to frame a project on my own terms. During the research process, this developed into an exclusively quantitative exploration of how disadvantage develops and expresses itself in the life course of young adults.

2.3. LEARNING FROM LISES

The LISES project is still ongoing and while the conclusions have yet to be drawn, several results have been published already. In the following, I briefly describe central findings regarding the citizens' perspective. One of the key sources of empirical insight on the citizens' perspective is the caseworkers' experience with integrating the citizens' perspective in social work. The first report from the LISES project thus summarizes how working from a citizen's perspective is made difficult when conditions such as decisional authority, predictability regarding interventions, relational continuity, availability (of caseworkers) and management support are not met (Larsen et al. 2017:23–24).

As with the other potentials, the potential of a citizen's perspective (or enhancing the possibility for actual client participation) has been explored in the MILP format. During one such MILP, the question of what defines a successful intervention, seen from the citizen's perspective, thus occurred (Larsen et al. 2018:16). This translated into an idea of studying cases of positive deviance in which vulnerable citizens, despite having the odds against them, succeed in entering work or education. In pursuing this idea, LISES researchers' have interviewed 12 vulnerable citizens (ranging between age 26 and 53) as well as their caseworker(s). The results have been published recently (Danneris and Caswell 2019). Two main findings are highlighted. Firstly, the absence of success related to the use of standard ALMP instruments is striking. Neither citizens nor caseworkers equal the success of entering work or education with participation in particular interventions or the use of sanctions. Instead it becomes evident from both perspectives that the alignment of goals, focused on 'getting out' (of the system) helps the transition (Danneris and Caswell 2019:4). Secondly, the authors find that such transitions are linked to the help received by the citizens to navigate through the system enabling them to figure out where to turn to within the municipal organisation for assistance and guidance (Danneris and Caswell 2019:20). In a forthcoming LISES-output, the finding related to 'system help' is linked to the issue of integrated services. The relevance of reaching across organizational and professional divides is here further justified by the changing group of benefit recipients, becoming increasingly more diverse, and with problems spanning across issues of various parts of the welfare state (Caswell and Larsen, forthcoming).

CHAPTER 3. THEORETICAL FOUNDATION AND CENTRAL CONCEPTS

3.1. A LIFE COURSE PERSPECTIVE ON YOUNG ADULTS NOT IN EMPLOYMENT OR EDUCATION

The life course perspective represents the main theoretical backdrop of the thesis. As such, it is used throughout the thesis work as a way of thinking about the research question(s) and as a guiding framework in designing the four research articles. The following section outlines central life course concepts used - some of which were touched upon in Chapter 1. Thus, when I find inspiration in the work presented by Spini and colleagues (Spini et al. 2013), in which they suggest to investigate vulnerability through a focus on its multidimensional and dynamic character and as embedded in social contexts, this refers back to the life course perspective as the overall theoretical framework. One of the strengths of the life course perspective is its rich supply of concepts and principles with which to study the development and the social structuring of lives in context. With the historical context as a backdrop, the life course perspective calls attention to different structuring elements including norms, institutions and agency.

As will be clear in the following subsections the thesis departs from a variant of the life course perspective embedded within a western European welfare state context. This implies giving particular attention to welfare state institutions as exerting a central influence upon the individual life course. As a representative of this European variant Karl Ulrich Mayer describes the distinctions between an American perspective, embracing a broader theoretical influence from human development theory and psychology (Elder 1995; Elder, Johnson, and Crosnoe 2003; Mayer 2009) and a European perspective. According to Mayer, the latter narrows the vision to an understanding of the individual life course as “*institutionally embedded purposive action*” (Mayer 2009:415), which gives greater voice to the idea that institutional arrangements, in the forms of various subsystems and social structures, give shape to the life course (Mayer 2004). In the European perspective it is further made explicit that life course analysis is essential for understanding the impact of social policies on the individual life course (Mayer 2009). In that sense, it offers a framework for exploring the politically targeted issue of youth nonparticipation as well as whether, how and under which circumstances nonparticipation develops into disadvantage. Subsequently I present how the different main guiding principles for life course analysis have inspired the thesis articles.

3.2. THE PRINCIPLE OF TIME AND PLACE

A central building block in life course analysis is the historical context. This is expressed through the formulated principle of time and place, stating that: *“The life course of individuals is embedded and shaped by the historical times and places they experience over their lifetime”* (Elder et al. 2003:13). In this thesis, the context consists of social changes occurring within Western and European welfare states in the period following the late 1990’ies. The introductory chapter thus describes three of the defining features in which life courses of young adults unfold. They include increased levels of nonparticipation, policy orientations towards a neoliberal agenda and the processes of individualization. Significant for the development of those changes are historical events such as the financial crisis of 2008 and thorough changes within the Danish social security system.

In order to study the implications of particular historical contexts or social changes on individual lives, the life course perspective offers concepts such as birth-year and cohort, as: *“Locating people in cohorts by birth-year provides precise historical placement”* (Elder et al. 2003:9). Linking the socio-historical and individual level by birth-cohort can be used for the purpose of studying both cohort effects and period effects, where the former captures the way in which historical changes affect birth-cohorts differently and the latter refers to the case where the impact of social change is relatively uniform across birth-cohorts ((Elder et al. 2003:9). The historical context described above constitutes the backdrop of all four research articles and as such they each provide a deeper understanding of how different structural factors and institutional settings give shape to distinct types of behaviour and movement among young adults who experience episodes outside education and employment.

3.3. THE PRINCIPLE OF TIMING

Within the life course perspective it is common to define the life course as an age-graded sequence of social roles and events thereby calling attention to the significant normative structure of age in most Western and European welfare states. Age is a bearer of cultural norms such as when to leave the parental home or when to become a parent, as well as formal norms expressed through institutional structure and age-associated rights, responsibilities and obligations (Settersten and Mayer 1997; Settersten 2003). Within the field of life course research the principle of timing has however fostered a long-standing debate on the normative structuring mechanism of age. It is argued that the idea of what constitutes the “normal” age-graded biography has become less clear: *“While we have little problem conjuring up images about the life of a Yorkshire coal miner or Iowa farmer, our images about the majority of lives in contemporary society seem to lack the same degree of clarity”* (Settersten 2003). This debate has played out particularly in the literature on youth transitions (Brückner and Mayer 2005), which I return to below in section 4.2.

The principle of timing has motivated the design and research focus of article I and II. Both articles explore patterns of nonparticipation and disadvantage in the early school-to-work transitions among individuals born between 1982 and 1989. In both cases, transitional patterns develop within the highly age-structured Danish education system. In this system, institutionalised age-norms signify the typical timing of transitions between compulsory school and upper secondary school as well as the typical duration of upper secondary educational tracks. At the same time, the institutional setting generates intervals in which it is more “normal” to step out of education and work, such as taking a sabbatical year after upper secondary school. Apart from characterizing the transitional patterns among young adults who experience episodes outside education and employment, the aim (particularly of article II) is to create an awareness of the heterogeneity with which nonparticipation and disadvantage imprints itself on the young adult life course - both with regard to timing and duration.

3.4. THE PRINCIPLE OF STRUCTURE AND AGENCY

Within the American life course perspective *agency* seems to prevail analytically over *structure* with emphasis placed on understanding the planning and choice making expressed within the individual life course (Elder et al. 2003:11). Within the European perspective the individual is essentially seen as a participant, as embedded into social structures, social positions and roles (Mayer 2005:5). One of the attempts to empirically investigate the institutionalization of the life course, and the impact that institutions and policies have on life course outcomes, is Leisering and Leibfried analysis of poverty in the western welfare states (Leibfried and Leisering 1999). Here they define social risk management as a core components of what they refer to as “*the welfare state’s rule over the life course*” (Leibfried and Leisering 1999:25). Spanning over the entire life course, social risk management is intended to bridge crisis periods in life of illness, injury or unemployment through social systems such as unemployment insurance, active labour market policy and social services. Social risk management is said to come into play as a safety net, e.g. by offering social assistance, for ‘deviant’ life courses, when the institutionalised model fails to materialise in individual cases (Leibfried and Leisering 1999:29, Leisering 2003).

The principle of structure and agency, and particularly the literature on the relationship between the state and the life course (Mayer and Schoepflin 1989; Levy 1996; Leisering 2003; Mayer 2005; Levy and Bühlmann 2016), constitutes a significant source of inspiration for the general thesis aim of supplementing macro-level approaches with a focus on how nonparticipation and disadvantage develops at the individual-level. The inspiration is most distinct in articles III and IV, which both explore the impact of institutional change among politically targeted young adults. Article III thus explores the impact of turning 30 among different subgroup of young adults, as this event, because of age-structured legislation on social

assistance, exposes them to an economic incentive, which might change their behaviour. The fact that all young adults are facing the same age-related incentive allows exploring the impact of social policy for different subgroups. Article IV focus on young adult cash benefit recipients between age 18 and 29 who were all affected by a political reform implemented in January 2014. The article explores how combined trajectories of unemployment and health develop through a period of institutional change, thereby offering insight into the life circumstances of disadvantaged young adults for whom labour market interventions return limited effects on outcomes such as education and employment.

3.5. THE PRINCIPLE OF LINKED LIVES

Also central to the life course perspective is the principle of linked lives. The basic understanding reflects how “human lives cannot be adequately represented when removed from relationships with significant others” (Elder et al. 2003:13). Within the field of life course research the linkages of human life have been studied through a focus on couples (Moen 2003) investigating how male and female careers develop as linked (ref), but also through a focus on the linkage of lives across generations such as the flow of resources from one generation to the next (Ferraro, Shippee, and Schafer 2009). The main take-away from the principle of linked lives, in relation to the thesis work, is the notion that “Family lineage is a key source of life course inequality, especially for the early stages of the life course” (Ferraro et al. 2009:414) and the emphasis placed on “system properties” in making such intergenerational transmissions possible and persistent (Ferraro et al. 2009). Considering family lineage and relationships with significant others, such as that between child and parents, also reflect the assumption that early life events are important for later life outcomes (Mayer 2009:414) and the idea that early experiences of advantage and/or disadvantage accumulates throughout the life course (O’Rand 1996; Dannefer 2003). While the weight has been placed on studying how experiences of cumulative advantage/disadvantage contribute to within-cohort inequality in old age, Ferraro and colleagues further argue that “Childhood experiences are important to adulthood, especially when differences in experience or status emerge early in the life course” (Ferraro et al. 2009:418).

The awareness of family linkage is reflected in article II that develops a typology of transitional disadvantage among young adults experiencing continuous episodes outside education and employment. Including information on parental educational levels, family structure and childhood experiences with out of home placement and family interventions, the article makes probable whether or not parental resources, or lack thereof, are transmitted into a transitional pattern marked by disadvantage among the next generation.

3.6. THE PRINCIPLE OF LIFE-SPAN DEVELOPMENT

Each of the structuring elements described above; age-norms, welfare institutions and family, impact the way in which individuals pass through historical contexts. The life course perspective directs attention to this basic dynamic character of life through the principle of life-span development articulating how: “*Understanding developmental processes is advanced by taking a long-term perspective*” (Elder et al. 2003:11). This principle is reflected in life course related concepts such as social pathways, trajectory and sequence. Thus, reflecting both dynamic and multidimensional aspects of the individual life course social pathways:

...are the trajectories of education and work, family and residences that are followed by individuals and groups through society. These pathways are shaped by historical forces and are often structured by social institutions. Individuals generally work out their own life course and trajectories in relation to institutionalized pathways and normative patterns (Elder et al. 2003:8).

Exploring the long-term, dynamic and multidimensional character of life courses require the availability of longitudinal data, which enable following individual movements through time and across different life spheres (Mayer 2009:416). Such availability is present in the comprehensive collection of Danish administrative registers. Since the 1960'ies, the Danish state has collected information on its citizens in all areas necessary for administering the Danish welfare state. All four articles of the thesis make use of longitudinal datasets constructed on basis of registers holding information on the individual-level regarding educational activity, labour market affiliation, family structure, health/hospitalization and receipt of social services and benefits (see also Chapter 5). While the primary data source for selecting the different study populations for article I-III is constituted by a 10 percent sample of all Danish young adults born between 1982 and 1989, article IV is based on the full population of disadvantaged young adults targeted by the Cash Benefit Reform on first of January 2014⁴.

⁴ Disadvantaged young adults here refer to those among the affected who have been categorized as activity ready, indicating that they experience problems besides unemployment of social, health related or scholarly character.

CHAPTER 4. STATE-OF-THE-ART

This section summarizes empirical knowledge central to the research questions raised in the four thesis articles. While each of the articles contain elements of the life course principles outlined above, the following presentation cuts across principles and focus instead on the main fields of research to which the thesis seeks to contribute. While some of the reviewed literature applies life course theory and concepts, other studies are founded in different theoretical traditions, to which the following presentation will not do justice. In the summarizing sections, I point towards some of the research field specific shortcomings on the matter of nonparticipation and disadvantage. In Chapters 6 to 8, I offer my contributions and suggestions for future research.

4.1. LITERATURE SEARCH STRATEGY

The reviews below are based on a structured literature search completed between January and March 2017. The search was carried out from the electronic platform available at Aalborg University Library and covered the databases most relevant for the posed research question. A first target group search, based on identifying publications concerned with the issue of nonparticipation and disadvantage among young adults, was carried out, including different search strings (e.g.; “NEET”, “vulnerable young adults”, “at risk”, “unemployed”). This was supplemented by an additional search within the same databases and with different combinations of search blocks, which, apart from the target group, contained the following key words (and different versions): “*Life course*” (e.g.: “life course trajectory”, “life course transitions”); “*Welfare benefits*” (e.g.: “social assistance”); “*ALMP*” (e.g.: “labour market reform”). The initial search protocols represented the basis for a wider, much less structured, literature search departing primarily from the reference lists available and with a snowballing effect that has continued to roll all the way to the end of writing this thesis. Ultimately the thesis draws directly and indirectly on articles, books, reports and working papers published between 2000 and (June) 2019.

The following sections consider two fields of research: first, empirical research from the sociologically dominated field of youth transitions, and second, publications from the field of policy focused evaluation research, represented by economists as well as social scientists and educational researchers.

4.2. THE RESEARCH FIELD OF YOUTH TRANSITIONS

Within this broad research field, I direct attention to contributions that investigate transitions between school, education and work from a longitudinal approach and

that take a particular interest in detecting and explaining disadvantage. In the following, this literature is presented under the heading of de-standardization and school-to-work transitions.

4.2.1. DE-STANDARDIZATION AND SCHOOL-TO-WORK TRANSITIONS

As mentioned in the previous chapter the contours of a standard age-graded biography have become less clear. When considering the life phase of transitioning from youth to adulthood this lack of clarity has given rise to numerous explorations of the so-called de-standardization hypothesis (Shanahan 2000; Brückner and Mayer 2005; Martin, Schoon, and Ross 2008). At the centre of such explorations is the general finding that the transition to adulthood (in the European and Western parts of the world) have become prolonged (Buchmann and Kriesi 2011). The youth phase begins earlier and reaches well into adulthood (Du Bois-Reymond 2009). What drive this prolongation is above all educational opportunities, which, at least in principle, have become available for children and young irrespective of social background and which - for the majority - lasts for longer period than previously. Correspondingly, the added time spent in education leads to postponement of other life events such as entering the labour market, leaving the parental home and having your first child. By measuring events as single transitions and through cohort comparisons, empirical investigations of the de-standardization hypothesis have demonstrated how events such as those mentioned take place at later stages in the life course of young adults today (Elzinga and Liefbroer 2007; Widmer and Ritschard 2009; McMunn et al. 2015).

The increasingly important status of education has made school-to-work transitions a frequent research topic. In addition to the postponement of other events, the school-to-work transitions characteristic for the period after 1970 have given rise to notions of ‘non-linearity’, ‘complexity’ and even ‘yo-yo’ or ‘choice biographies’ signalling transitions marked by frequent breaks and returns to education after taking up employment (Du Bois-Reymond 1998). Critics have asserted that proclaiming non-linearity and individual choice as the new standard of youth transition is to largely overstate the phenomenon and further point to the risk held within such new articulations of obscuring underlying structures of disadvantage (Furlong, Cartmel, and Biggart 2006). While such developments represent general trends, visible in particular when comparing youth transitions across generations, a closer look at single, historically situated, birth-cohorts reveals a more differentiated picture. That is, within birth-cohorts different forms of de-standardization appear (Du Bois-Reymond 2009:33). In a study from 2002 Bynner and colleagues (Bynner et al. 2002) thus make a distinction between “*fast and slow lanes to adulthood*” (Bynner et al. 2002:25) indicating how, for some young people, educational activities are still a rather short-lasting matter, and further that such fast tracks correspond closely with social indicators reflecting middle and lower-class affiliations. Furlong, Cartmel and Biggart add to this finding with their study from

2006 (Furlong et al. 2006), in which they identify a variety of different transitional pathways while demonstrating a significant relation between the non-linear pathway and disadvantaged young adults (Furlong et al. 2006:238).

The quantitative exploration of contemporary transitional diversity increased extensively from around 2006, also as an effect of improved availability of longitudinal data, the development of new methodological approaches and the implementation of statistical software in standard programs supporting such developments. This has resulted in a growing number of studies, often with a comparative aim, depicting transitional diversity with a focus on school-to-work transition patterns (Brzinsky-Fay 2007, 2014; Quintini and Manfredi 2009; Dorsett and Lucchino 2014; Albæk et al. 2015; Schoon and Lyons-Amos 2016; Brzinsky-Fay and Solga 2016). Conceptualizing and exploring school-to-work transitions as holistic sequences of subsequent events has revealed a set of typical pathways applicable across European and Western welfare regimes. Brzinsky-Fay thus identifies a typology consisting of eight transition patterns or ideal types across Western-European welfare states, thereby demonstrating distinctions among young adults sharing the same birth cohort with regard to the different activities dominating their transition and the timing of different activities (Brzinsky-Fay 2014:224). Despite the documented variety such transition patterns are often summarized as expressing processes of transitional *difficulty* (such as continuous and complex episodes of unemployment, inactivity or NEET), or *success* (such as continuous educational activity and direct transitions from education to employment) (Brzinsky-Fay 2014; Dorsett and Lucchino 2014).

Only a few studies explore the heterogeneity within the category of *difficult* transitions. One exception is Dorsett and Lucchinos' study, in which they open up the category of transitions representing a "*possible cause for concern*" for policymakers" (Dorsett and Lucchino 2014:14). In their article, they identify different transitional sub-groups marked by dominant NEET statuses, long-term unemployment and complete withdrawal from the labour market. Exploring predicting factors behind such transitional difficulty they find strong correlations with early pregnancy, low educational attainment and a disadvantaged family background (Dorsett and Lucchino 2014:2). However, their sample suffers from small numbers when differentiating between sub-group categories and furthermore the transitions uncovered all represent a historical period prior to the economic recession in 2008.

A second example of moving beyond the dichotomy between difficult and successful transitions is Schoon and Lyons-Amos' study from 2016. Contesting the definition of *successful* transitions they direct attention towards the 'missing middle' represented by a large group (about half of their sample) of young adults who "*get by*" despite short educational tracks (Schoon and Lyons-Amos 2016:13). With pathways dominated by continuous employment, either directly after completing

compulsory schooling at age 16 or after some further education their independence is largely gained through what Schoon and Lyons-Amos refer to as “*the previously standard route*” (Schoon and Lyons-Amos 2016:18). They argue that such findings demonstrate a continued need for “*creating viable alternative pathways to an academic career*” in times where the political discourse and practise is highly dominated by a human capital investment thinking. This requires securing available jobs that pay a decent salary (Schoon and Lyons-Amos 2016:18-19).

Finally, researchers such as Ron Thompson (2011; 2017) and Robert MacDonald (2011) direct attention towards the *quality* of participation within transitions otherwise conceived of as successful. Thomson thus demonstrates that to understand the processes that lead to nonparticipation and disadvantage, it is necessary to recognise that educational activity or employment can be part of this process (Thompson 2011:799). Among a sample of so-called low- and middle-attaining young people, with few family resources, Thomson thus displays an inability within the (British) education and training systems to support their progression and avoid further marginalisation (Thompson 2017:761). MacDonald supports the same argument in his analysis of how increasing levels of precarious-, part-time- and under-employment among contemporary young adults is an expression of limited opportunity structures (MacDonald 2011:429).

4.2.2. SUMMING UP

The reviewed literature on youth transitions has brought our attention to the importance of distinguishing between different forms of de-standardization. While contemporary school-to-work transitions overall look more complex, less linear and prolonged when considered from a generational perspective, important within-cohort differences exist. Research findings thus show that although prolongation and non-linearity might hold different implications for young adults, the non-linear, fast-track transitions tend to be followed by the least advantaged (Bynner et al. 2002; Furlong et al. 2006). Further, the reviewed literature demonstrates a link between young adults becoming NEET and institutional inadequacies to support a positive progression.

The recent identification of sequential ideal types has greatly improved our understanding of distinct contemporary school-to-work transitions. However, such contributions are still scarce, in particular with regard to cohorts born after 1980. And since ideal types by definition express crude categories we further lack important knowledge on the potential transitional heterogeneity and social indicators associated with transition processes expressing “a possible cause for concern” (Dorsett and Lucchino 2014).

The reviewed youth transition literature reflects the main thesis interest in how nonparticipation and disadvantage develops longitudinally, and more could have

been said about the mechanisms and the risk factors contributing to transitional disadvantage and difficulties. However, by opting for a dynamic definition of nonparticipation and disadvantage, the main priority of this thesis is to explore the routes into and out of such statuses within contemporary institutional state-facilitated opportunity structures (although exploring triggering mechanisms and risk factors related to nonparticipation are not disregarded). The reviewed literature – along with the literature reviewed in the next section - demonstrates the need for increasing our knowledge on this issue.

4.3. THE FIELD OF POLICY FOCUSED EVALUATION RESEARCH

Since the financial crisis of 2008, several national and international political initiatives targeting youth unemployment and inactivity have been launched. This section focuses on summarizing insight from the most recent quantitative contributions and is restricted to studies and evaluations published after 2008. Further, the review weighs in favour of publications with a focus on *active* policies – preoccupied with managing the issue of nonparticipation - rather than policies aimed at *preventing* young people from becoming inactive and unemployed (although some policy responses include both aims). Again, this reflects the main thesis concern with understanding how nonparticipation and disadvantage develop and particularly for this section, what is done politically to handle it. First, I present a brief account of recent and dominant policy responses and discourses, thus placing the Danish approach in context. This is followed by reviews of findings from Danish policy programs and recent international contributions.

4.3.1. POLICY RESPONSES AND DISCOURSE

As described in the introductory section 1.2, Danish policy responses to the increasing levels of post-crisis nonparticipation represent a very fine-meshed net. It is also evident from the various initiatives launched by shifting Danish Governments that policy responses primarily concern the ‘supply-side’ (Hutchinson, Beck, and Hooley 2016). That is, responses to the issue of youth nonparticipation have mainly been directed towards the young people/adults themselves with a clear message to secure participation in education thereby increasing their qualifications. Several initiatives have been established within the education system and the training system (realised by active labour market policies). Exceptions from this have been efforts to enhance and shape employer demands e.g. through government financed or supported job rotation schemes and through attempts at creating more vocational internships.

The Danish political discourse, formulated in various official documents across shifting Governments, expresses great confidence in increasing qualifications through education. With the implementation of the Cash Benefit Reform in 2014

this confidence is evident and communicated very unambiguously: *“The target is education: for all recipients of education help⁵ the aim is ordinary education, and they must therefore be available for interventions targeted at education”* (The Danish Government 2013:2). The preoccupation with education does not signify a particular Danish approach. Rather it expresses an idea of education based meritocracy with historical roots going all the way back to the Enlightenment thinkers (Vogt 2013:15). Echoes of this idea are present in contemporary welfare policy throughout Western welfare states (Walther 2006), included within the notion of the Social Investment State (Perkins, Nelms, and Smyth 2004; Ferrera 2009; Van Kersbergen and Hemerijck 2012; Deeming and Smyth 2015; Leoni 2016), and in the articulation of ‘education as social policy’ (Di Stasio and Solga 2017). Promoting education (and training) as the prevailing policy response to the challenges of youth unemployment and inactivity has met substantial critique from researchers within the fields of education and social policy (Thompson 2011; Fergusson 2013; Bessant and Watts 2014). It is argued that the prevailing policy focus on *“moving young people across a boundary between nonparticipation and participation”* (Thompson 2011:785), in combination with tendencies towards an individualization of social risk, expresses a ‘cruel optimism’ (Bessant and Watts 2014) that removes focus from the structural basis of social inequality within education and training.

According to Vogt, the fact that the link between education and notions of progress enjoys a continued influence on political thinking and practice reflects how this link *“can clearly still serve a number of different (ideological) purposes”* (Vogt 2013:34). In the Danish case education as a means of tackling nonparticipation among young adults is justified with reference to increased qualifications and future opportunities, but also with reference to ideals such as ‘inclusion’, in that *“no one should be withheld from active interventions”* (The Danish Government 2013:1).

Summing up, this first section has provided useful background for understanding some of the underlying motivations, potentials and reflection points within current policy approaches targeting young adults outside education and employment. And while they might be somewhat idealistic in purpose, they have very real consequences for the target populations. Turning attention towards some of the empirical evidence regarding consequences, the following sections consider recent Danish (quantitative) findings as well as international contributions.

4.3.2. EVIDENCE FROM DENMARK

The reviewed publications regard policy initiatives implemented in the wake of the financial crisis of 2008. In the following, the findings are summarized under the headlines of Youth Packages and Cash Benefit Reform.

⁵ By January 2014, Education help replaced the previous cash benefit for all young adults below age 30.

4.3.2.1 Youth packages

The target population for the programmes initiated as part of the government financed *youth packages* includes young people/young adults between age 15 and 30. The responsibility for implementing and managing the programs is often shared between the local Jobcentre (present in each of the 98 Danish municipalities) (Jobnet) and the nearest Youth Guidance Centre (of which a total of 61 exist) (UUDenmark). With the overall political aim of education, the local educational institutions naturally play a central role as well.

In the fall of 2012 the Danish Centre for Youth Research (CEFU) together with two private consulting houses published a comprehensive evaluation of youth package II (CEFU et al. 2012). The evaluation considers the wide palette of initiatives aimed at securing the transitions from primary to secondary school and upper secondary tracks, as well as initiatives aimed at securing retention and improving completion upon entering upper secondary tracks. The authors conclude that the youth package succeeds in markedly reducing the number of 15-17-year olds who do not transition from primary school to secondary or upper secondary education (CEFU, Epinion, and pluss 2012b). Further, they conclude that the youth package does not manage to meet the challenges among young people, who are not ready to begin upper secondary tracks immediately upon finishing primary and secondary school. To meet such needs the youth package introduced the initiative of jobcentre based active labour market interventions. The evaluation concludes, that the interventions made available for the 15-17-year-olds address an important need, but that the availability of interventions are very much dependent on already existing municipal efforts and thus rather varied across the country *“In some municipalities the available offers are limited to the extent that part of the young people continue in upper secondary tracks despite all reviews pointing to the conclusion that they will not be able to complete”* (CEFU, Epinion, and pluss 2012b:8). Regarding completion, the evaluation finally concludes that the dropout rates in upper secondary education are still, in 2012, highly skewed towards vocational tracks.

In 2012 and 2013, the Danish Agency for Labour Market and Recruitment initiated two programs in selected municipalities. One program involved “bridge-building” to vocational education, used propensity score matching and included young adults aged 19 to 25 in match category 1 and 2⁶. The other was carried out as a Randomized Control Trial and involved intensive mentoring support aimed at helping young adults between 18 and 29 in match category 2 to enter upper secondary education. The trials were evaluated in late 2014 and early 2016. Both

⁶ From 2010, the match categories used to order benefit recipients in target groups, included three categories: match 1: referring to those categorized as ‘job-ready’; match 2: referring to those considered ‘intervention-ready’ and match 3: referring to those categorized as ‘temporarily passive’ (The Danish Agency for Labour Market and Recruitment 2014).

programs contained central elements from youth package IV implemented from 2012 and onwards. Thus they both involved mentoring, consisting of ongoing support such as counselling, coaching and various types of practical help. Overall, the findings indicate that mentoring contributes to a significantly increased likelihood within the populations of entering ordinary education. The RCT finds that the effect is largest among the young adults with the lowest attained educational qualifications (measured by their grade average in the 9th grade) (Svarer et al. 2014). The non-RCT involves a more comprehensive intervention, which, in addition to mentoring, contains planned activities within an ordinary (typically vocational) educational environment, a coordinated aim across involved professionals (social workers, teachers, educational guides, mentor) and internship towards the end of the intervention. This study finds large significant educational effects among young adult participants (Görlich et al. 2016:48).

4.3.2.2 The Cash Benefit Reform

The Cash Benefit Reform was implemented in January 2014. With the reform, the categorization of benefit recipients within the active labour market policy has changed. The match categories have been replaced by new categories reflecting degrees of readiness. Young adults are categorized as either ‘education ready’ or ‘activity ready’ thus marking the end of the category of ‘temporarily passive’⁷. Apart from changing the system of categorization, the reform evidently signals a shift away from the previous focus of *employment* to a focus on *education*. For young adults categorized as education ready the reform thus introduces reduced benefits by up to 76 percent. This potential economic incentive to leave the benefit system has fostered a number of evaluations.

The first evaluation considers the initial reform effects and is based on a limited dataset (The Danish Ministry of Employment 2014). They apply a difference-in-difference design to compare the developments in employment and education rates from 2013 to 2014 within part of the target group (25-28-year-olds) and compare this with the developments among a control group of 21-24-year-old benefit recipients. They identify increasing participation trends within the defined target group for both employment and education (The Danish Ministry of Employment 2014:11). The analysis does not distinguish between effects on different visitation categories.

In 2015 the Danish Economic Councils published an evaluation including a longer observation period (Danish Economic Councils 2015:256). Also applying a difference-in-difference approach they include a target group of 25-28-year-olds and

⁷ For young adults below 30 the following conversion applies: match 1 ‘job ready’ changed into ‘education ready’; match 2 ‘activity ready’ and match 3 ‘temporarily passive’ changed into ‘activity ready’ (See: Jobindsats).

a control group of 30-32-year-olds who received cash benefit in April 2011 or April 2013. They follow the development in cash benefit rate, education and employment for 25 months. They also include the outcome of self-support equal to experiencing benefit cuts without gaining foothold in education or employment. They find that the reform has significantly increased the departure from the benefit system among the target group with 9 percent points, out of which 6 percent points is attributed to educational activities, 1 percent point to employment and 1½ percent points to self-support without income (Danish Economic Councils 2015:258). They include categorization (the design only allows using the previous match groups) and find no significant effects for the most disadvantaged groups of young adults (match 3).

In 2016 the Danish Ministry of Employment publish their second evaluation. They apply duration models to follow young adults (aged 25-28) who entered the benefit system in 2013 until they exit, thereby pertaining to so-called motivational as well as reform effects (The Danish Ministry of Employment 2016:11). Their results show that the reform increased the departure to education and employment with a total of 20 percent points. Further they find a significant motivational effect already prior to the implementation. They do not distinguish between visitation categories.

Summing up the Danish evidence, it appears that while youth package II and IV generally support the transitions from primary school to secondary or upper secondary education, they leave behind some of those not considered ready for upper secondary education. In particular, it seems difficult to offer interventions that attend to the social and health related challenges faced by the very young target population between age 15 and 17. With regard to the Cash Benefit Reform of 2014, the reviewed evaluations all demonstrate significantly increased levels of educational activity and employment among the (non-disadvantaged) 25-28-year-olds. However, as illustrated in table 4.1 below, this group signifies a minority of the total reform target group. Throughout the period in which the Cash Benefit Reform has been in effect, they thus constitute between 13.2 and 15.6 percent of the total reform target group⁸.

Table 4.1: Visitation categories introduces in 2014, by age and year (percent).
Source: constructed on the basis of KY01 and KY12 at Statistics Denmark (Statistics Denmark)

Age	Visitation category	2014	2015	2016	2017	2018	2019
16-24	Activity ready	30.7	35.7	34.4	35.6	35.8	36.3
	Education ready	33.9	31.0	31.9	29.7	29.1	28.3

⁸ Since some of match 2 are converted to activity ready those numbers might underestimate the actual share. On the other hand including all activity ready would instead overestimate the numbers.

25-29	Activity ready	19.7	21.8	20.5	20.8	20.9	21.2
	Education ready	15.6	11.6	13.2	13.9	14.2	14.2
Total		44.329	42.237	42.256	37.641	36.709	35.719

The fact that analyses so far leave us with knowledge on only a relatively small part of the total number of young adults met with requirements of mandatory participation in ALMPs, begs the question of what happens to the remaining young adults affected and what characterizes their life circumstances. Overall, the existing (quantitative) evidence from Denmark thus leaves us with a blind spot. We become only a little wiser by looking at the international literature.

4.3.3. INTERNATIONAL FINDINGS

As with the Danish case, international interventions targeting youth nonparticipation are concentrated within the structural subsystems of education, employment and active labour market policy. The review includes publications from 2008 and onwards and represents Western European regions. For a summary of related findings prior to 2008 see Card, Kluve and Weber (2010). Furthermore, the review primarily considers publications evaluating active labour market policies, and although this involves a strong focus on employment-oriented interventions, there is evidence that ALMP's increasingly involve interventions aimed at education. To reflect this difference the review is structured around findings from a) interventions targeting unemployment, and b) interventions targeting unemployment in combination with low education. The latter target group is typically referred to as 'disadvantaged'. For a schematic summary of the included international publications see Appendix A.

4.3.3.1 Interventions targeting unemployment

The review includes a total of nine studies published between 2011 and 2017, of which five explore interventional effects among target groups of unemployed young adults (Caliendo, Künn, and Schmidl 2011; Maibom, Rosholm, and Svarer 2014; van den Berg, Uhlendorff, and Wolff 2015; Kluve et al. 2016; Cammeraat, Jongen, and Koning 2017). Four out of five studies consider the impact of different ALMP's, or of intensifying ALMP's, while one study estimates the effect of economic sanctions (van den Berg et al. 2015). The global meta-analysis by Kluve and colleagues, based on results from 113 studies, reports significant effects for a third of the covered programmes (Kluve et al. 2016). He concludes that the success of youth employment programmes rests on their ability to *"respond to multiple needs/constraints facing a heterogeneous group of beneficiaries"*, requiring *"comprehensive sets of interventions, from training, to counselling, intermediation and income support"* (Kluve et al. 2016:38). This conclusion seems also to apply to the studies in this review. The one study, which reports positive long-term

employment effects thus offers wide-ranging interventions consisting of counselling, placement help, training, wage subsidies and job creation schemes (Caliendo et al. 2011). The remaining three studies, exploring less comprehensive interventions, report no significant effects on employment or education. This is however not true for van den Berg et al. (2015) considering the effects of economic sanctions. Instead they demonstrate an increased take up of low wage jobs and increased probabilities of leaving the labour force altogether. Based on this finding they warn against placing additional pressure on beneficiaries already struggling, and highlight that sanctions hold a risk of pushing young adult benefit recipients into further disadvantage such as homelessness and crime (van den Berg et al. 2015:31). Kluve (2014a) sums up the main message by stating that effective youth programs are comprehensive and expensive (P:1).

4.3.3.2 Interventions targeting unemployed young with low education

With regard to ALMP's specifically targeting unemployed young adults with low education, the effectiveness is rather mixed. A total of six studies estimate interventions designed for low educated young adults as such or when including them in a broader target group of unemployed. The majority of the interventions are directed towards re-entering the education system (Caliendo et al. 2011; Maibom et al. 2014; Alegre et al. 2015; Hernæs, Markussen, and Røed 2017). Two are specifically directed towards employment (Roger and Zamora 2011; Ehlert, Kluve, and Schaffner 2012). Three of the interventions show positive and significant effects on their intended outcome, out of which two are noticeable with regard to their comprehensive and combined efforts (Ehlert et al. 2012; Alegre et al. 2015). In comparison, the effort is rather limited within the three interventions showing no significant effects on expected outcomes. In addition, one study reports on significantly increased sickness benefit rates (Maibom et al. 2014). When considering intensifying ALMPs the authors thus encourage thoughtfulness in that it might push low educated unemployed youth into sickness benefits, *"perhaps as an attempt to escape the intensified treatment or as a result of additional pressure and stress, which may lead to an even longer way back into employment"* (Maibom et al. 2014:29–30).

4.3.4. SUMMING UP

Summing up on included international policy evaluations, around half of the reviewed studies report significant effects of interventions targeting youth unemployment and nonparticipation. While some interventions succeed in increasing employment or education rates, other programmes seem instead to add to an already fragile situation in pushing unemployed and/or low educated young adults out of the work force altogether or onto other benefits such as sickness benefit. Concentrating on the findings, which reflect not only significant effects but also more substantial success, they share the common feature of comprehensiveness.

Thus as Kluve (2014a; Kluve et al. 2016) highlights a seemingly crucial parameter for success is the ability with which interventions handle the various, complex situations of young adult target populations.

The approach characteristic for all included international studies, and for a majority of the Danish evaluations as well, is however rather ill-suited for addressing both variety and potential complexity. Aimed at identifying causal mechanisms their great strength is to make probable that what happened to a selected target population, at a specific moment in time, would not have happened if they had not participated in a given intervention. This holds the important potential for separating the meaningful interventions from the potentially harmful ones.

In order to learn more about how to help young adults gain successful transitions to education and employment, and which elements to include/consider in multicomponent active labour market programs, there is yet a need for:

- a) Multidimensional explorations of transitional variety and complexity,
- b) Expanding the study population so as to learn about the most disadvantaged young adults also targeted by active labour market policy, but so far underrepresented in Danish and international policy evaluations,
- c) Longitudinal descriptions of how periods of nonparticipation fit into youth *trajectories*, thus pertaining to the timing, order and duration of such episodes

In order to meet that need I now, in Chapter 5, present the potential of utilizing exploratory and descriptive methodological approaches in combination with Danish longitudinal administrative registers.

CHAPTER 5. METHODOLOGY AND DATA

In section 1.4 I argued that the issue of youth nonparticipation is not yet well understood and that an increased focus on how nonparticipation develops at the individual (micro) level might enable a more effective response to the challenges faced by contemporary young adults outside education and work. The need for addressing the various and potentially complex youth transitions in which unemployment and disadvantage unfolds is confirmed by the youth transitions literature and policy evaluation research reviewed in the previous chapter. This exposed some blind spots regarding:

- a. how disadvantaged youth transitions develop and
- b. what defines efficient interventions when targeting disadvantaged young adults who struggle with additional problems besides unemployment,

Utilizing a life course perspective as a general guiding framework, this thesis suggests that investigating youth nonparticipation as a multidimensional, dynamic state, embedded in social contexts might reveal new insights into how disadvantage and vulnerability develops. In this chapter, I briefly present the research design and methodologies adopted in order to investigate and provide answers to the research questions asked.

5.1. APPLYING AN EXPLORATORY AND DESCRIPTIVE APPROACH

The thesis consists of four different empirical studies each pursuing their own research questions and each adopting individual research designs. However, as indicated in Table 1.1, article I, II and IV take a fundamentally exploratory and descriptive quantitative approach. The above summarized blind spots thus invite methodological approaches that allows for scrutinizing, characterizing, documenting and mapping out the recognized problems anew. Utilizing a regression discontinuity design, in testing the effect of a recent policy change, article III is the sole representative of a clear-cut causal design. With the article thoroughly explaining this design, the following presentation focus on the methodological choices involved in the research design(s) of the remaining three articles.

While exploratory and descriptive quantitative approaches, as described in the previous chapter, have been gaining ground within the sociological literature on youth transitions, this approach is less conventional within policy evaluation research. Rather, a quasi-experimental and even experimental set-up is the pursued

standard. However, the combination of limited knowledge on effective interventions and continuous extensions of target populations within active labour market policy both emphasizes the importance of adopting research designs and methodologies capable of addressing various and complex life circumstances. This being said, an exploratory and descriptive research design also involves not being able to see the analytical roadmap as clearly as when testing hypotheses. In other words, it is risky business *“since it is not possible to know in advance if something novel will come out of the whole thing. And for an answer, you have to wait until you are well into the research process”* (Swedberg April 2018:2). In the following I reflect on (methodological aspects of) my own research process. And although this did, for most parts, implicate accepting and dealing with several sensations of uncertainty, the process continuously involved theoretically derived expectations, well-defined aims and carefully chosen means to get there.

5.1.1. SEQUENCE ANALYSIS AS A METHOD FOR LIFE COURSE ANALYSIS

Central in the research designs of article I, II and IV is the evolving techniques of sequence analysis. This methodology, on its own and in combination with other methods, lends itself well to the exploration of nonparticipation as process.

Introduced by Chicago sociologist Andrew Abbott, sequence analysis – or Optimal Matching – was originally aimed at studying social processes through a Chicago-school inspired focus on the temporal and spacial context in which they take place (Abbott 1997). Central to introducing optimal matching to the sociological toolbox was the heartfelt need, expressed by Abbott, to create a countermove to what he articulates as *“the takeover of causal imagery”* (Abbott 1997:1164). He elaborates:

The idea of a variable is the idea of a scale that has the same causal meaning whatever its context: the idea for example, that “education” can have “an effect” on “occupation” irrespective of the other qualities of an individual (...). Within variable-based thinking one allows for a few “interactions” to modify this single causal meaning contextually, but the fundamental image of variables’ independence is enshrined in the phrase “net of other variables” and in the aim to discover this net effect, whether through experimental or statistical manipulation (Abbott 1997:1152).

The quote illustrates the essence of Abbott’s provocative diagnosis. In his words, and as a representative of the Chicago-school tradition within which he was trained, *“Nothing that ever occurs in the social world occurs “net of other variables”. All social facts are located in contexts. So why bother to pretend that they are not?”* (Abbott 1997:1152). In his view, the predominant focus on establishing causalities between events and variables, characteristic for quantitative sociology from the 1960’ies and onwards, thus reflects a movement away from the central sociological

occupation of describing and understanding social activities as context-bound processes (Abbott 1992;1997).

However, in the early 1990's sociological literature of the life cycle (O'Rand and Krecker 1990) revived what Abbott defines as 'sequential conceptions', and in the literature on careers the concept of *trajectory* is emphasized as theoretically superior to the dominant focus on *transitions* (Rosenfeld 1992). At this time, event history analysis is the preferred method within longitudinal quantitative sociological research as it enables both a precise modelling of the timing and duration of central life events such as school-to-work transitions, marriage or child birth, and allows for establishing the covariates that cause such events to happen (Fasang 2008). As a reply to the revitalized interest in processes and trajectories, sequence analysis comes to represent a supplement to event history analysis in that it enables the researcher to address and explore sociological issues from a more holistic and context-specific perspective. Additionally, as pointed out by Fasang (2008), sequence analysis is able to include non-linear or non-standard trajectories. While event history methods focus on discrete events, individuals who never experience the event of interest are generally treated as censored:

While it is possible to specify different reasons for censoring as competing risks, societal groups that do not experience the transition of primary interest in event history models are usually grouped together in one category of censored cases and are often under-researched (Fasang 2008:118).

A similar objection, that certain groups are left unexplored, can be made with regard to the policy evaluation literature on disadvantaged young adults. Aimed at establishing causal effects between interventions and standard outcomes such as employment or educational activity, estimates often turn out non-significant, presumably reflecting the difficult situations into which they intervene. And, as further demonstrated in the previous chapter, only a relatively small part of the total number of young adults, met with requirements of mandatory participation in ALMP's, have so far been included in quantitative evaluations. This demonstrates a need for methods that allow for studying non-standard trajectories in which it is difficult to know exactly what expectation to articulate beforehand and in which exploration and description thus become central analytical tools. For this task sequence analysis is suitable.

5.1.2. A BRIEF TECHNICAL INTRODUCTION

Adopting techniques from computer science and molecular biology, in which large databases are searched to determine the similarities and differences between DNA-strings, sequence analysis is basically a pattern search technique (Breiman 2001). As opposed to the data modelling culture representative of both event history analysis and many experimental and quasi-experimental methods, sequence analysis

is rooted within an algorithmic culture. An algorithm is thus applied to search for patterns between sequences of e.g. labour market trajectories. Through pairwise comparisons the algorithm establishes how many operations are needed to transform sequence A into sequence B. In the example below each trajectory consists of six years of labour market statuses.

Table 5.1: Example of labour market trajectories

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6
Seq. A	Studying	Studying	Studying	Working	Working	Working
Seq. B	Studying	Studying	Studying	Unemployed	Unemployed	Working
	-	-	-	<i>Difference</i>	<i>Difference</i>	-

In the original Optimal Matching procedure (OM), the comparison between sequence A and B relies on three different operations (insertions, deletions and substitutions) (see Abbott and Hrycak 1990). The researcher assigns a cost to each operation, which is then used in the comparison. The output is expressed as a metric distance between the two sequences. In the above example at least two operations (here with unspecified costs) are needed to turn sequence A into sequence B. Having compared all sequences within a dataset the distances – or dissimilarities - are typically used in further analysis such as clustering. This enables identification of ‘types’ of patterns by clustering the sequences based on their dissimilarity (Studer and Ritschard 2016).

The fundamental difference between the two data management cultures consists in the assumptions of how data is generated. In short, data modelling assumes that data is generated through an underlying stochastic process. This assumption allows for applying a long range of statistical rules when describing data and more importantly when making inferential statistics. Such rules establish what defines a valid result and thus aid the researcher in testing the statistical significance, in establishing confidence intervals etc. In contrast, sequence analysis, rooted within an algorithmic culture makes no assumptions on the process which generates data and thus lacks the same degree of well-established guidelines and statistical rules for evaluating the validity of outputs and results. This essential difference resulted in initial critique from representatives of established sociological methodology more or less dismissing the algorithmic approach altogether. This dispute, including objections as well as defences, is published in *Sociological Methods and Research*, volume 29, issue 1 from 2000 (see e.g. Abbott 2000; Abbott and Tsay 2000; Wu 2000).

Since the introduction of sequence analysis some thirty years ago, several adaptations and developments have been made improving the technique and addressing the issued points of critique. In 2010, Aisenbrey and Fasang publish their article “New Life for Old Ideas: The ‘Second Wave’ of Sequence Analysis Bringing the ‘Course’ Back into the Life Course”. They state that by ‘second wave’ they refer to “*refined techniques that enrich the toolbox of sequence analysis, widen the*

selection of sequence methods tailored to specific theoretical questions and nullify some of the justified criticism” (Aisenbrey and Fasang 2010:422). Their review thus elaborates on some of the, by then, most central methodological developments.

Since 2010 yet a large number of contributions have been made to the techniques of sequence analysis. In particular developments regarding the dissimilarity measures available in making comparisons between sequences. The OM procedure has thus been supplemented by a vast range of measures each paying particular attention to different issues of sequential timing, duration and order (Studer and Ritschard 2016). This enables the researcher to choose between measures depending on which feature the analysis explores, or wishes to pay primary attention to. Central to the choices made in this thesis, one of the measures, introduced by sociologist Laurent Lesnard, pays particular attention to issues of timing. As described earlier timing represents one of the guiding principles in life course analysis. In this perspective timing might refer to both the *age* or the *date* at which an individual is in a given state (Studer and Ritschard 2016).

Timing is central with regard to describing trajectories of nonparticipation and the ways in which such trajectories differ from the institutionalized time present in e.g. the educational system (article I and II). Timing is equally important when exploring what happens in the individual trajectory before and after the specific point in time when a new policy reform is implemented (article IV). Thus, the chosen dissimilarity measure in article I, II and IV is the so-called *Dynamic Hamming Dissimilarity Measure* (DHD). Apart from giving particular attention to timing, this measure differs from other in relying on data driven substitution costs only. By pairwise comparison, the Dynamic Hamming Dissimilarity Measure determines the number of transformations needed to align any two sequences. To each transformation is assigned a cost. While alignments based on the original OM procedure allowed for *deleting*, *inserting* and *substituting* one state for another this procedure spawned quite a lot of criticism relating to the fact that the researcher thereby changes the temporal structure of the sequence (Aisenbrey and Fasang 2010). The Dynamic Hamming Dissimilarity Measure accommodates to this criticism by exclusively relying on data-based and time-dependent transition frequencies (Lesnard 2006; 2010; 2014).

5.1.3. THE VALIDITY OF EXPLORATORY FINDINGS

As Swedberg concludes (2018), not much has been written about the exploratory research design. In his account it is defined as an initial state of inquiry in which the main aim is to a) uncover new grounds or b) uncover familiar ground in new ways. The next stage then is to test the findings in research designs involving different degrees of causal hypothesis testing and modelling. This definition matches well with the exploratory and descriptive aim of sequence analysis, which is often also applied as a first attempt to bring down complexity and sequential variation to a

more comprehensible typology. Integrating typologies in further analysis exemplify potential next steps, which also function as an assessment of the validity of sequential typologies and patterns. And while no common validation procedures have been agreed upon within academia, a set of sensitivity analyses and standards are developing across publications involving sequence analysis (see e.g. Anyadike-danes and Mcvicar 2010; Aisenbrey and Fasang 2010; Dorsett and Lucchino 2014; Elzinga and Studer 2015; Studer and Ritschard 2016). As I have relied on such ‘unofficial’ validation rules they will be briefly covered. In bullet points they include:

- Applying different dissimilarity measures
- Making test-samples
- Testing on small samples
- Defining different operation costs
- Exploring different cluster solutions
- Consulting cluster quality measures
- Including typologies in further analytical steps

The first four points refer to the sequence comparisons step. In this initial process I have typically created different and relatively small samples (below 1000 sequences) to make computational running time faster and to allow for testing the same dissimilarity measures on different random samples representing the same overall study population. Further, exploring the results gained from different dissimilarity measures sensitive to timing, have involved applying the standard Optimal Matching procedure but with high indel (*insertion* and *deletion*) values. This forces the algorithm to mainly use substitution costs as indel operations represent a more costly alternative (Studer and Ritschard 2016). Generally DHD and OM with high indel values generate very similar dissimilarities. The sequence comparisons step typically goes hand in hand with clustering (point 5 and 6) as this allows inspecting different cluster-solutions. As clustering represents a well described technique there exists a variety of cluster quality measures to consult in order to determine, which number of clusters best fit the data (Studer 2013). In assessing the cluster quality, I have primarily consulted the ASW measure, referring to “Average Silhouette Width” (Kaufman and Rousseeuw 1990). When high (ranging between 0 and 1), this measure indicates that distances between clusters are high and that distances between sequences within each cluster are low (Studer 2013). Apart from consulting quality measures this step also involves paying attention to the analytical aims of describing temporal differences between sequences. My general experience using ASW is that it favours cluster solutions including a maximum of 3-4 clusters. However, this often did not express the temporal nuances within the main patterns visible when opting for a larger number of groups. Across articles, this has resulted in deviating from the cluster solution recommended as the “best fit” according to cluster quality measures. Finally, using the sequence typology in further analytical steps also provides a way of assessing the reliability of the groupings identified.

Using the sequence typology as outcome in multinomial regression article II thus provides substantial insight into how selected background and childhood characteristics associate significantly with different types of transitional disadvantage unfolding after age 16.

With the continuously growing techniques, and a corresponding development in computational software to back it up, sequence analysis is today referred to as a key method in life course analysis and career studies (Studer and Ritschard 2016). However, as pointed out by Fasang, sequence analysis is not a uniform method and referring back to Abbott, she emphasizes that *“sequence analysis will probably always be less standardized than methods in the data modeling tradition, since it requires more customized approaches depending on the data and problem at hand”* (Fasang 2008:138). That being said the final section of this chapter briefly presents the data at hand in this thesis.

5.2. ADMINISTRATIVE REGISTER DATA

The tables below give a short description of the four datasets used in the article-work. All data access has been provided through Aalborg University’s server at Statistics Denmark.

Table 5.2: Dataset constructed for article I: The temporality of being NEET – longitudinal evidence of NEET-occurrences among young adult Danes

Population	Individuals born between 1982 and 1989 with at least one episode outside education and employment between age 16 and 24 and with no more than 12 months abroad within this age span (N=16.314).
Data period	1998-2013
Registers	Population Register (BEF) Family Register (FAM) Register on Public Transfers (DREAM), weekly entries Education Register, all entries (KOTRE) Education Register, attainment levels (UDDF)
Description	The dataset contains information on gender, ethnicity, birth-cohort, highest attained education level (HAE level), mothers and fathers HAE levels, family structure at age 16, assigned disability pension and active labour market interventions. The register on public transfers and the educational registers are used to construct individual sequences of 108 months (9 years) from age 16-24. Each month expresses whether the individual is NEET (not in education, employment or training) or not. Being NEET is operationalized in independent NEET spells. The available sequence states are NEET01, NEET02, NEET03, NEET04, NEETPLUS (including five or more NEET-occurrences

	between age 16 and 24) and OTHER (including employment or education).
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Table 5.3: Dataset constructed for article II: A Typology of Transitional Disadvantage - Accumulation of risk and adversity during the early life course

Population	Individuals born between 1982 and 1985 experiencing at least one six-months-long sequence of nonparticipation between age 16 and 20 (N=2.907)
Data period	1982-2015
Registers	Population Register (BEF) Family register (FAM) Register on Public Transfers (DREAM), weekly entries Register of Social Assistance, out-of-home-placements (BUA) Register of Social Assistance, preventive interventions (BUFO) Education Register, all entries (KOTRE) Education Register, attainment levels (UDDF)
Description	The dataset contains information on gender, ethnicity, birth-cohort, teenage parenthood, highest attained education level at age 16 and in total (HAE level), whether or not HAE level is attained before or after age 20, mean number of months NEET, mothers and fathers HAE levels, family structure at age 16, childhood interventions (age 0-15), out-of-home placements (age 0-15). The register on public transfers and the educational registers are used to construct individual sequences of 60 months (5 years) from age 16-20. Each month expresses the main activity operationalized in the states: education, employment, NEET or disability pension. Finally at age 25 and 30 a measure of maternity leave is included.

Table 5.4: Dataset constructed for article III: Incentive effects of cash benefit for low educated young adults

Population	Individuals born in 1984 and 1985 who turn 30 during 2014 and 2015, with no education beyond Danish high school degree (N=4.963).
Data period	2012-2016
Registers	Population Register (BEF) Family Register (FAM) Register on Public Transfers (DREAM), weekly entries Education Register, all entries (KOTRE) Education Register, attainment levels (UDDF)
Description	The dataset contains information on gender, ethnicity, birth-cohort, highest attained education level (HAE level at age 29), family structure at age 29, child-birth(s) (measured at age 29) and visitation category. Further is included a measure of entering education after january 1 st 2014, of exiting education at age 30 and

	<p>the reason for exiting (non-completion/completion).</p> <p>The DREAM database is used to construct weekly measures in order to identify the week in which the individuals turn 30, as well as to determine activities before and after age 30. Activities include cash benefits, education (study grant), employment (registered income) and self-support (by other means than employment)</p>
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Table 5.5: Dataset constructed for article IV: Exploring unemployment and health among disadvantaged young adults – a life course perspective on new target populations for social policy

Population	Case benefit recipients below age 30, categorized as activity-ready (within first quarter of 2014) with no professional/vocational education (N= 22.256).
Data period	2012-2015
Registers	<p>Population Register (BEF)</p> <p>Register on Public Transfers (DREAM), weekly entries</p> <p>Education Register, attainment levels (UDDF)</p> <p>Register on Outpatient Treatments (SYAM)</p> <p>National Patient Register, hospital admissions (LPRPOP)</p>
Description	<p>The dataset contains information on gender, ethnicity, birth-cohort, highest attained education level (HAE level), mothers and fathers HAE levels, family structure at age 16, assigned disability pension and active labour market interventions.</p> <p>The register on public transfers, the educational registers and the registers on outpatient treatments and hospital admissions are used to construct individual sequences of 48 months (4 years) from 2012-2015, the reform being implemented in January 2014. Each month expresses the combined state of two dimensions: a) a labour market related status (education, employment, NEET or disability pension. And b) a status on health (in hospital/outpatient treatment or not in hospital/outpatient treatment). The available sequence states are:</p> <ul style="list-style-type: none"> - CashAndEdu_ill: cash benefit/educational help recipient and IN hospital/ outpatient treatment - CashAndEdu_well: cash benefit/educational help recipient and NOT in hospital/ outpatient treatment - NoIncome_ill: Self-supported (by other means than employment) and IN hospital/ outpatient treatment - NoIncome_well: Self-supported (by other means than employment) and NOT in hospital/ outpatient treatment - OtherBenefit_ill: receiving other public benefits and IN hospital/ outpatient treatment - OtherBenefit_well: receiving other public benefits and NOT in hospital/ outpatient treatment

	<ul style="list-style-type: none"> - OwnIncome_ill: Self-supported and IN hospital/ outpatient treatment - OwnIncome_well: Self-supported and NOT in hospital/ outpatient treatment - StudyGrant_ill: Studying and IN hospital/ outpatient treatment - StudyGrant_well: Studying and NOT in hospital/ outpatient treatment.
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CHAPTER 6. SUMMARY AND CONTRIBUTIONS OF THE FOUR ARTICLES

This chapter summarizes findings and presents the main contributions from each of the four empirical studies. In Chapter 7, the findings are discussed before concluding in Chapter 8, along with suggesting future avenues for research on nonparticipation and disadvantage among young adults.

6.1. THE TEMPORALITY OF BEING NEET – LONGITUDINAL EVIDENCE OF NEET-OCCURRENCES AMONG YOUNG ADULT DANES

In the first article, I assess the quality of the NEET concept by examining the following question:

How does NEET occurrences develop and is the NEET concept a precise proxy of young adults at risk of social exclusion?

The article is based on a randomly selected 10 percent Danish population sample of individuals born between 1982 and 1989 who experienced at least one episode outside education and employment between age 16 and 24 and who did not spend more than 12 months abroad within this age span (N=16.314). The analysis contributes to the literature in two ways. Firstly, in utilizing sequence analysis and cluster analysis it offers a longitudinal framework for understanding how episodes outside education and employment develop. This supplements the so far dominant cross-sectional approach applied in the literature on the issue of young adults NEET. Secondly, the study disaggregates the category of young adults NEET into different clusters based on the timing, frequency and duration of experienced NEET episodes. This helps us in a) comprehending the diversity of young adults captured with the NEET concept, and b) identifying the types of trajectories that *do* seem to hold a risk of social exclusion.

The results show that the trajectories followed from age 16 to 24, by four out of five young adult Danes labelled NEET, express no indications of social exclusion. For the remaining fifth of the study population one of two possible trajectories are typical: Either an early NEET-episode develops into a long-term condition, or their trajectory consists of a combination of early *and* frequent NEET-occurrences indicating a churning between episodes NEET and episodes of employment or education. When including measures of active labour market interventions the

findings further suggest that such interventions to some extent mitigate the consequences of entering the NEET category. The participation rate in unemployment-related activation is thus high for the majority of young adults whose trajectories do not indicate social exclusion. This suggests that situations of accumulated difficulty, such as repeated spells of unemployment, may have been avoided. However, the results also raise questions. It would thus be relevant to investigate the background characteristics among those young adults, who do not receive sufficient help to exit the NEET category, and it would be interesting to explore their engagements with the labour market to determine if this adds to their precarious situation.

6.2. A TYPOLOGY OF TRANSITIONAL DISADVANTAGES – ACCUMULATION OF RISK AND ADVERSITY DURING THE EARLY LIFE COURSE

The second article takes off where article I ends in exploring what happen in trajectories where NEET-episodes become more continuous. The article investigates:

What characterizes disadvantaged school-to-work transitions and how does this relate to indicators of childhood adversity?

Article II is based on a selected sample of (Danish) individuals born between 1982 and 1985 experiencing at least one six-months-long sequence of nonparticipation between age 16 and 20 (N=2.907) and contributes to two fields of literature. In using sequence analysis to develop a longitudinal typology of transitional disadvantage it first adds to the literature on contemporary youth transitions. Aside from a few examples, this literature is dominated by studies depicting the transitional characteristics for various birth cohorts of young adults and often within a comparative framework. Instead, I use a selected sample of young adult Danes all born after 1980 and all experiencing continuous episodes outside education and employment between age 16 and 20. This provides in-depth insight into how disadvantage develops among contemporary young adults growing up in a Scandinavian welfare state with a highly structured educational system. Secondly, using the sequence typology as dependent variable in multinomial regression, the study adds to the literature on cumulative disadvantage and family lineage by considering associations between very early stages in the life course. This contributes to a literature with a predominant focus on how cumulative disadvantage affects inequality and life outcomes in old age.

The study identifies five groups of young adults with distinct transitional characteristics unfolding between age 16 and 20. The results suggest that transitional disadvantage, for more than half of the selected study population, develops as a process of educational and employment related difficulties, which are ultimately

replaced by long periods of nonparticipation before age 20. Using the typology as outcome-variable the study establishes that such patterns of transitional disadvantage are significantly related to very early signs of risk such as non-completed compulsory levels at age 16, an unstable family background and out-of-home placement before age 16. However, while cumulative inequality theory seems relevant as an explanatory framework for this majority of young adults, it does not explain the difficulties met by the remaining approximately 40 percent of the sample. The disadvantages they face occur later and do not seem related to neither early childhood risk exposure nor inequalities handed over from previous generations. Part of their difficulties – as representatives of the 1982 -1985 birth cohorts - seems conditioned by a post-crisis labour market recovering from high youth unemployment rates, thus offering fewer entries for newly graduates and young adults with no or low degrees of labour market experience.

6.3. INCENTIVE EFFECTS OF CASH BENEFIT FOR LOW EDUCATED YOUNG ADULTS

Article III was co-authored with Jacob Nielsen Arendt. We estimate the effect of a Danish employment policy that was introduced in 2014 and which targets young adult cash benefit recipients without education. We address the following question:

How are policy induced economic incentives related to outcomes of cash benefit and education among subgroups of low educated young adults?

Based on a 10 percent random population sample of young adults born in 1984 and 1985 who turn 30 during 2014 and 2015 we select those no with education beyond Danish high school degree (N=4.963).

The study contributes to the sparse literature estimating causal impact of income transfer programs on unemployed and low educated young adults. Specifically the study considers what happens at age 30 by which time the level of cash benefit, as an effect of the Cash Benefit Reform of 2014, increases for some benefit recipients thereby potentially creating a so-called incentive effect. The study further extends estimates to other outcomes than employment and cash benefit rates, looking specifically at education. This is motivated by the policy context involving a strong push towards education. By reporting independent effect estimates for education-ready and activity-ready young adults, as well as young adults without a visitation category, the study extends our knowledge of the consequences of contemporary youth policy based on reduced benefits and conditionalized welfare.

The study finds a small general effect on increased cash benefit rates among young adults with low qualifications very close to age 30. This increase seems likely to be explained by a decreasing rate of educational activity. Including politically defined visitation categories, intended to assess the young adult's readiness to enter into

education, the effect shows to be driven almost exclusively by young adults categorised as education-ready. Along with facing the largest economic incentive, they no longer face an educational demand when reaching age 30. When allowing time to adapt to the policy changes the cash benefit rate increases with 6 to 12 percentage points. In the same period, their education rate drops with 5 to 7 percentage points. Furthermore, an estimated 2 to 4 percent leave employment while 2 to 3 percent leave a status as self-supported at age 30 in favour of (re-)applying for cash benefits.

The main conclusion from the study is that the small general effect masks much larger responses for the group of young adults categorized as education-ready. While all received cash benefits prior to age 30, some respond as intended to the strong push towards education and then at age 30 some re-enter the cash benefit system. Conceiving of this result, it may well exemplify an unintended effect of a labour market reform pushing unemployed youth beyond their abilities. At least it emphasizes the importance of reflecting on what defines meaningful and achievable educational demands, for young adults with no or low educational qualifications when close to age 30.

6.4. EXPLORING UNEMPLOYMENT AND HEALTH AMONG DISADVANTAGED YOUNG ADULTS – A LIFE COURSE PERSPECTIVE ON NEW TARGET POPULATIONS FOR SOCIAL POLICY

Finally, article IV directs attention to the group of young adult cash benefit recipients targeted by the Cash Benefit Reform of 2014 under the shared label as *activity-ready*. This group includes young adults who in addition to unemployment struggle with social, health related or educational difficulties. I ask:

What do we learn about disadvantaged young adult target populations, when studying combined health and labour market trajectories during a period of policy change?

The article is based on the total population of the first “reform-cohort” including young adults below age 30, who received cash benefit, who were categorized as activity-ready and who held no professional/vocational education (N= 22.256). The study contributes to the sparse Danish and international policy evaluation research on young and disadvantaged target populations. By exploring multidimensional unemployment trajectories among activity-ready young adults the study provides descriptive evidence of the life circumstances within which the Cash Benefit Reform engages in an attempt to repair.

The study arrives at three main findings. First, including health as part of a multidimensional unemployment trajectory reveals that almost half of the activity-

ready young adults are affected by either long continuous episodes of hospitalization and outpatient treatment, or shorter but frequent disruptions throughout the observation period. Second, including time before and after policy implementation allows for a distinction between three profiles of participation. While a large majority of the affected young adults (60 percent) *stay* on cash benefits throughout, another 20 percent *leave* cash benefit after 2014 in favour of other benefits, education or employment while the remaining 20 percent *enter* cash benefit during the observation period after periods with educational activity or longer episodes as self-supported (without an income). Across participation profiles, the analysis thirdly documents high levels of participation in active labour market interventions prior to as well as following the reform implementation. This exposes the political dichotomy between ‘passive’ and ‘active’ benefit recipients as flawed and questions the political presumptions on which the reform-design rests.

Altogether, the study documents that the large majority of the targeted activity-ready young adults deal with long-term problems, of which ill health constitutes a central part. This emphasizes the importance of temporally flexible labour market interventions, which can adapt to and incorporate health care services when needed in the individual unemployment trajectory.

CHAPTER 7. DISCUSSION

The four articles of the thesis suggest that far from all episodes of youth nonparticipation present a risk of social marginalization, and that the Danish welfare state, by means of active labour market policies (amongst other), seems able to prevent most single episodes of nonparticipation from developing into more permanent states (article I). However, for about one in five who experience nonparticipation, such interventions are not sufficient to mitigate a glide into long-term inactivity. The thesis shows how patterns of early transitional disadvantage (before age 20) develop through a process of educational and employment related difficulties. The risk of entering such transitional patterns further seems to increase with the presence of various childhood risk factors, and processes of accumulated disadvantage can be traced all the way up to age 30 (article II). At this age, low educated young adults, who have managed to leave a position as welfare benefit recipients in favour of taking up educational activities, seem to experience an increased risk of returning to welfare benefits (article III). Concerning the young adult benefit recipients considered furthest away from entering ordinary education and employment the thesis finally suggests that frequent or lasting health issues, in addition to unemployment, represent a dominant aspect of their life (article IV). Looking across articles three themes emerge.

Firstly, the articles reveal high levels of participation in labour market oriented activation, despite the seeming passivity of holding a position outside education or employment. This is perhaps not surprising as the focus within active labour market policy during the past decade has been on participation, particularly so with the recent Cash Benefit Reform in which the final category of temporarily passive was removed. This finding however, challenges the prevailing political dichotomy between ‘passive’ and ‘active’. Instead of identifying nonparticipation (or passivity) as the main problem and ordinary participation (or activity) as the solution, the thesis results suggest a more nuanced and indistinct picture. The general finding (in articles I and IV and to some extent article III) of high levels of participation in active measures among young adults not in education or employment rather directs attention to the *quality* of participation. In addition to discussing the risks of nonparticipation and aiming for moving non-participating young adults towards ordinary participation, we might also discuss the risks of participating in activities, which do not effectively interrupt the development of educational difficulty, identified in article II. In that situation education and training (as part of an active labour market policy) might, as suggested by Thompson, *operate as little more than a ‘warehouse’ for disadvantaged young adults* (Thompson 2017:761).

Secondly, in studying early transitional processes that involve nonparticipation, the thesis evidently points towards the structural components of disadvantage. For some young adults, transitional difficulty and disadvantage is thus associated with poor

childhood conditions, while for others it seems related to entering a post-crisis labour market still recovering from high youth unemployment rates. This suggests that the behavioural strategies applied today within active labour market policy might not, if standing alone, adequately address the problems encountered, thus entailing a risk of further marginalizing part of the youth population already on the margins.

Thirdly, the thesis results reflect the importance of long-term multidimensional strategies as part of the response to the documented difficulties among disadvantaged young target populations – difficulties that, for many, also include recurring or permanent health issues. To some extent, the need for differentiated support was addressed upon implementing the Cash Benefit Reform. In the reform text, it is thus stated that, “*The political parties agree that activity-ready benefit recipients should receive a holistic effort including a right to a coordinating social worker*” (The Danish Government 2013:7). And further that “*The sanction system must take into account that activity-ready benefit recipients not always have the ability to live up to the demands made on them*” (The Danish Government 2013:9). Although still existing side by side benefit cuts, increased conditionality and mandatory activation, such formulations create a (potential) basis for what has been referred to as ‘personalised social and employment services’ (Caswell and Larsen, forthcoming). In short, this involves attending to the diverse needs present within the very heterogeneous group of benefit recipients. Activities that hold a potential of bringing disadvantaged young adults forward in their life could thus involve developing multicomponent interventions, which can be adapted to the individual situation and which integrate services across welfare service providers. While one might fear for the longevity of the above-formulated political intentions, the thesis results highlight the importance of paying additional attention to more pervasive opportunity structures surrounding disadvantaged young adults. As suggested by Schoon and Lyons-Amos (2016), this might involve creating alternative pathways to long educational tracks as well as alternative social investments than the dominant strategy of investing in human capital (such as mandatory education for all). In a political environment where the current answer to the question of what works speaks in favour of behavioural strategies and conditionalized welfare, this thesis makes visible that some of the problems addressed are essentially structural.

7.1. WHAT IS THE ADDED VALUE OF THE RESEARCH DESIGN?

Initially, this thesis was motivated by the dominant discourse within Danish policy and – to some extent – policy evaluations pursuing answers to the question of “*what works*” with regard to youth unemployment and nonparticipation. Arriving at good answers is important; nonetheless, as I argue throughout the thesis, such answers might benefit from approaching the issue from a different point of view, by asking different questions. As reflected in the choices made regarding theory and methodology this undertaking has been two-sided: Firstly, I attempt to offer new

dimensions to the answer by applying a range of descriptive and exploratory techniques and quantitative methods, thus addressing the longitudinal and multidimensional sequencing of unemployment and inactivity and the timing, frequency, duration and order with which such events occur. Secondly, I apply a theoretical perspective, which insists on taking into consideration the context surrounding the individual, in the form of historical, institutional and familial structures. The main research question thus reflects the expectation that a life course perspective on nonparticipation, combined with methods suited for addressing multidimensional, dynamic and longitudinal aspects of the issue, holds a potential of generating new insights. So, what is the benefit, one might ask.

I would argue that the specific combination of life course theory and exploratory/descriptive methods represents a framework for doing policy analysis supplementary to the ones already existing. Without losing sight of the main issue this framework removes focus from asking *what works* to asking *what happens*. I believe this is a relevant as well as valid strategy for policy analysis on target populations for whom it is difficult to identify effects and where stand-alone interventions seldom seems to “work”. The framework reflects a main interest in what goes on at the individual (micro) level. This change of focus has enabled me to address and explore the “complexity” or “heterogeneity”, which is often referred to in analyses of disadvantaged or vulnerable individuals, but which - at least in a quantitative setting - has proved difficult to handle. In addition to exploring patterns of participation and nonparticipation, the framework enables the researcher to identify institutional imprints or lack thereof on transition processes - in this case the process of transitioning from school to further education and/or employment. This makes visible transition patterns in which the institutional setting is somehow unable to provide the risk management and opportunities necessary for preventing disadvantage from accumulating.

Further, but related to this, I consider the approach beneficial as a way to survey rich empirical material in order to break it down into a more accessible and comprehensible matter. In introducing sequence analysis to the field of policy analysis, I have tried to expand the existing vocabulary on nonparticipation and disadvantage among young adults. The possibility to treat holistic sequences as units of analysis might benefit future research on the types of experiences young adults have when transitioning from school to further education and employment. Sequence analysis has thus proved to be a relevant instrument in the toolbox of social science and social policy research. In order to strengthen this relevance and “to convince a broader audience of its usefulness” (Fasang 2008:268), the guidelines for a normative evaluation of sequence analysis, as pointed out 10 years ago by Fasang, still need to be further developed.

CHAPTER 8. CONCLUSION

This thesis has aimed to extend our understanding of nonparticipation and disadvantage among contemporary Danish young adults. During the past decade, the share of young adults outside employment and education has increased, while shifting governments gradually have made welfare services conditional upon active participation and while processes of individualization have changed conditions for the individual life course. This invites questions such as: What does it mean to be disadvantaged within this setting? Is nonparticipation equal to disadvantage? And how might it be responded to politically? By combining a sociological life course perspective with (predominantly) exploratory and descriptive quantitative methodologies, and by utilizing Danish administrative registers, the thesis has examined the following overall research question:

In what way does a life course perspective on nonparticipation among contemporary young adults contribute to our understanding of how disadvantage develops within the Danish welfare state?

It followed from the literature review in Chapter 3 that research on youth transitions offers a limited coverage of how nonparticipation and disadvantage develops within school-to-work transitions with regard to the timing, order and duration of such episodes. Further, the policy evaluation literature demonstrated how interventions targeting youth unemployment and nonparticipation exhibit limited effect on expected outcomes. In addition, the most disadvantaged young adults facing problems besides unemployment are underrepresented in Danish as well as international policy evaluations. Thus, set within the context of the Danish welfare state, articles I and II both explored longitudinal patterns of school-to-work transitions among young adults experiencing episodes (article I) and longer periods (article II) outside education and employment. Articles III and IV directed attention towards sub-groups of young adults targeted by active labour market policies as a consequence of not participating in education or employment, including new target populations of young adults who in addition to unemployment struggle with social, health related or educational difficulties.

In Article I, I assessed the quality of the NEET concept as a quantitative identifier of young adults age 16-24 at risk of social exclusion. I first defined a longitudinal framework for exploring how episodes outside education and employment develop and second disaggregated the category of young adults NEET into different clusters based on the timing, frequency and duration of transitional NEET-occurrences. The results showed that one in five trajectories involving NEET-occurrences expressed indications of social exclusion. Either an early NEET-episode developed into a long-term condition, or the trajectory consisted of a combination of early *and* frequent

NEET-occurrences. When including measures of active labour market interventions the findings suggested that interventions to some extent mitigate the consequences of entering the NEET category. I argue that the ambiguity contained in the NEET concept, when applied on Danish registers, highlights the necessity to discuss the applicability of the concept in cross-national comparisons.

In Article II, I explored what happens in school-to-work trajectories where NEET-occurrences become more continuous. I identified five groups of young adults with distinct transitional characteristics unfolding between age 16 and 20. For more than half, initial educational or employment related activities were ultimately replaced by long periods of nonparticipation before age 20. Multinomial regression analysis established that such patterns were significantly related to very early signs of risk such as non-completed compulsory levels at age 16, an unstable family background and out-of-home placement before age 16. For the remaining young adults disadvantage occurred later at age 25 or age 30, suggesting that their difficulties instead were conditioned by a post-crisis labour market recovering from high youth unemployment rates. I argue that this calls for highly differentiated policy responses, based on an awareness of the social structures of families, within which disadvantage may be passed on and accumulated, as well as awareness on generating opportunities within the subsystems of education and the labour market.

Articles I and II both expose early transitional processes involving nonparticipation. They reveal that far from all NEET-occurrences develop into long-term engagements and that the subsystem of active labour market policies seems to represent a modifying element. However, for one in five young adults the Danish welfare setting is not able to alleviate NEET-occurrences from developing more fundamentally into trajectories of transitional disadvantage. The results suggest that structural components of both family lineage and welfare setting are involved in this development. In the discussion, I argue that the use of behavioural strategies within active labour market policy might not, for this potentially “high-risk” group, adequately address the problems they encounter.

In Article III, Jacob Nielsen Arendt and I estimated the effect of a Danish employment policy introduced in 2014 targeting young adult cash benefit recipients with low education. The study considered what happens at age 30 by which time the level of cash benefit increases for some benefit recipients thereby potentially creating a so-called incentive effect. The study estimated outcomes of employment, cash benefit and education rate. The study finds a general small effect on increased cash benefit rates among young adults with low qualifications very close to age 30. This increase seems likely to be explained by a decreasing rate of educational activity. The effects shows to be driven almost exclusively by young adults categorised as education-ready. When allowing for time to adapt to the policy changes the cash benefit rate increases with 6 to 12 percentage points. In the same period, their education rate drops with 5 to 7 percentage points. We conclude that

the small general effect masks much larger responses for the group of young adults categorized as education-ready and that this may well exemplify an unintended effect of a labour market reform pushing unemployed youth beyond their abilities.

In Article IV, I studied combined health and labour market trajectories unfolding before and after the implementation of a Cash Benefit reform in 2014. I included targeted young adult cash benefit recipients (age 18-30) categorized as *activity-ready* and thus considered far from entering ordinary employment or education. The study revealed that almost half of the young adults were affected by either long continuous episodes of hospitalization and outpatient treatment, or shorter but frequent disruptions throughout the observation period. Regardless of whether the young adults stayed, left or entered cash benefit during the observation period, the analysis documented high levels of participation in active labour market interventions prior to as well as following the reform implementation.

Articles III and IV differentiate between politically defined subgroups. This is important since target populations today have expanded to the most disadvantaged benefit recipients and since policy effects are often only estimated as an average effect for those with unemployment as the main problem. I show how the large majority of activity-ready young adults deal with long-term health-related problems. In the discussion, I argue that this emphasizes the importance of temporally flexible labour market interventions, which can adapt to and incorporate health care services when needed in the individual unemployment trajectory. More generally, I argue that the political dichotomy between ‘passive’ and ‘active’ benefit recipients is misguided. Despite the seeming passivity of holding a position outside education or employment, the articles (I, III and IV) indicate high levels of compliance with and participation in labour market oriented activation. Instead of identifying nonparticipation (or passivity) as the main problem and participation (or activity) as the solution, this directs attention to the *quality* of participation. In addition to discussing the risks of nonparticipation, we might also discuss the purpose of participating in activities, which do not effectively interrupt processes of educational difficulty as identified in article II, or processes of multiple long-term challenges as identified in article IV.

8.1. FUTURE RESEARCH

While some ground has been covered with this thesis, obviously there are still questions left for future research to investigate.

One of the steps I did not manage to take while working on the thesis was to combine the knowledge from the various sequence types with qualitative data. The first outline of the thesis disposition thus included an article on the combined knowledge from sequence typologies and qualitative interviews with individuals representing different sequence types. This I believe still represents an interesting

pursuit for future research. First, it would fill a gap left in this thesis with regard to *agency* and how individual agency is expressed e.g. in trajectories of transitional disadvantage (also central in the life course perspective). Second, the combination of empirical material represents a further source for testing the validity - and thus policy relevance - of sequence findings.

As touched upon in Chapter 2, some of the findings from the LISES project, particularly those relating to system complexity and the potential of integrating services, speak more or less directly with the sequence findings of article IV. However, in order to qualify future discussions on the need or potential in multicomponent active labour market interventions, such similarities would benefit from further investigation.

Finally, future research on nonparticipation among youth populations would benefit from more extensive analyses of the type of activities lying beneath the different sequence states. Thus, the states of employment/unemployment would benefit from more analytical clarity of the types of employment taken on by young adults and what type of jobs they enter and exit, as well as the level of working hours. This would contribute with important insight on which type of engagement potentially contributes to or helps mitigate a precarious situation. The same can be said with regard to participation in education.

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