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## **CHAPTER 1**

### **Conceptualising youth transitions in times of economic uncertainty:**

#### **A life course perspective**

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#### **Introduction**

The lives of young people are shaped by the economic circumstances and social contexts in which they live. In 2008 the world banking collapse, brought on by an overheated housing market in the USA and the deluge of 'sub-prime' mortgages, produced a tidal wave of economic consequences for employment and standards of living that have rightly come to be described as the 'Great Recession' (Bell & Blanchflower, 2011). Although there was much variation between countries and between regions in the way these effects were experienced, a common feature was that the damage was felt especially by young people trying to find their way from education into the labour market and adult employment. The consequences were variable depending on where, when, in what circumstances and at what age the transition was attempted. But for some youths it would signal an enhanced likelihood of a life course marred by social and occupational exclusion.

While the overall effect of the Great Recession on employment outcomes is well documented (Bell & Blanchflower, 2011; Danzinger, 2013; Jenkins, Brandolini, Micklewright, & Nolan, 2013) there is less attention to variation within and between countries, the diverse pathways taken by young people in navigating a changing economic context, and the ways in which they adjusted to changing circumstances and opportunities. The unique contribution of this book is to bring together evidence from different countries, drawing on

comparable and mainly longitudinal data sources to investigate the impact of the Great Recession on the lives of young people and their families and to identify possible leverage for improving the situation of young people today.

The book advances the study of changing youth transitions, by examining both material and psychosocial aspects relevant to a better understanding of the consequences brought on by a sudden economic downturn and rising uncertainty among parents and their offspring on the threshold of adulthood. Key questions to be addressed include: How did the Great Recession impact on the education, employment and family transitions of young people? Who are the winners and the losers emerging from the economic downturn? What was the effect on psycho-social capabilities, health and well-being? Did these effects differ in different cultural contexts, for different subgroups in the population, and for different age groups? What policy interventions can potentially counteract deleterious effects? Although each chapter alone does not address all of these questions, as a set they contribute towards a better understanding of the multiple influences on young people's lives and provide a comprehensive overview.

The idea for this book grew out of an initiative by Walter R. Heinz in 2010 for a comparative project inspired by Glen Elder's seminal work on the 'Children of the Great Depression' (Elder, 1974). The global financial crisis and the subsequent economic recession have been creating conditions of continuing hardship for families and long-term consequences for growing up and later careers which are comparable, though not the same as the impact of the Great Depression. With a view to learning from the obvious parallels with the economic catastrophe spanning the 1930s this initiative brought together teams of researchers from Britain, the USA and Germany. The choice of countries was motivated by their shared status as developed economies with distinctive features of their labour markets - contrasting the neo-liberal deregulatory framework of the US and Britain with the corporatist and socially protective framework of Germany. This differentiation is reflected further in the quite different cultural assumptions and institutional structures for managing youth transitions, ranging from a focus on high school graduation in the US, multiple pathways in Britain, to the occupation- and employment-focused apprenticeship system of Germany. Another important factor was the existence of comparable national

household panels and other longitudinal datasets supplying the evidence base on which to found enquiry.

In a series of workshops, the authors developed their research ideas, and guided by a life-course approach, examined the evidence through the analysis of nationally representative and longitudinal data sets. Focusing on issues related to the transition to independent adulthood the significant role of societal institutions in different national settings became apparent in moderating the effects of socio-economic change for individual lives and intergenerational relations. For instance, the different routes taken through education to the adult labour market are shaped at the macro level according to each country's institutional arrangements for managing the transition from school to work.

Countries have responded differently to the challenges posed by the Great Recession, to a more or less beneficial effect (see Ashton, Mont'Alvao et al., Green & Pensiero, this volume). At the micro level the young person's transitions are not only shaped by available economic and structural opportunities but also through individual orientations and aspirations, prior educational performance, motivation and values; and in some instances young people were able to thrive despite the exposure to adversity. To take into account the role of individual agency processes the authors thus also address the impact of the Great Recession on achievement orientations and aspirations for the future as well as health and wellbeing, illustrating the interactions between structure and agency, how macro-economic changes filter down into affecting individual lives, and how individuals become producers of their own development.

## **Background**

### ***Contrasting labour markets***

The Great Recession hit the USA particularly hard (Grusky et al. 2012). It started there with the 2008 filing for bankruptcy of Lehman Brothers, followed by the collapse of the housing market then much of the rest of the investment banking system and was characterized by large market losses and drops in employment and wealth. Although the USA faced only a moderate decrease in GDP, unemployment rocketed with unemployment rates reaching an

exceptionally high level, especially among young people. However mainly through the injection of large quantities of public funding, “quantitative easing”, a recovery was achieved and has been maintained since.

In contrast, Germany was slower to enter into, and quicker to emerge, from the Great Recession, reflecting its stable banking and housing sectors. At the time of the 2008 downturn Germany saw a strong, but short decline in GDP, with unemployment rates even falling below the pre-recession level after a quick economic recovery. However, during the past 20 years Germany has experienced the strongest increase in economic inequality and poverty among the Organisation for Economic Development countries (OECD, 2008; Groh-Samberg, 2007), chiefly because of the sharp increase in low-wage and precarious employment since the mid- to late nineties, especially among young people (e.g. Carlin and Soskice, 2009), and through labour market de-regulation and introduction of welfare reforms during 2004/5 (see also Groh-Samberg & Wise; Blossfeld this volume).

Britain stands in between, with a similar strong recession-produced decline in GDP but slower recovery than in Germany. Because of its relatively weak employment regulations, the labour market in Britain reacted rapidly to the economic crisis: the unemployment rate rose sharply within a few months and there was an even steeper increase in the ‘underemployment’ rate, where a person wants to work more hours than is stated under their current employment contract (Walling and Clancy, 2010), or where a highly skilled person is working in low paying or low skill jobs. Countering this trend, since 2013 the economy has been recovering – but because of the reliance on such areas as housing, the recovery’s sustainability has been questioned (see Ashton this volume). Moreover, as in Germany there has been an increase in self-employment, which accounts for nearly three quarters of the overall growth in employment since 2008 (D’Arcy & Gardiner, 2014), insecure jobs including “zero hours contracts” and the growth of precarious employment (Standing, 2011).

### ***Impact on Youth transitions***

Young people on the cusp of independent adulthood are generally entering a make-or-break period in their lives in which external shocks have the potential to create diverging destinies (Evans, Schoon & Weale, 2012; Grusky, Western & Wimer 2012). As the economy contracts,

anticipated pathways into the labour market give way to uncertainty and risk, as the costs of staying on in education continue to increase, jobs fail to materialise or are often short-term and insecure. Due to the principle of 'last in first out', young people are particularly vulnerable to such economic fluctuations, especially when making the transition to work (see Blossfeld; Crosnoe & Smith; Groh-Samberg & Wise; Iacovou, this volume). The critical period of skills acquisition through education and work may then, instead of leading to a secure job and the foundations of independent adulthood, give way to drop-out, labour market drift and the problematic status of 'Not in Education Employment or Training (NEET)'.

The experience of NEET, in turn, may carry with it long-term 'scarring' effects on future job prospects and progression (Arulampalam, Gregg, & Gregory, 2001; Clark, Georgellis, & Sanfey, 2001; Dieckhoff, 2011) as employers see such inactive young people as lacking the key attributes of employability. Alienation, disengagement and mental health problems may follow as exclusion from the mainstream track towards adult life persists (see Cavanagh; Janmaat; Pförtner et al.; Leccardi; Mortimer et al., this volume). Even those young people on the relatively protected and advantaged pathways through higher education to the professions may confront increasing transition difficulties as career opportunities close down or are replaced by unpaid internships. The impact may then extend beyond the labour market, as partnership and parenthood, as well as independent living, are increasingly, and possibly perpetually postponed (Crosnoe & Smith; Lyons-Amos & Schoon; Wightman et al., this volume).

To gain a comprehensive understanding of youth transitions the chapters thus address not only experiences in the school-to-work transition, but cover a range of five objective marker statuses, the "Big Five" transition states (Shanahan, 2000), comprising the completion of full-time education, entry into paid employment, move to independent living arrangements, partnership formation and making the step into parenthood. In addition, the chapters also address the wider impact of the Great Recession on young people's achievement motivation and aspirations, their political values and engagement and their health and wellbeing.

## **A life course perspective**

An integrative framework for the study of changing youth transitions in times of economic uncertainty is offered within theories of life-course development (Elder, 1974/1999, 1998; Elder & George, 2006; Heinz, 2009; Heinz & Marshall, 2003; Schoon & Silbereisen, 2009). The critical contribution of life course theory is its focus on the role of socio-historical time in shaping individual development, and the conceptualisation of the developing person as a dynamic whole, characterised by person-environment transactions over time. Key themes of life course research comprise the role of the wider socio-cultural and historical context, the period of events, the importance of social relationships, and individual agency. Human lives are understood to be shaped by the socio-historical context and geographical locations in which they occur, which are themselves continually reshaped by human agency and through the wider socio-economic, cultural and environmental conditions, institutional regulations and policies.

### ***The role of context***

Focusing on issues related to the transition to independent adulthood within this framework, the role of societal institutions in different national settings becomes particularly significant – including how institutions moderate the implications of radical socio-economic change for individual lives and intergenerational relations. For example, the pioneering study by Glen Elder on “Children of the Great Depression” (1974/1999) illustrated that events beyond individual control, such as the Great Depression in the post-1929 era, brought severe hardship for family members living in Oakland, California. Regional variation in the ‘dustbowl’ effects of intensive farming, accompanied by the chronic droughts of 1934, 1936, and 1939–40, compounded environmentally the devastation of life chances and employment opportunities experienced, hitting some states and regions more harshly than others. The financial crisis that followed placed the strain on local industries differentially as reflected in varying unemployment figures. This was the situation until the advent of Roosevelt’s New Deal and wartime mobilization began to override them.

Glen Elder’s findings clearly illustrate the role of multiple interlinked contextual factors in shaping youth transitions. Yet, for a comprehensive understanding of changing

youth transitions it is imperative to not only examine institutional settings but to set current trends against pre-existing, longer-term trends. For the Great Recession this implies a trend towards extended transitions that arose as a result of labour market transformation and longer educational careers coupled with prolonged dependency on family resources since the 1970s (Banks et al, 1992; Bynner, 2001; Jones, 2009; Settersten & Ray 2010; Ashton and Bynner, 2011; also see Wightman this volume). Thus, one of the objectives of the contributions to this book is to separate out the “crisis effects” of the current recession from a pre-existing trend towards a prolonged entry into adulthood. A key question in this context is whether the Great Recession did speed up or slow down present trends towards a general prolongation of youth transitions.

### ***Linked lives***

Life course theory furthermore emphasises the role of social relations embodied in the notion of ‘linked lives’. The success and misfortune of a family, for example, is shared through its members. Lives are lived interdependently, and individual experiences are connected to the lives of significant others in the family, the community, at school and in the work place. Social relationships, in particular family support, including emotional support and financial backing as well as encouragement and advice, are generally significant factors in shaping young people’s lives. Yet the importance of parents in young people’s lives is affected by socio-economic change. For example, in Elder’s study, children’s perception of the relative influence of mother and fathers was affected by economic hardship. In particular fathers who lost heavily in the recession in terms of employment and income, were generally perceived as less powerful in family affairs than mothers. Moreover, boys and girls from deprived families were more oriented towards adults outside their family than the non-deprived, and boys in particular were highly involved in social activities with friends, relying on their companionship.

### ***Time and timing of transitions***

The idea of “socio-historical time” and the “timing” of developmental transitions are other important principles of life course theory. Time embodies the three parameters that any life course model needs to embrace - age, period and cohort (Schaie & Elder, 2005).

Variations in life course transitions over time are thought to occur because of the simultaneous operation of individual aging, period influences, and generational (or cohort) effects. The birth year of individuals locates them in an historical time and related social change. A cohort is defined by the point in time when an individual was born, and is sometimes also identified with “generation”, hence referring to individuals born at about the same time and therefore living in the same period of history, sharing the experiences of their age peers, which might be different for individuals born at different times. Period is defined as the point in time when observations of the individual are made e.g. before and after a recession together with the prevailing historical and cultural context in which the recession was experienced. Age signifies the developmental stage in terms of biological ageing that the individual has reached. Any two of these factors defines the third. For instance, by comparing different cohorts at similar ages we can assess manifestations of period effects, that is to say the impact of distinct historical events, such as the Great Recession, on individuals of a given age and cohort.

The effect of an economic downturn and associated hardship, for example, is expected to vary depending on the age of individuals and the birth cohort they are members of. Glen Elder’s study compared the experiences of different age cohorts, combining evidence from the Oakland Growth Study (birth years 1920-21) and the Berkeley Guidance Study (birth years 1928-29). He showed that young boys in the later born Berkeley Study were more negatively affected by family deprivation than those born in the earlier Oakland Study and found substantial evidence of adverse psychological effects in later life, including impaired self-esteem and lack of self-directedness and goals. The better adjustment of the Oakland cohort was partly due to the fact that the older boys from hard pressed families were more involved in adult life-tasks within the family economy which contributed to their feelings of confidence and self-directedness. The findings point to the critical role of the timing of events which can affect subsequent opportunities and behaviors.

The notion of “timing” describes the interweaving of age-graded trajectories, characterised by the timetabling and sequencing of distinct transitions such as school leaving, entry into work and family formation and how they interact with elements of the changing social world. The timetabling of social role transitions are subject to changing socio-cultural contexts and associated expectations, or scripts of life (Buchman, 1989). For



example, since the 1970s there had been a trend towards prolonged educational participation and a delay in family formation. Moreover, the timing of one transition can have implications for others. For example, the decision to leave school at the minimum age in the mid to late teens, or to continue along the routes to further and higher education, have profound implications for later career progression. At the same time, older age groups (e.g. between 25 and 34) while pursuing their employment careers following earlier educational investments made prior to the Great Recession will also be confronted with decisions regarding forming their own families and buying their own homes. Comparing the experiences of different age-groups and cohorts aids our understanding of social change (cohort-effects) and age-specific (developmental) factors in the effects of the Great Recession.

The authors of the chapters in this book thus set out to assess experiences of different birth cohorts, focusing on those born broadly between 1970 and 1990 differentiating between “cohort-”, “period-” and “age effects”, i.e. differences regarding transition experiences and outcomes at different ages and at different times. Finally, apart from “inter-cohort” comparisons variations within cohorts, i.e. between socio-economic, demographic, cultural and geographically located groups also need to be drawn into the picture. Attention to such “intra-cohort” effects is important in order to assess to what extent responses to the Great Recession varied for different social classes and subgroups in the population

### ***Human Agency***

When confronted with mounting economic pressures, individuals and their families often work out successful adaptations. They do so through their initiative or ‘human agency’. Through their choices and actions individuals were able to take advantage of opportunities and to tackle the constraints imposed of their socio-historical circumstances (Elder, 1974/1999). Often interactions with others, such as supportive teachers, exposed them to ‘turning points’ through which a negative pathway becomes a positive trajectory of achievement, driven fundamentally by their own motivation to succeed. Thus individuals are not passively exposed to experiential factors but can become producers of their own development, they help shape the context that affects them. Yet, life chances and opportunities are not equally distributed. They vary according to social origin, gender, age and

ethnicity. The importance of the life-course perspective for this book lies in the scope of its coverage in the investigation of how individual lives are mutually shaped by the socio-historical environment, institutional arrangements, personal characteristics, social relationships and decision making. The life course approach enables us to integrate process and structure and to link individual time (ageing) with historical time (period) for different cohorts born in diverse cultural settings.

The reported analyses cover a wide age range – 16 to 34 years - which is important because early commitments to work and/or continued schooling are highly cumulative (Bell & Blanchflower, 2011; Schulenberg & Schoon, 2012). The chapters capture not only the conventional school-to-work transition period, but also an earlier period during which crucial attitudes may be formed and decisions made. Coverage also extends to the later period, during which the longer-term consequences of early decisions are manifested. However, the observed age range does not enable us to ascertain later life accomplishments and transitions.

Besides more general international comparisons the chapters of the book focus particularly on the experiences of young people living in Britain, the USA and in Germany. The approach enables a deeper understanding of transitions towards independent adulthood in varied forms of two neo-liberal economies with similar levels of youth unemployment (USA and Britain) and the corporatist social protectionist economy in Germany. As we have seen, the latter experienced a relatively mild recession and a strong recovery.

Central to the research enterprise is the use of longitudinal data from a range of cross-national sources to portray and model the short- and long term and processes through which youth transitions are achieved and the individual life course is constructed. The household panel study and longitudinal cohort study data collected in the UK, the USA and Germany lend themselves especially well to life course analysis (Bynner, 2016) and are a particularly important feature of the analyses presented. Cross sectional international survey data also supplies the wider international context in which the comparisons between countries are made.

## **Outline of the Book**

The book's structure comprises six sections guided by the key principles of life course research. Following this introduction, the next section examines the role of the socio-economic context in shaping youth transitions. Then we move to the topic of variations in the timing and sequencing of education and employment transitions across different countries. This brings us to the role of social relationships when we focus on the impact of the Great Recession on families and family life. The next section assesses the impact of the Great Recession on individual agency, examining effects on future orientations, wellbeing and citizenship. Our concluding overview draws together the main findings and insights gained from the research presented as a whole.

### ***Section II: The changing context of youth transitions***

This section examines the role of the wider macro-economic context and institutional settings in shaping youth transitions in different socio-historical contexts. The most striking distinction between our three countries is the centrality or absence of institutions for managing the transition from school to work. The distinction is most clearly manifested in variations of experience among young people encountering the German dual education system (VET) characterised by a strong social partnership framework between educators and employers when compared with the other two countries characterised by less structured systems of managing the transition from school to work. The effects of economic crises are reflected in the reduction of funds flowing not only into any form of VET but more widely into most facets of education and training and supported employment. Variations in the education system in turn affect the way in which the economic crisis is perceived and experienced by young people.

The chapter by *David Ashton* gives an insightful and comprehensive account of the globalisation process and how it affected the education and employment opportunities for young people in today's economy. He describes pre-existing trends in political and economic response to increasing globalisation, and how institutions can buffer and also shape the ways in which young people are affected. In particular, he illustrates the common pressures and trends in how global changes impact on national economics, and how these global

processes were mediated at the national level by the political and institutional structures in the USA, Britain and Germany. His analysis provides the background against which to interpret the findings from national panel data, highlighting variations in transition experiences before and after the Great Recession in these countries.

Taking a global perspective, the chapter by *Arnoldo Mont'Alvao and colleagues* examines the diverse consequences of the Great Recession on young people's education and employment transitions around the world. In particular, this chapter assesses how national differences in economic circumstances and institutional structures have affected youth directly through unemployment and poverty, indirectly via family hardship, and via diminished public services. It is argued that countries with more structured links between the school system and the labour market can somehow buffer the risk of rising youth unemployment, although the increased risk of unemployment among youth with weak educational qualifications cannot be removed. Family economic resources and support can also potentially buffer young people against the effect of the Great Recession, especially so in Southern European countries that are characterised by a weak welfare state and lack of social policies targeting young people. The key message of this chapter is that variations in policy and institutional structures play a vital role in shaping opportunities and transition outcomes of young people even in times of widespread and severe economic decline. It corroborates the analysis provided by Ashton and provides a wide range of examples from countries around the world.

Focusing on the role of institutional structures, in particular variations in the link between the school system and the labour market across different OECD countries, *Andy Green and Nicola Pensiero* examine the effect of different types of upper secondary education and training systems on skill outcomes and youth transitions between 2008 and 2011. They develop a typology of upper secondary education systems, taking into account the contextual influences of different labour market regimes and welfare systems. They then analyse the effects of these different education systems on skill outcomes, focusing on adult levels of literacy and numeracy. They find that the different education systems were able to protect young people to some extent against the effects of declining job opportunities following the financial crisis - but that the varying effects of the crisis on youth transitions across countries were most likely due to different labour market conditions. Their findings

confirm the argument made by Ashton that it is the combination of institutional arrangements and labour market structures that matter in shaping young people's transition experiences in times of an economic downturn, and that national frameworks for political action remain an important leverage for change.

### ***Section III: Variations in education and employment transitions during times of economic hardship***

The chapters in this section examine variations in education and employment transitions across different age cohorts before (2004-2007) and during/after the (2008-2012) Great Recession, and across different countries. In particular, the chapters address questions regarding the timing of youth transitions, and whether the Great recession accelerated or slowed down pre-existing trends. Taking into account variations for different countries and subgroups in the population, it is possible to assess where on the socioeconomic spectrum the effects of the Recession were most acutely felt, and whether these effects were similar across different countries.

*Maria Iacovou* uses evidence from the European Union "Statistics on Income and Living Conditions (EU-SILC)" survey to examine a range of employment indicators (including part- and full-time employment, temporary work, inactivity and unemployment) relating to the lives of young people in all 27 member states of the European Union. Her chapter provides a backdrop to changing transition experiences before and after the 2008 recession. She shows that young people tended to be harder hit than older age groups in terms of the risk of unemployment, but that this risk varied considerably between countries, and that a range of strategies were available to mitigate the effects of the Great Recession on younger generations.

The chapter by *Rob Crosnoe and Chelsea Smith* examines changes in the transition to adulthood during the Great Recession, focusing on variations across different segments of the population and different types of young people. In particular they assess whether the Great Recession had either sped up or had slowed down pre-existing trends regarding the

assumption of educational, work and family roles. They use data from multiple age cohorts of young adults participating in the US National Longitudinal Study of Youth-Young Adult cohort. Their findings suggest that transitions into new social roles slowed down during the Great Recession, with higher education enrolment being the least affected and family formation the most affected status. There were no great variations in these trends by family socio-economic background or indicators of individual agency, suggesting that these factors had little effect in moderating the effects of the Great Recession.

*Jeremy Staff, Nayan Ramirez and Kelsey Cundiff* examine whether the decline in teenage employment alongside high school - a traditional “rite of passage” in the US context – is a cause for concern, especially in the aftermath of the Great Recession. Using data from the US High School Longitudinal Study they identify a positive effect of teenage employment, especially for young people who worked for a moderate amount of time (less than 20 hours per week), which will be lost if teenage employment continues to disappear.

*Olaf Groh-Samberg and Ramsey Wise* report on recession effects on employment transitions in Germany, using evidence from the German Household Panel Study (GSOEP). They find countercyclical patterns, as unemployment peaked in Germany in 2005, with less impact of the 2008 Great Recession. They argue that welfare reforms during 2004/5 have countered some of the recession’s effects – and also show that participation in the “dual system” of education and work-based training has become more popular during times of economic hardship, providing a smooth entry into the labour market. However, they also find an increasing polarization between upper and lower labour market segments, and that women, migrants and the low skilled are more likely to experience precarious transitions.

*Pia Blossfeld* examines the effect of the Great Recession on the transition to first employment among young men and women in East and West Germany. Using data collected for the German National Educational Panel Study (NEPS) she focuses on the time it takes to find a first job, the quality of the first job and whether the job is on a fixed-term contract. She tests whether the impact of the Great Recession varies between different occupational sectors, and therefore for men and women, finding that after the Great Recession young Germans needed more time to establish themselves in the labour market,

that fixed-term employment increased, and that labour market entrants started in higher status jobs than before the crisis. She argues that in the aftermath of the recession German companies tried to protect professional employment while many unskilled jobs were lost. Higher educated individuals had better chances to find employment, while unskilled young people were generally disadvantaged after the recession. There were no differences in employment opportunities for East and West Germans before and after the recession, although East Germans generally need longer than West Germans to find their first employment.

#### ***Section IV: The impact of the Great Recession on families***

This section turns to the impact of the Great Recession on the other key transition that young people have to engage with – those bound up with social relations manifested in single lifestyle, partnership, home making and especially parenthood. Leaving the family home and making the step into family formation adds another dimension to young people's experience in difficult economic times, which has to be coordinated with other transitions and adjustments. Transitions to independence are partly influenced by the support and guidance received from significant others, and the chapters in this section not only examine the interlinkages between family and education and employment transitions, but also the role of parents in supporting young people's transitions both financially and emotionally, and how these interactions are affected by economic hardship.

*Patrick Wightman, Rob Schoeni, Megan Patrick and John Schulenberg* investigate trends in parental financial support for young people, differentiating between post-adolescents (aged 19-22 years and mostly in full-time education) and young adults (aged 23-28 years). Using evidence from the US Monitoring the Future Study and the Panel Study of Income Dynamics they find significant increases in the receipt of parental financial support among both groups between the early 1980s and 2011. These changes coincide with increases in college and university attendance and declines in full-time employment and marriage, and they argue that the Great Recession had little effect on financial transfers. Moreover, while young

adults' dependence on parental financial support varies by family SES (measured by level of education), social disparities in providing support have not increased over time.

*Sabine Walper and Stefan Friedrich* assess the impact of the Great Recession on family dynamics and young people's wellbeing using data from the German Family Panel (Pairfam). They find that that economic pressure impacted on adolescent's closeness and conflict with both parents, especially with fathers, which in turn affected their level of wellbeing. The richness of their data enables the authors to differentiate variations in parent-child relationships by different family types, including single parent and step-families as well as families with migration background. Overall the findings show the detrimental impact of inadequate financial resources on family relationships and adolescents' well-being, emphasising the need to combat family poverty.

*Mark Lyons-Amos and Ingrid Schoon* use longitudinal data from the British Household Panel Survey and Understanding Society household panel survey data to determine whether the Great Recession contributed to speeding up or slowing down of employment and family formation transitions, taking account of cohort, age and period effects as well as local labour market conditions. Their focus is on women to reflect the fact that partnership and family formation transitions tend to occur earlier for women than for men, and on the interlinkages between transitions, recognizing that the timing of one role transition (such as entering employment) affects other transitions (such as becoming a parent). In the aftermath of the recession they find a decline in first birth rates and a delay in family formation among newly formed couples, suggesting a reduced commitment to life altering transitions immediately following the economic downturn.

### ***Section V: Future Orientations and Wellbeing***

This section turns more directly to the issue of agency. How did the Great Recession impact on the aspirations, motivation and self-efficacy of young people and what is the role of these individual resources in shaping transitions in difficult economic times? Agentic orientations and behaviours are widely recognized as of foremost importance for successful transitions to independent adulthood as well as success in life more generally. These



orientations are learned, generalized views of the self as capable of acting successfully, which develop through repeated experience of success and failure (Gecas 2003; Heinz, 2009). Economic recessions have the potential to influence and to disrupt the social contexts in which agentic personal resources are formed and maintained.

*Jeylan Mortimer, Monica Kirkpatrick Johnson & Anroldo Mont'Alvao* review evidence from across different countries regarding the development of achievement orientations and discuss how key socialisation processes may be affected in times of an economic downturn. Using data collected for the US Youth Development Study they show how economic turbulences can undermine socialisation processes within the family and in the workplace, focusing on processes of social learning and learning generalization across three generations. Parental setbacks during recession periods undermine children's economic expectations and achievement orientation, although the findings also highlight the differential vulnerability of families and children depending on parental education, history of unemployment and parents' own achievement-related attitudes.

*Carmen Larcardi* examines young people's "relationship with the future" using data collected for an international survey on youth and various qualitative studies conducted in different European countries. She argues that the widespread uncertainty accompanying the Great Recession is limiting young people's ability to view the future as a time of hope and opportunities. Examining young people's vision for the future she illuminates aspects of identity formation and strategies used to regain control over life in a time when the focus appeared to be on losing opportunities rather than gaining them, and time perspectives shifted to uncertainty and short-termism. She furthermore describes how socio-economic changes affect young people's relationship to key social institutions such as school and work, emphasising the tendency of 'seizing the day' instead of delaying gratification for more superordinate and longer-term goals. Yet, the general outlook is not characterised by fatalism and resignation but attempts to forge a positive relationship with the future, although these in turn are shaped by the economic, social and cultural resources available.

*Germ Janmaat* examines the impact of the Great Recession on young people's political attitudes and civic values across Europe, providing a trend analysis of data collected for the

European Social Survey (ESS), Euro barometer and World Values Survey (WVS). He shows that young people's support for regime institutions such as government and parliament has declined, and that it is lowest in countries with relative high levels of youth unemployment. Young people in these countries also show dramatic declines in political trust and voting levels, and a sharp increase in participating in demonstrations. Against this background, young people's support for democracy as a system of government appears to be less affected and relatively immune to socio-economic shocks – though for the youngest group there are signs of a decline.

*Timo Kolja Pförtner and colleagues* use data from the 'Health Behaviour in School-aged Children' Survey (HBSC), collected before and after the onset of the Great Recession across 31 countries, to identify effects of the Great Recession on adolescent psychological health complaints (feeling low, irritable or bad tempered, feeling nervous and difficulties in getting to sleep) and health inequalities. The findings suggest that - unlike evidence of such effects in adults – the effects of the recession were not associated with changes in psychological health complaints and socio-economic health inequalities among 11 to 15 year old children. There were however variations across countries pointing to the role of different national policy contexts in buffering potential recession effects. The authors suggest that more proximal interactions and experiences with family members and peers might play a more important role in shaping adolescent mental health than economic turbulence within the wider social context. While still at school, children's psychological health might be largely protected from economic stressors that may have more damaging effects on the health of their parents.

*Shannon Cavanagh* uses evidence from the US Panel Study of Income Dynamics (PSID) to examine changes in several health indicators among two age cohorts of 20 to 25 year olds between 2005 and 2009. In particular, she examines changes in self-reported general health and health behaviours, also addressing variations by age and race. She finds that young people in her sample report lower levels of general health in 2009 versus 2005, and that young adults with the least educated parents and black young adults reported worse health than others.

## ***Section VI: Insights***

In the final chapter Glen Elder and Walter R. Heinz join forces with the editors in drawing together the different threads of the analyses undertaken. Guided by the questions stated at the beginning of the chapter, an overview of findings is presented leading to the recasting of the concept of youth transitions within a contemporary life course perspective. The chapters reveal a mixed picture of the effects of the Great Recession on youth transitions, with variations by country, by age, and by social background. The 2008 economic collapse added to longstanding trends toward extension of the transition from school to work while qualifications were gained, accompanied by mounting problems associated with labour market entry including the rise of insecure and poorly paid jobs, underemployment and repeated job churning. For many young people the changes were incremental rather than transformative, putting a larger call on family resources and social assistance to sustain an educational career, while postponing the (financial and emotional) independence that leaving the family home would be expected to bring. In this sense the full exercise of personal agency in forming career and family plans and implementing them, appeared to have stalled for many young people. Socioeconomic structures and institutional frameworks continued to hold sway in constraining the choices made with the ever-present threat of lifelong long insecurity and uncertainty, starting with the precarious status of “Not in Education Employment or Training” (NEET). New forms of stratification emerge, pointing to the continuing expansion of casualized, insecure employment and a growing disengaged section of the youth population increasingly described as the “precariat”. Psychological health and wellbeing of adolescents and young people however appears to be have been only minimally affected.

Implications for the institutional arrangements for managing youth transitions and the policy and interventions aimed at buffering the effects of economic turmoil and uncertainty are also considered. The unfolding picture is of the need for continuous monitoring of economic conditions and their interaction with youth transition systems and experiences of young people. Only then can the social policies, institutions and pathway systems be put in place that will match the need of young people and society at large for effective and fulfilling transitions to adult life.

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