

Has the Great Recession led to a postponement of the transition to adulthood in Europe? And if so, for whom?

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Abstract

The Great Recession that struck Europe during the second part of the 2000s and the first part of the 2010s has given the economic prospects of young adults a massive hit, with surging levels of youth unemployment in large parts of the continent. As a result of the increasing economic insecurity and financial dependency of young adults, many of them are thought to have postponed the transition to adulthood. Evidence on postponement of the transition to adulthood is scarce, however. This paper examines whether young adults in Europe have postponed key markers in the transition to adulthood, like entry into paid employment, leaving the parental home, cohabitation, marriage and parenthood. It is expected that young adults in countries that are most severely hit by the Great Recession postpone the transition to adulthood more than young adults in countries not hit that strongly by the recession. It is also expected that young adults from lower social class backgrounds more strongly postpone most markers than young adults from higher social class backgrounds. Our hypotheses are tested using data on 30 European countries from wave 9 of the European Social Survey, that contained a special module on the timing of life events.

Introduction

Over the course of much of the last half century, the transition to adulthood has been postponed (Billari and Liefbroer, 2010). This is true for all transitions, both in the career domain (completion of education, entry into the labour market) and in the family domain (leaving home, living with a partner, marriage, cohabitation). This postponement has been strongest in countries in the north of Europe, followed by Western European countries. However, it is also visible in Eastern and Southern European countries. For the Netherlands, Studer et al. (2018) show that the postponement of family trajectories is related to both cultural change (secularization leading to postponement) and to economic conditions (higher youth unemployment leading to postponement). This last finding suggests that the Great Recession, that strongly increased levels of youth unemployment across Europe, but particularly in parts of Southern and Eastern Europe, could have had a major impact on the transition to adulthood in the first two decades of the 21st century. However, the evidence base for this assumption is relatively weak, in particular with regard to key markers in the family life domain (Aassve et al., 2013; Sobotka et al., 2011). Therefore, the first question that this paper will address is whether key markers in the transition to adulthood have been postponed during the 21st century and whether this postponement is related to the Great Recession.

If the Great Recession has led to the postponement of key markers in the transition to adulthood, it may not have hit all segments of the young adult population equally hard. The transition to adulthood is strongly stratified (Billari et al., 2019), with young adults from higher social class backgrounds experiencing key markers (with the exception of leaving home) later than young adults from a lower social class background. This partially results from the intergenerational transmission of inequality with young adults from higher social class backgrounds being in education for longer than young adults from lower social class backgrounds. As being in education is not very compatible with making far-reaching commitments in other life domains (Blossfeld & Huinink, 1991), this usually leads to young adults from higher social class backgrounds experiencing key markers later than young adults from lower social class backgrounds. At the same time, the higher economic, cultural and social capital of young adults from higher social class backgrounds is expected to buffer them against the potentially negative consequences of economic recessions (Schneider & Hastings, 2015). Their parents are able to support them in achieving key markers of the transition to adulthood, whereas this is to a lesser extent true for young adults from lower social class backgrounds. This leads to the second research question of this paper: to what extent is the impact of the Great Recession on the timing of key markers in the transition to adulthood different for young adults from different social class backgrounds?

Hypotheses

Key markers of the transition to adulthood are being in paid employment, leaving the parental home, starting to live with a partner, marriage and parenthood. During economic hard times, young adults will postpone these events, because they need more time to independently establish themselves on the labour market and on the partner market.

H1 The more severely a country is hit by the Great Recession, the more young adults are postponing key markers of the transition to young adulthood.

Young adults from a higher social class background leave the parental home earlier, and experience all other markers later than young adults from a lower social class background (Billari et al., 2019). During economic hard times, young adults from a lower social class background will postpone all transitions more than young adults from a higher social class background. This will lead to an increase in the social class gradient during economic hard times for leaving the parental home and to a decrease in the social class gradient during economic hard times for all other markers of the transition to adulthood.

H2a The higher the social class background of young adults, the earlier will they leave the parental home.

H2b The social class gradient in leaving the parental home will increase, the more severely a country is hit by the Great Recession.

H3a The higher the social class background of young adults, the later will they enter paid employment, start to live with a partner, marry and become a parent.

H3b The social class gradient in entry of paid employment, entry into living with a partner, marriage and parenthood will decrease, the more severely a country is hit by the Great Recession.

Data

To test our hypotheses, we use data from wave 9 of the European Social Survey, collected in 2018/2019. This dataset contains information on approximately 30 European countries (data on 19 countries to be released at the end of October 2019, an expanded set expected to be released in the Spring of 2020). To examine the consequences of the Great Recession for young adults, we focus on birth cohorts that experienced the transition to adulthood during the period between 2000 and 2018. This includes the central years of the Recession, as well as the period before and after. We select cohorts born between 1976 and 1995. It is expected that this will lead to about 10,000 respondents for 19 countries (and about 15,000 for 30 countries) to be included in the analyses.

Measures

In ESS wave 9, a special module (LIFETIMING) on the timing of major life events is included. From this module, information is available about whether, and if so in which year, respondents experienced a set of key markers of the transition to adulthood for the first time. These markers are (1) being in paid employment for at least 20 hours per week for a period of at least three months (Questions D1 and D2), (2) leaving the parental home for at least two months (Question D3), (3) living with a partner for at least three months (Questions D4 and D5), marriage (Questions D6 and D7), and (4) giving birth/fathered a child (Questions D8 and D10). The responses to these questions will be used to construct variables on the age at which respondents experienced these markers.

In addition, information is available on the highest level of educational attainment of both parents (Questions F52 and F56) and their main occupation when the respondent was 14 for both parents (Questions F54/F55 and F58/F59). Responses to these questions will be used to construct an indicator of the social class position of the parents of respondents. As we are mainly interested in the relative social class position of respondents within countries, our indicator will focus on the relative rank of the parental home within the social class hierarchy of a country.

The economic situation in a country will be measured by the level of youth unemployment, as this is expected to be a better indicator of the labour market opportunities facing young adults than more general indicators of a country's economic performance.

Method

To examine our research questions and test our hypotheses, a combination of descriptive and explanatory analyses will be used. We will derive Kaplan-Meier estimates of the timing of the key markers of transition into adulthood for birth cohorts 1976-1985 and 1986-1995, respectively. It is expected that the younger of these two cohorts has been hit harder by the Great Recession than the older of these two cohorts. We will use two-level discrete-time hazard models (with individuals being nested within country-years, and country fixed effects) to examine how the timing of key markers changed during the Great Recession. Individual covariates included in this analysis are age, gender and parental social class. Level of youth unemployment will be the central covariate at the country-year level, allowing a

test of H1. Estimating an interaction effect between parental social class and level of youth unemployment will allow testing H2 and H3.

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