THE TRANSITION TO ADULTHOOD IN THE DEVELOPED WESTERN WORLD: A FOCUS ON THE ACHIEVEMENT OF ECONOMIC INDEPENDENCE AND ON THE ROLE OF FAMILY BACKGROUND

Maria Sironi

A DISSERTATION

in

Demography

Presented to the Faculties of the University of Pennsylvania

in

Partial Fulfillment of the Requirements for the

Degree of Doctor of Philosophy

2013

Supervisor of Dissertation

_____

Frank F. Furstenberg, Zellerbach Family Professor of Sociology

Graduate Group Chairperson

_____

Hans-Peter Kohler, Frederick J. Warren Professor of Demography

Dissertation Committee

Hans-Peter Kohler, Frederick J. Warren Professor of Demography

Frank F. Furstenberg, Professor of Sociology

Kristen Harknett, Associate Professor of Sociology

Acknowledgements

The last four years spent working on my PhD have been among the most intense and enriching years of my life. But I could not have walked through this journey alone, and I would like to thank all the people that have guided me and shared this with me. Each one of you gave me the support I needed to complete my PhD, and also made this experience difficult to forget. Thank you all for the irreplaceable help, encouragement and precious teaching.

First and foremost I am grateful for the guidance, support, and honest feedback from my generous advisor Frank Furstenberg. He spent an enormous amount of time and effort supervising and revising my work, and helping me to become a more meticulous and prepared researcher. He has not only been a great advisor but also a unique mentor, inspiring my work through his enthusiasm and passion, and always having the right words when I had to make important decisions.

I am also thankful to have Hans-Peter Kohler as the Chair of my dissertation committee. He is an exceptional demographer and his important advice and useful suggestions substantially contributed to improving my dissertation. His broad view of the discipline was immeasurably helpful. I would also like to thank Kristen Harknett, who read numerous drafts of my papers and offered extremely valuable feedback and guidance in preparing manuscripts for publication.

In addition to my dissertation committee, many people in the Sociology Department and Population Studies Center at the University of Pennsylvania have guided my research. Samuel Preston has been an amazing professor and brought me close to research topics that were not familiar to me. I also want to thank Irma Elo, Michel

Guillot, Emilio Parrado, Melissa Wilde, Paul Allison, Iliana Kohler, Jere Behrman and Paul Rosenbaum. Many others at the PSC have been extremely helpful and patient, especially Yuni Thornton, Patricia Miller and Tanya Yang.

I would have never gone through these four years so healthy and happy without all the members of my demography cohort, both those who are still here with me and those who took another route – Theresa Fedor, Michael Harhay, Jessica Ho, Ameed Saabneh, Andrew Stokes, Emily Vala-Haynes, Jorge Valencia. A special thanks goes to Emily and Theresa, who have been wonderful office mates, great friends, and amazing reviewers: talking to you was always inspiring and your support in stressful times has been fundamental for the completion of my PhD. Thank you also to all the other students in the graduate group in demography at Penn, who created a cooperative and inspiring atmosphere that has been conducive to both my individual and collaborative progress as a student and as a researcher.

My sincere gratitude also extends to the two Professors that introduced me to the field, made me passionate about demography and convinced me to apply for a PhD at Penn: Francesco Billari and Arnie Aassve. I would have never known how fun and exciting demography could be without your class and without working with you during my Master degree. Also you never "left me alone" in these four years, and your invaluable comments and generous suggestions helped me become a better researcher.

I had the opportunity during my PhD to spend a lot of time at the Dondena Centre for Research on Social Dynamics, at Bocconi University in Milan, Italy. There I met wonderful people, who have been friends, colleagues, mentors and supporters at the same time: Alice Goisis, Elena Meroni, Chiara Pronzato, Bruno Arpino, Agnese Vitali, Giulia

Ferrari, Letizia Mencarini, Nicola Barban, Alessia Melegaro, Lara Tavares, Lea Pessin, Sissi Balbo, Ross MacMillan, Elena Cottini, Emanuele Del Fava, Piero Poletti, Roberto Impicciatore, Noemi Colombo, Elisabetta De Cao. A special thank you goes to my coauthors Nicola and Roberto who made the last months of my PhD so productive and so enjoyable, and from whom I learned a lot.

I have been surrounded by two groups of wonderful friends, one in Italy and one in Philly. Both have always been present in the four years of my PhD, wherever I was. Grazie a Sara, Cri, Robi e Dodo per essermi sempre stati vicini, soprattutto nei momenti più difficili. Grazie per avermi spronata a non mollare, per non avermi mai fatto sentire lontana e avermi accolto ogni volta anche tornavo come se non fossi mai andata via. Sono orgogliosa di avere amici come voi. Grazie ad Alice per avere reso gli ultimi anni di PhD più accoglienti nella nostra umile dimora "Pertugio", dove ho sempre trovato la serenità e l'entusiasmo necessari per completare la tesi. Grazie a Lilli per avermi accompagnato in questo viaggio con saggi consigli, senza i quali in alcuni momenti avrei rischiato di finire "fuori strada". Grazie alle mie compagne di squadra e amiche, con le quali ho vissuto gioie, dolori, e infinite serate in palestra.

I am extremely thankful to all my friends in Philly, or that I have met in the United States during my PhD: Mariana, Luigi, Diego, Claudia, Mark, Marco, Alessandro, Manuelita, Giuseppe, Wanda, Marilena, Sina, Felipe, Andrea. A special thank goes to Paolo and Paola who welcomed me when I first arrived in Philadelphia. Thank you to Manuela, a great friend who offered me a place to stay in the last year and who had to stand me in the final stressful period of my PhD. I also would like to thank Elisabetta and Cinzia: grazie amiche per avermi fatto sentire a casa nei periodi che abbiamo condiviso

insieme a Philadelphia, so che la nostra amicizia continuerà ovunque saremo. Thank you to all my basketball teammates at Penn, who gave me the possibility to keep playing during my PhD and to live new cultural experiences.

A huge thank you goes to Chiara. Grazie per il tuo supporto negli ultimi due anni del mio PhD. In un momento di profonda crisi mi sei venuta a cercare e hai ridato equilibrio alla mia intera esistenza. Grazie per il tempo speso insieme, per il tuo sostegno e per la capacità di annullare la distanza fisica che ci ha diviso per diversi mesi. Non avrei potuto concludere cosi serenamente questa esperienza senza il tuo appoggio.

Finally, I am and will be eternally grateful to my family – my mom Tiziana, my dad Sandro, my brother Matteo, my grandma Pina, and my uncle Roberto – for the unconditional love and constant encouragement. Grazie soprattutto a voi, mamma e papà, per avermi sempre spronata, capita e soprattutto aiutata nei primi difficili mesi di questo percorso. Avete sempre saputo quando avevo bisogno del vostro supporto senza doverlo nemmeno chiedere, e mi avete offerto consigli preziosi. Il pensiero di potervi rendere orgogliosi è stato lo stimolo che mi ha sempre spinta a dare il meglio di me. Non sarei mai arrivata fin qui se non fosse per voi.

ABSTRACT

THE TRANSITION TO ADULTHOOD IN THE DEVELOPED WESTERN WORLD: A FOCUS ON THE ACHIEVEMENT OF ECONOMIC INDEPENDENCE AND ON THE ROLE OF FAMILY BACKGROUND

Maria Sironi

Frank F. Furstenberg

The second half of the twentieth century has been characterized by substantial changes in demographic behaviors. Among these transformations also the process by which adolescents and teenagers transition to adulthood has changed greatly in many countries of the Western world. All the events of the transition to adulthood have been delayed and life course trajectories became more diverse. There are some aspects concerning the mentioned changes that have not been extensively studied in the literature. This dissertation is a collection of three papers that have the aim to investigate these neglected aspects concerning life course trajectories of young adults. In particular, the first two papers look at trends over time in the achievement of economic independence, a crucial event in the transition to adulthood that has not received enough attention so far. The first paper is a cross-national comparison describing the situation in six different developed societies. The second paper studies only the United States, going back to the 1970s and tracing changes over time until 2007. The third paper, instead, focuses on the role of parental social class in the transition to adulthood. The exact mechanisms by which socio-economic status affects the transition to economic self-sufficiency and family formation are largely unknown. A better understanding of these issues can highlight

additional information to understand why and how the transition to adulthood has changed in the last five decades.

Analyses were carried out using survey data from the Luxemburg Income Study (LIS), the National Longitudinal Surveys (NLS, NLSY79, NLSY97), and the Multipurpose ISTAT (FSS 2003). A first main finding of this study is that the transition to economic independence has been delayed together with all the other events of the transition to adulthood. This process has occurred in all developed Western countries even if with some differences. A second finding is that parental social class can explain some of the variation in life courses, and that a higher social class is associated with a postponement in the transition. Also the role of family background, however, differentiates based on welfare state regimes, institutions, and the strength of family ties.

Table of Contents

List of Tables

List of Illustrations

1. Introduction

1.1 The Transition to Adulthood in the Developed Western World: Trends and Changes

The second half of the twentieth century has been characterized by substantial changes in demographic behaviors. Developed countries have witnessed large decreases in fertility (Caldwell and Schindlmayr 2003), with a very recent reversal of the decline (Myrskyla, Kohler and Billari 2009), a strong reduction in marriage rates or at least a postponement of family formation (Kohler, Billari and Ortega 2002), and an increase in the prevalence of cohabitation and divorces. Among these important transformations, also the process by which adolescents and teenagers transition to adulthood has changed greatly in many – if not all – countries in the Western developed world. Typically, the demographic events of adult transitions have included such markers as leaving home, finishing education, securing a job, marrying or cohabiting, and having children. In the postwar years, all the events in the transition occurred quickly (usually by age 25 for both men and women) and in an orderly sequence beginning with school completion, full-time work, and home-leaving. Since then, the transition has lengthened and become more circuitous.

All the events of the transition to adulthood have been delayed (Aassve et al. 2002a; Aassve et al. 2002b; Avery, Goldscheider and Speare 1992; Ermisch and Di Salvo 1997; Furstenberg 2010; Johnson and DaVanzo 1998; Settersten, Furstenberg and Rumbaut 2006), and it is important to take into account their interdependence and strong interactions: there has been a substantial expansion of education, especially among

women, leading to an increase in the age at school completion. This increase may be correlated to a later entrance in the labor market and a delay in leaving the parental home – at least in some contexts (e.g. Southern Europe). A postponement in the achievement of independence (monetary and non-monetary) from the family of origin can be to some extent associated to or be responsible for a later age at family formation, i.e. cohabitation, marriage and parenthood (Billari, Philipov and Baizán 2001; De Jong-Gierveld, Liefbroer and Beekink 1991; Mulder and Wagner 1993).

Moreover, individuals had to adapt their life course trajectories because of profound structural and cultural changes (such as the globalization process and a decline in the normative imperative to marry) occurred in developed societies in the last decades. As a consequence, these trajectories have become more diverse. The "second demographic transition" theory would use the term *individualization* to characterize changes in the life course (Lesthaeghe 1995; Van de Kaa 1987), which includes many different aspects, such as the de-institutionalization, the de-standardization, and the differentiation in the life trajectories of young adults (Elzinga and Liefbroer 2007) (Bruckner and Mayer 2005). The order and the timing of events may vary considerably between individuals, as well as the duration in different states.

There is much public debate about why the transition to adulthood changed so suddenly, and social scientists have not yet reached consensus on this question. An increase in the years of schooling may cause a delayed entry in the labor market; over time the structure of the labor market itself could have changed so that well-paid jobs require more education and are therefore more difficult for young adults to find (Collins

1971; Danziger and Ratner 2010; Duncan, Boisjoly and Smeeding 1996; Katz and Autor 1999). Increases in earnings inequality, employment instability, and shortening of job tenure due to higher turnover are some of the most relevant changes that have occurred since the 1970s. Together with these structural changes, youths' expectations about what it takes to live independently have risen, along with the actual costs of living. Moreover the normative and cultural shifts that have taken place in the second half of the 20th century may also contribute to an increase in the heterogeneity characterizing individual life courses (Arnett 2000a; Arnett 2000b; Lesthaeghe and Van de Kaa 1986; Lesthaeghe 1995; Van de Kaa 1987; Van de Kaa 2001).

There are some aspects concerning the mentioned changes in the transition to adulthood that have not been extensively studied in the literature. In particular, the achievement of economic independence by young adults is a crucial event in the transition that has not received enough attention so far. As a matter of fact being employed full-time and achieving financial self-sufficiency, in particular, are still fundamental steps in the transition. Without these steps it is very difficult to assume other roles that are associated with adulthood. Moreover, timing and sequencing of events in the patterns of transition to adulthood are still strongly influenced by family background (Elzinga and Liefbroer 2007; Ravanera, Rajulton and Burch 2006). The role of parental social class and the exact mechanisms by which socio-economic status affects the transition to adulthood and the ability to achieve economic self-sufficiency are largely unknown. This dissertation is a collection of three papers that have the aim to shed some light on these aspects on life course trajectories of young adults that have only partially

been investigated in the literature. A better understanding of these issues can highlight additional information to understand why and how the transition to adulthood has changed in the last five decades.

Readers should note that the three chapters of this dissertation (Sections 2 to 4) are written in the form of journal articles, thus intended to be read individually. This makes a certain degree of overlap between them, as well as between the Introduction and the rest of the dissertation, unavoidable. Furthermore, in this Introduction I have focused on what unites the empirical chapters. However, each chapter also covers aspects that are not discussed (extensively) in this Introduction, but which make each of the articles more complete.

1.2 Research Aim

The general aim of this dissertation is to describe the change in the transition to adulthood occurred in the second half of the twentieth century, in particular focusing on the transition of young adults to economic independence and on the role of family background in shaping life courses. This study allows to expand existing social science literature by investigating crucial topics that have not received adequate attention so far.

A goal is to explore the first steps in the transition to adulthood, mainly the entry into the labor market, the attainment of financial self-sufficiency through labor earnings, and the departure from parental home. This involves a first descriptive analysis of the *timing* and *quantum* of these events in the developed societies, and how they changed over time. The approach includes a cross-national comparison of six developed countries

in two points in time, so to have a general picture of trends in different contexts (Chapter 1). This first study takes also into account how the events are interrelated, and in particular how the economic conditions of young adults are associate with their living arrangements.

Secondly, a more detailed analysis on the United States is performed, investigating the trends in the achievement of economic self-sufficiency over time from 1970s to 2007 (Chapter 2). In this second part the aim is also to study whether there has been a convergence between men and women in employment and financial independence over time and how changes in the transition to adulthood differ by social class and family background.

A second goal, given the importance of family background found in the study of economic independence, is to consider how parental social class influences the entire life course of young adults (Chapter 3). Parents' socioeconomic status can influence the sequence of events characterizing the transition to adulthood in terms of socioeconomic inequalities through a different availability of opportunities for social mobility. Several studies show that in North America, a higher familial status tends to decrease the complexity of trajectories or, in other words, to push towards a more "traditional" pattern, i.e. a trajectory in which the end of education and the first job precede union formation, which in turn precedes parenthood. On the other hand, it has been highlighted that in Europe the familial status has a different effect with an increasing complexity in life course as the social class increases. Hence, the aim is to examine in details the sequence of transitions highlighting, in a comparative perspective, how the life trajectories are

influenced by parental social class in the US and Italy.

The specific aim is to answer the following research questions:

How has the transition to adulthood changed in the last decades, in particular the first steps, i.e. entry into the labor market and the achievement of economic independence? Are these changes different across developed countries?

How do the trends differ between young men and women? Has there been convergence between men and women in employment and financial independence over time?

How do changes in the transition to adulthood differ by social class and family background? Is the role of parents' socioeconomic status changing over time and context specific?

1.3 The Transition to Economic Independence

This section provides an overview of the first two chapters that will follow in this dissertation. They are closely related, because they cover similar research questions, but different contexts. In particular, the first chapter produces a descriptive analysis of trends over time concerning the first steps of the transition to adulthood: working full-time, achieving financial self-sufficiency, and leaving the parental home. Our approach involves a cross-national comparison of six countries (the United States, the United Kingdom, Germany, Italy, Norway, and the Netherlands) in two points in time (the mid 1980s and 2004). The second chapter focuses only on the United States and presents a detailed investigation of the trends in the achievement of economic self-sufficiency over time, and some of the possible determinants of the observed delay. It compares the life course of young adults between ages 22 and 30 in 1973, 1987 and in 2007.

Chapter 1: The Transition to Independence of Young adults in the Western World: a Comparative Analysis.

In a scenario of postponement of the events leading to adulthood, being employed full-time, and the achievement of financial independence in particular, are still fundamental steps in the transition. Without these steps it is very difficult to assume other roles that are associated with adulthood. However also the timing of leaving the parental home and achieving economic self-sufficiency has been delayed. The primary reason of a prolonged passage from school to full-time employment and, consequently, financial self-sufficiency, is that now it takes much longer to get a job that pays enough to support a one-person household or a family than 30 years ago (Berlin, Furstenberg and Waters 2010a). In addition many factors can contribute to the delay, such as the expansion of education, the significant reformation of labor market structures to face the global competitive pressure, cultural and normative shifts.

The changes in the transition to adulthood, however, differ in different parts of the world. If we consider Western developed countries, the delay observed in Europe is more sizable than in the United States, and also within Europe there is great variation in the timing and sequencing of the events considered as part of the transition. Southern European countries – such as Spain, Italy, and Greece – show a greater postponement than Scandinavian countries (Aassve et al. 2002a; Billari, Philipov and Baizán 2001; Iacovou 2002). The international differences may derive from the variation in institutional forms and cultural contexts that generates diverse behavioral adaptation and timing of events (Vogel 2002). Other than cultural explanations, other factors might be contributing to divergence among countries: labor market structures, which are

responsible for the creation of jobs, turnover, and earnings standards; welfare regimes play an important role in providing support to young adults through transfers and family policies; finally, family ties and the amount of family support that individuals receive during the transition to adulthood. Some studies can be found in the literature dealing with changes over time in the transition to adulthood using a cross-national perspective (Billari and Wilson 2001), but only a few are focused on the steps that lead young adults to independence from the family of origin, such as full-time employment, financial independence and leaving the parental home (Bell et al. 2007; Smeeding and Phillips 2002).

The aim of this study is to produce an exploratory, descriptive analysis of trends over time concerning the first steps of the transition to adulthood: working full-time, earnings level, and leaving the parental home. The approach involves a cross-national comparison of six countries: the United States, the United Kingdom, Germany, Italy, Norway, and the Netherlands. In particular I compare young adults between ages 22 and 30 from these countries in two points in time – the mid 1980s and 2004 – using data of the Luxemburg Income Study in order to detect common and divergent trends. The first step of our investigation is to present some descriptive graphs showing the employment status of the individuals in the selected samples. Graphs are produced distinguishing between men and women, and between the mid-1980s and the 2004 samples. Secondly, I look at the proportion of surveyed young adults who are not classified as low-paid workers, considering their wages and labor earnings. To establish if a person is a low-paid worker or not I use the OECD definition, i.e. if the wage is lower than two thirds of

median earnings. The probability of being employed, and even more the level of wages are positively correlated to the level of education. This is especially true in contexts where in the last forty years education expanded and returns to education (mainly college) increased. For this reason I also examine the trends of the proportion of low-paid workers dividing people in the sample by level of education. Finally, it is important to understand how the level of wages is related to the probability of living with parents. Being self-sufficient is not a necessary condition to leave the parental home (for example, college students), but it is surely one of the most important steps that can induce young adults to establish his/her own independent household.

Chapter 2: Trends in the Economic Independence of Young Adults in the United States: 1973-2007. Coauthored with Professor Frank F. Furstenberg (University of Pennsylvania).

Chapter 1 offers a broad and descriptive comparative perspective of the trends in the achievement of economic independence among young adults in developed societies. Chapter 2, instead, focuses only on the United States and presents a more detailed analysis in the first steps of the transition to adulthood, looking at employment and economic conditions of young people since 1970s.

Beginning in the 1970s and lasting until the late 1980s, the US economy experienced periods of great instability. Some analysts date the end of rapid growth in real earnings and the beginning of slower growth in 1973 after the oil embargo that resulted in a deep recession. At the same time there was an acceleration in the growth of earnings inequality, especially among men (Levy and Murnane 1992). For both men and women, increased inequality in earnings was driven by increased wage variation rather

than increased variation in hours worked. Despite the sustained growth in employment in the United States until the recession of 2007–08, there is longstanding concern that the quality of the stock of well-paying jobs in the economy is deteriorating. Stable jobs with high wages have been replaced by service-sector jobs that report high rates of turnover, low wages, and frequent part-time employment. Employers who need flexibility to face greater uncertainty regarding product demand have come to rely increasingly on temporary workers, subcontractors, and part-time workers (Farber 2007).

This chapter compares the life course of young adults, using data from the National Longitudinal Surveys in 1966 (NLS Original Cohorts), the National Longitudinal Survey of Youth in 1979 (NLSY79) and 1997 (NLSY97). While substantial differences exist between the data sets, they all collect essential demographic and socioeconomic information, i.e. respondents' educational attainment, employment and earnings, partnership status, living arrangements, and some family background, such as parents' education level. These three data sets enable us to compare individuals making the transition to adulthood in 1973, 1987, and 2007, respectively. Following this strategy I obtain three samples with an almost identical age range (22–30 in the NLS and NLSY79, and 22–28 in NLSY97) but in three distinct historical contexts. Our aim is to examine three questions related to the changing barriers to gaining financial independence: 1) How has timing of the entry into the labor market and of the achievement of financial independence changed since the 1970s? 2) How do the trends differ between young men and women? 3) How do changes in the transition to adulthood differ by social class and family background?

To answer the first research question posed above, I start by describing the employment situation of the young adults in the three samples. I next compute the percentage of young adults who are able to live independently and support themselves with their own earnings. To define the affordability of living independently, the poverty thresholds established by the US Census Bureau is used and I consider economic self-sufficiency to include individuals who report an income greater than 200 percent of the poverty threshold. Also, the examination takes into account of the importance of social class variations over time by computing the proportion economically independent and/or able to support a family by parents' education level. Finally, I implement an event history analysis – through some complementary logistic regression models with random effects for individuals (Lancaster 1979; Nickell 1979) – to explore the possibility of a convergence in life-course trajectories among men and women, and to investigate the association between parents' socioeconomic status and the timing of economic self-sufficiency.

1.4 The Role of Family Background and Social Class

This section provides an overview of the third and last chapter of this dissertation, whose aim is to examine in details the sequence of transitions to adulthood highlighting, in a comparative perspective, how the life trajectories are influenced by parental social class and gender in the US and Italy.

Chapter 3: The Role of Parental Social Class in the Transition to Adulthood: a Sequence Analysis Approach in Italy and the United States. Coauthored with Nicola Barban (University of Groningen) and Roberto Impicciatore (Università di Milano).

Chapter 1 and Chapter 2 revealed a general trend towards postponement of crucial events in the transition to adulthood, and towards the individualization of life course trajectories. Within the framework of postponement and individualization of trajectories, timing and sequencing of events are still strongly influenced by family background (Elzinga and Liefbroer 2007; Ravanera, Rajulton and Burch 2006). The relevance of family social class on the subsequent life course starts before birth, it continues throughout adolescence, and it is able to shape the course of young adult transitions and psychological development in the third and fourth decades of life.

Youth from affluent and well-educated families marry and have children later in life because of a longer education, much more extended search for a permanent partner in life, and a lower incidence of unintended pregnancy (Furstenberg 2008). In other words, the family background is crucial in determining the individual resources that may lead to good decisions in the early phases of adulthood. The role of parental social class in life course trajectories of young adults is the main focus of this third chapter.

Moreover, I compare two different countries – the United States and Italy – in order to understand if and how the institutional structure and context can fill the gap stemming from disadvantaged family background. Indeed, U.S. and Italy are located in different stages along the second demographic transition (Lesthaeghe and Van de Kaa 1986) showing a different incidence of "individualized" and "secularized" behaviours such as informal cohabitations, non-marital fertility and marital dissolution. Finally, the

role of parental background may be different across gender in specific contexts. The aim of the analysis is then threefold. First, I will evaluate the impact of social origins on the patterns of transition to adulthood as a whole; second, I apply a cross-national comparative perspective to evaluate the role of a specific context in the relationship between parental social class and the transition to adulthood; third I focus on gender differences and in particular to evaluate if the role of parental background is gender-specific in the two counties.

In order to answer the research questions I use two different data sets, one for each country, containing similar information on the life course of young adults. For the United States data collected through the NLSY79 are used. The sample includes 8,636 individuals born between 1957 and 1964, and they are followed from ages 14-22 to ages 31-39. For Italy instead the 2003 Multipurpose ISTAT survey called "Famiglia e soggetti sociali" is used. I select the same birth cohorts included in the NLSY79 to make the samples more homogeneous and comparable. Our final sample for Italy includes 6,002 individuals. The longitudinal structure of the NLSY79 and the retrospective questions in the Multipurpose ISTAT survey enable us to reconstruct the steps, year by year, in the independence and family transitions for each individual in the sample.

The method used to investigate the relationship between the social class and the life course trajectories is based on the *sequence analysis* (Abbott 1995; Abbott and Tsay 2000; Aisenbrey and Fasang 2010). I adopt a life course perspective, looking at the entire development of school, employment, and family history, taking into account the fact that the process is iterative and cumulative, so it is important to take a unitary, *holistic*

approach and look at the effect of family background on the whole life course rather than on single events of the transition to adulthood (Barban 2011; Barban and Billari 2012; Billari 2005). The events taken into account are the following: end of education, entry into labor force, leaving the parental home, first union (marriage and/or cohabitation), and parenthood. Parents' social status is defined on the basis of education level when the respondent was 14 years old. Trajectories are described along three dimensions: the median age at each event (*timing*), the proportion of individuals who experienced each event by age 35 (*quantum*), and finally the frequencies of the five most common independence and family trajectories showing the sequence of events (*sequencing*). All these dimensions are explored by gender and parental social class.

After defining the different sequences and describing them in terms of *timing*, *quantum*, and *sequencing*, a sequence analysis is implemented to identify specific typologies of life trajectories – dealing simultaneously with timing, quantum, and sequencing – in order to study how social class is related to the likelihood of ending up in a certain typology. Finally, a multinomial logistic regression analysis is performed to investigate the relationship between parents' socio-economic status and the probability of being part of a specific typology (determined through the cluster analysis) in a specific country.

2. *Chapter 1*: "Independence of Young Adults in the Western World: a Comparative Analysis Across Countries and Over Time".

2.1 Introduction

Over the last fifty years the process that brings adolescents and teenagers to adulthood has changed greatly, in many – if not all – countries in the West developed world. After World War II adult roles, such as being employed full-time, getting married and having children were achieved by the early 20s. Nowadays it takes much longer to assume such roles, and the whole transition has been postponed to the late 20s, early 30s (Aassve et al. 2002a; Furstenberg 2010; Settersten, Furstenberg and Rumbaut 2006; Sironi and Furstenberg 2012).

Not only has a general postponement process characterized changes in the transition to adulthood, but also an increase in the diversity of the trajectories has occurred. The sequence of events leading to adulthood that were somehow standard in the 1950s and 1960s – exit school, entry in full-time employment, leaving parental home, marriage and parenthood – is not so common anymore. The order of events has become less straightforward and it is more likely to experience multiple events at different points in time (Elzinga and Liefbroer 2007; Marini 1984a; Marini 1984b).

Given these substantial changes in demographic behaviors related to the transition from adolescence to adulthood, employment, economic, and living conditions of young adults in their 20s might be considerably different now compared to three decades ago. Some of these variations have been documented in the literature, in particular those related to school-to-work transition and expansion of education (Blanchflower and

Freeman 2000b; Gangl 2002; Quintini, Martin and Martin 2007), and those concerning the departure of young adults from the parental home (Mandic 2008; Mulder and Clark 2000; Mulder, Clark and Wagner 2002). However there are very few studies focusing on how economic conditions and financial self-sufficiency of youth have changed over time, looking at individual earnings from the labor market. This aspect is closely related to school-to-work transition and to the decision to leave the parental home. Moreover, given increasing returns to education, changes in time may be different for those with higher educational attainment. This work has the scope to fill the mentioned gap in the literature.

In addition, the adopted approach involves a cross-national comparison to take into account the fact that changes in the transition to adulthood and demographic behaviors differ in different parts of the world (Billari 2004; Billari and Liefbroer 2010; Liefbroer and Goldscheider 2006). If we consider Western developed countries, the delay observed in Europe is more sizable than in the United States (Aassve et al. 2002b), and also within Europe there is great variation in the timing and sequencing of the events considered as part of the transition. Southern European countries for example – such as Spain, Italy, and Greece – show a greater postponement than Scandinavian countries (Aassve et al. 2002a; Billari, Philipov and Baizán 2001; Iacovou 2002). The international differences may derive from the variation in institutional forms and cultural contexts that generates diverse behavioral adaptation and timing of events (Vogel 2002). Other than cultural explanations, other factors might be contributing to divergence among countries: labor market structures, which are responsible for the creation of jobs, turnover, and earnings standards; welfare regimes play an important role in providing support to young

adults through transfers and family policies; finally, family ties and the amount of family support that individuals receive during the transition to adulthood (Esping-Andersen 1990; Ferrera 1996; Mayer 2001; Micheli 2004; Mills et al. 2008; Reher 2005; Trifiletti 1999).

The aim of this paper, then, is to produce an exploratory, descriptive analysis of trends over time concerning the first steps of the transition to adulthood: working status, earnings level, and leaving the parental home. The analysis involves a cross-national comparison of six countries: the United States, the United Kingdom, Germany, Italy, Norway, and the Netherlands. In particular these countries have very different welfare regimes, culture, demographic behaviors and labor market structures, and represent a natural sample of diverse experiences to detect common and divergent trends. These countries are compared in two points in time – the mid 1980s and 2004 – using the Luxemburg Income Study in order to take into account not only the differences across countries, but also over time. This analysis can give insights on some possible explanations triggering the changes in the transition to adulthood that have characterized developed societies in the last three decades.

2.2 Background

It is useful to start clarifying that not only the transition to adulthood has changed over time, it has been delayed, and the sequence of events is not as orderly and predictable as it was in the recent past, but also the sense of this process – as individuals experience it – has been greatly altered. In other words, the notion of becoming an adult has probably

changed as the process has become less orderly and more prolonged (Billari and Liefbroer 2010; Furstenberg et al. 2003; Settersten, Furstenberg and Rumbaut 2006). A special module of the 2002 General Social Survey, trying to assess whether Americans have shifted their expectations about when adulthood could be accomplished, found that "95% of them consider education, employment, financial independence, and the ability to support a family to be important milestones on the path to adulthood". On the contrary, only half believe that marriage and parenthood are necessary steps to become an adult (Furstenberg et al. 2003). If in the past the word adulthood was more associated to family formation, today it is more related to self-actualization in the education and working career, and consequently to financial self-sufficiency. It is important, then, to focus on the first steps in the transition to adulthood: the school-to-work transition and the ability to face living expenses with earnings are becoming crucial markers of the process (Berlin, Furstenberg and Waters 2010a).

Previous Findings

Events like the completion of education and the entry into the labor market, or the departure from the parental home have been extensively studied in the recent literature (Aassve et al. 2002a; Blanchflower and Freeman 2000b; Gangl 2002; Mandic 2008; Mulder and Clark 2000; Mulder, Clark and Wagner 2002; Quintini, Martin and Martin 2007). These markers of the transition have been investigated in several countries and also their changes over time have been taken into consideration.

First of all, the expansion of education has pushed up the median age of

completing schooling across developed societies in recent decades. Cohorts born in the 1950s in Great Britain, Germany, and Italy, for example, had a median age of exiting education around age 16, but it increased for cohorts born in the 1970s to age 17 in Great Britain and Germany and to almost age 20 in Italy (Buchmann and Kriesi 2011; Schizzerotto and Lucchini 2004). The proportion of people completing upper secondary and tertiary education are high in the United States among people born in the late 1960s and 1970s – 90% and 40% respectively (OECD 2005). The same figures are even higher in Scandinavian countries, where the completion rate of tertiary education approaches 50% in 2007. The lowest rates are observed in Germany, and Southern European countries (OECD 2009).

The expansion of education has for sure implications on the age at which young adults start working, causing a delay of the entrance into the labor market (Corijn and Klijzing 2001; Schizzerotto and Lucchini 2004). On top of that, the structure of the labor market itself has been reformed significantly to face the global competitive pressure. Increase in earnings inequality, in employment instability, and shortening of job tenure due to higher turnover are some of the most relevant changes that occurred since 1970s (Duncan, Boisjoly and Smeeding 1996; Katz and Autor 1999; Sironi and Furstenberg 2012). If among people born in the 1950s the median age at first job was between age 16 and age 19, among 1970s birth cohorts the median age range was between 19 and 24 in developed western countries (Schizzerotto and Lucchini 2004). Instability of labor markets and greater difficulties in finding a job have been a major cause in the postponement of labor market entry, even with some differences across countries

(Bernardi, Gangl and van de Werfhorst 2004; Blanchflower and Freeman 2000a; Breen 2005; Brzinsky-Fay 2007; Brzinsky-Fay 2008; Gangl 2002; Ryan 2001; Scherer 2005). Young adults in Southern Europe often experience a period of career instability when they exit education, and youth unemployment is highest in those countries (Brzinsky-Fay 2007; Quintini, Martin and Martin 2007). The entry into the labor market is easier and faster in continental countries, while liberal and Scandinavian ones occupy an intermediate position (Gangl 2002; Quintini, Martin and Martin 2007; Scherer 2001). In fact, here young people may experience high unemployment and uncertainty immediately after school completion, but only for a short time.

Another event that has been extensively studied is the departure from the parental home, that marks the beginning of the social independence (if not financial). The age at leaving the parental home has increased over time, but the postponement has been only modest in most countries except for Southern Europe, where the median age has gone up substantially (Billari and Wilson 2001). In Northern Europe young adults leave their family of origin very early, before age 20. In continental and liberal countries the event happens in the early 20s, while in countries like Italy, Spain, Portugal and Greece it takes place in the late 20s or early 30s (Aassve et al. 2002a; Billari 2004; Cherlin, Scabini and Rossi 1997; Mandic 2008).

Multiple studies, as seen above, can be found in the literature dealing with changes over time in the first steps of the transition to adulthood using a cross-national perspective, but only a few are focused on one of the main steps that lead young adults to independence from the family of origin, i.e. financial self-sufficiency. Smeeding and

Phillips (2002) analyzed the economic sufficiency of young people's earnings in the 1990s in seven countries (France, Germany, Italy, Sweden, the United Kingdom, the United States, and the Netherlands) using the Luxemburg Income Study. They found that in all countries, only a minority of young people is able to support themselves in their late teens and early twenties with their earnings alone. Even when social transfers are taken into account, a significant proportion of young people remain unable to support themselves, much less a family, before their mid- to late twenties. Although incomes increase markedly through the early twenties, poverty rates decline much more slowly in this age group, indicating that young people with low earnings are protected from poverty to a degree because of living with their families of origin. In their paper they just look at one point in time, detecting the age change, but not the change over time in the timing of events. Bell et al. (2007), on the other end, compare trends in six countries (United States, United Kingdom, Canada, Belgium, Italy, and Germany) in the household living arrangements, employment rates, and earnings levels as young adults rise in age from 18 to 34 years old, in the mid-1980s and late 1990s. According to their analysis the economic self-sufficiency declined over time among young adults. Only women in their late 20s and early 30s somewhat improved their prospects, even though their levels stay below those observed among men. The U.S. and to some extent the U.K. represent partial exceptions to this general pattern: "Between the mid-1980s and 2000 employment rates improved among young Americans in their late 20s and early 30s, and earnings levels either remained stable or increased modestly" (Bell et al. 2007).

Convergence/Divergence over time across Countries: the Role of Welfare States and Family Ties

Based on the literature summarized above, there is little evidence to show a clear convergence in life course patterns in different countries (Billari and Wilson 2001; Liefbroer and Goldscheider 2006). The main trend that is confirmed by all empirical studies on this topic is that of "converging divergences" (Blossfeld et al. 2012; Mills et al. 2008), meaning that all countries show a de-standardization in demographic behavior and increasing diversity at the individual level (Buchmann 1989; Kohli 2007; Shanahan 2000). It has been argued that the lack of convergence may be due to differences in part in the labor market regulations, in part in welfare regimes (and so in the diversity underlying institutional structures), and in part in cultural aspects like family ties. Both institutions and culture influence life course trajectories creating prospects and constraints to which people adapt (Breen and Buchmann 2002).

Different types of welfare regimes have been identified (Esping-Andersen 1990; Mayer 2001), potentially influencing individuals' behavior, especially on their "demographic" decisions. The four regimes include the *social-democratic* welfare state (Scandinavian countries), characterized by high levels of state support and a focus on the individuals. These benefits tend to weaken the individual's reliance on the family as a locus of support and encourage autonomous behavior. The *conservative* welfare state provides generous support for the family rather than the individual (e.g. France, Germany and Netherlands), and so reinforces family ties; the *liberal* welfare regime, shows a modest level of provisions based on means-tested benefits – applicable only in case of inefficient markets – and oriented to individuals (e.g. UK and US). Another category of

welfare regime has been proposed to include the Southern European countries (e.g. Italy and Spain), where we observe a strong reliance on the family as the locus of support and low levels of welfare provisions from the state (Ferrera 1996; Mayer 2001; Trifiletti 1999).

According to this classification, each welfare state regime is associated to a different behavior in the transition to adulthood. In Social Democratic countries, for example, labor market entry and leaving parental home should take place at relatively younger ages owing to generous social benefits, enabling young individuals to have more certainty about their future economic conditions and hence to have greater latitude in forming independent households. In conservative and liberal countries, where benefits are targeted and specific to certain groups of people or very marginal, it is difficult to predict a typical life course trajectory, but would expect a lower de-standardization and differentiation of life courses than in Scandinavian countries. In contrast, Southern European countries should show late exit from parental home, late marriage and childbearing, given the lower level of benefits and so the stronger dependence on the family of origin (Aassve, Iacovou and Mencarini 2006; Aassve et al. 2002a; Aassve and Lappegård 2009; Billari 2004; Billari, Philipov and Baizán 2001; Esping-Andersen 1990; Mills et al. 2008; Mulder, Clark and Wagner 2002). The process of economic globalization that is affecting developed societies in the last decades is generating a unique level of uncertainty, and welfare regimes can facilitate or obstruct the transition to adulthood (Blossfeld et al. 2005), and in particular the transition to economic independence through the achievement of full-time employment.

The role of welfare state provisions is even more important when the labor market is not working efficiently. If the opportunity structure in the labor market is unstable, and creates uncertainty in future employment and earnings, young individuals facing the transition to adulthood try to adapt their behavior in order to improve their immediate and future living conditions. Consequently, the timing of the events in their life trajectories reflects the combination of the opportunities based on labor market functioning, welfare state provisions and family support (Vogel 2002). As far as family support is concerned, and cultural and institutional differences more generally, we need to pinpoint that it may be inappropriate to take welfare regimes as purely exogenous in the long run. For instance, whether a society encourages young adults to attend higher education at universities with on-campus accommodation, as opposed to having local universities where young adults and their parents can co-reside for a longer period, depends on the prevailing views of intergenerational relationships (Mayer 2001). In this case the cultural factors shape institutional arrangements, meaning that to gain a complete understanding of the dynamics underlying transitions to adulthood, we must necessarily examine longstanding cultural differences across countries.

According to Reher (2005), the initial conditions from which modern societies have developed are fundamental for the present differences in behavior. More precisely, in Southern Europe the influence of Islam raised the importance of kinship and vertical relationship between generations, so that the prolonged stay of children in their parent's home and the caring work of children towards their parents are two faces of the same coin, a "strong" family. In the North, Germanic tradition and the Reformation contributed

to the development of a "weak" family (Reher 2005). Empirical evidence shows that in fact the share of young adults who affirm to be financially dependent on parents and family members is much larger in Southern Europe rather than in Social Democratic and liberal countries, where intergenerational ties are weaker (Billari 2004). The cultural inheritance model (as the welfare regimes explanation) predicts that convergence will not take place at national level: factors which lead to homogenization of behaviors throughout the world, like those implied by modernization and economic globalization, cannot have the same impact on societies with different cultural and historical origins, and lead to diverse and possibly divergent coping behaviors and timing of transitions.

2.3 Hypotheses and Expectations on Transition to Adulthood Patterns

Having described recent comparative research, and the potential role of welfare states and family ties in the transition to adulthood, it is possible now to develop some hypotheses concerning different patterns in life course trajectories across countries, but also different trends over time. With the help of Table 1.1 distinct groups of countries are identified, and their characteristics concerning welfare regimes, cultural aspects, transition patterns to adulthood, and trends over time are described.

Table 1.1 Countries characteristics and typical patterns of transition to adulthood.

Group of Countries	Welfare State	School-to-Work Transition	Culture & Family Ties	Transition Patterns to Adulthood	Expected Changes over Time
Scandinavian Countries	Welfare rights and benefits granted as individual entitlements; Unemployment benefits available for young people.	High completion rates of tertiary education and widespread vocational training promote easier labor market access	Weak family ties that imply individual's priority over the family.	High importance of young people's autonomy, very early home leaving and union formation (mostly cohabitation).	Minimum delay in all the events of the transition to adulthood; Age at home leaving not influenced by the achievement of economic independence, so even a postponement of the entrance into the labor market won't increase the dependency from the family of origin.
Liberal Countries	Strong market orientation, loosely regulated labor market; Means-tested benefits oriented to individuals.	Weak regulation of the labor market supports an early completion of schooling and easy access to the labor market; However labor markets are characterized by high instability.	Weak family ties, strong focus on self-reliance and autonomy	Early home leaving, early school completion and entry into the labor market. This facilitates early family formation.	Limited postponement in the age at home leaving and at entry into the job market. Possible larger delay in family formation due to increased instability of the labor market.

Table 1.1 Continued.

Group of Countries	Welfare State	School-to-Work Transition	Culture & Family Ties	Transition Patterns to Adulthood	Expected Changes over Time
Continental Europe	Welfare transfers oriented to families.	Strong vocational education system; Easy access to the labor market even if at later ages.	Stronger family ties than in Liberal and Scandinavian countries, that are reinforced by family-oriented welfare transfers.	Later age at school completion and entrance into the labor market; Later age at home leaving and achievement of economic independence, but with more stability to form a family in a short time.	More delay in the timing of social and economic independence, and the postponement of economic and employment stability may be a cause for delayed home leaving.
Southern Europe	Weak welfare state transfers, mainly family-oriented.	Late age at school completion and no vocational training hinder an easy access to stable jobs; Strong senior worker protection.	Strong family ties; Family is the locus of support for young people.	Very late age at home leaving; Having a stable job and economic self-sufficiency are important conditions to form a family, so also age at union formation and parenthood are higher than in other countries.	Increased instability of labor market and expansion of education cause a strong delay in the entrance into the labor market and in the achievement of independence; Consequent strong delay in home leaving and family formation.

Based on country characteristics and previous findings in the literature, the following hypotheses can be formulated and the aim of this work is to test them through an empirical investigation:

1. Differences across countries

Events like the entry into the labor market, and the achievement of social and economic independence from the family of origin happen earlier in Scandinavian and liberal countries rather than in continental Europe. Also, these events take place at a much older age in Southern Europe.

2. Changes over time

Given the expansion of education, and the increasing economic instability, there has been a delay in the entry into the labor market, a delayed exit from the parental home, and a delayed financial self-sufficiency among young adults in the last three decades. However, this postponement is expected to be greater where welfare state transfers to young people are weaker and family ties stronger (i.e. greatest in Southern Europe and smallest in Northern Europe).

3. The Role of Education

The level of education of young adults and the increasing returns to education over time can have a role in the life course trajectories and their trends over time. Current evidence shows that across all developed societies young people from lower social class leave school and start working earlier (Bynner 2005; Muller and Shavit 1998). Hence, it is possible that they achieve financial independence earlier. However, low levels of

education are usually associated with unstable partnerships and unstable employment (Arts and Gelissen 2002; Blossfeld et al. 2005; Furstenberg 2008), thus increasing the risk of future poverty. Hence by their late 20s and early 30s, people with high levels of education may show a less evident postponement in the achievement of economic self-sufficiency.

4. The Role of Economic Independence to achieve Social Independence

It is possible that some people leave the parental home when they become financially self-sufficient, but it is also possible that they do it earlier (because they found a partner, or to go to college) or that they stay with parents even after they achieved financial independence. We expect to find a higher probability of not living with parents among those who achieved some sort of financial independence, even with some differences across countries and over time. In fact, we expect to find a higher proportion of people living with parents in more recent birth cohorts, especially among workers with low wages. Nonetheless we expected this increase to be more limited in Scandinavian and liberal countries, rather than continental and southern European countries. In Italy, for example, when the labor market is not working efficiently young people have their family as the locus of support given weak welfare state transfers addressed to youth. Consequently, if they are not financially independent it is more likely that they stay home with parents, while in other countries this is not necessarily the case.

The paper is structured as follows. The next section introduces the data and the methods employed in the analysis. The following two sections present the results. In the final part, we offer some concluding remarks.

2.4 Data and Methods

The analyses in this work are carried out using the Luxemburg Income Study (LIS), a data set that contains harmonized microdata from high- and middle-income countries around the world. It started in the late 1960s and early 1970s, harmonizing data related to socio-demographic variables and economic information, such as employment status, paid hours of work, net income, in a few countries (U.S., U.K, Sweden, Germany and Canada). LIS expanded over time and now includes 45 different countries. We select datasets at individual level for 6 countries that are representative of the different patterns in the transition to adulthood described above: United States (1986 and 2004), United Kingdom (1986 and 2004), Germany (1984[1] and 2004), Italy (1987 and 2004), Netherlands (1987 and 2004), Norway (1986 and 2004). These six countries portray diverse experiences among young adults, and have different institutions and welfare regimes. There are two countries representing the liberal welfare state, the United Kingdom and the United States. Both are included in the analysis given that there are large institutional and cultural differences between the two countries[2]. Also, there are two countries belonging to the continental Europe group, Germany and the Netherlands. However, the Netherlands is often characterized as having hybrid characteristics (Arts and Gelissen 2002), some closer to the Scandinavian model (e.g. flexibility of the labor market) and some other fitting with the conservative welfare regime (e.g. family orientation of welfare transfers).

[1] The 1984-survey for Germany does only include West-Germany regions.
[2] First, the U.S. do have a unified welfare system, given that the federalism implies that many important functions are held by the States, including public assistance, social care and various health schemes. Secondly, there are profound cultural diversities due to distant historical patterns.

The sources of the LIS are representative national surveys that provide detailed data on demographics (gender, age, household composition, marital status, and education level), and employment characteristics (labor force status, paid hours of work per week, weeks worked per year, labor earnings). These national surveys are harmonized in order to create national databases that are comparable and allow researchers to examine similarities/differences across countries on the same ground. As far as the earlier surveys are concerned, unfortunately we do not have the same year for all the six countries, but we were able to select rounds within a 3-year span (1984-1987). There are some limitations in the data that we need to mention. The main one is that the LIS datasets collected in the mid-1980s do not contain information on self-employment income (except for Germany in 1984), but only data on wages and earnings. The 2004 surveys instead incorporate also data on self-employment income, but to have comparable measures in both time periods we decided to consider salary income in our analysis. This decision may affect our results, especially in countries where the share of people self-employed – i.e. Italy – is high, underestimating the proportion of those who attained economic independence, or where it increased/decreased over time.

In all the datasets we select individuals between 22 and 30 years of age, so that we can compare young adults in the same age range but in two different time periods. In the mid-1980s cohorts we investigate life trajectories of individuals born in the late-1950s/early-1960s, while the 2004 surveys include people born between 1974 and 1982. Table 1.2 shows some characteristics of the selected samples, by country and survey year. As we can see from the table below the samples size varies quite a lot depending on the country and on the size of the original sample – i.e. without restricting the age range. This

may have some implications in terms of reliability of the estimates in the countries with a smaller number of observations, especially when we perform the analysis by gender and in age groups[3]. The mean age in the sample is around 26 in all countries, and the proportion of women ranges between 39.2% (Italy in 1987) and 54.4% (Germany in 2004). As expected the proportion of people reporting a high level of education increases over time, except for Germany. The way in which education level is classified is established according to the ISCED97 (International Standard Classification of Education) created by UNESCO. This classification recodes the highest completed level of education – primary, secondary and tertiary – into three categories, low, medium and high[4]. The greatest increase has been reported in the Netherlands, where only 12% in the 1987 sample have high education to 34.4% in the 2004 sample. The lowest level, or better the smallest proportion of people with high education in 2004 has been found in Germany (13.5%) and Italy (14.6%). In general the proportions in high education are not extremely large, especially in Italy and Germany. This might be due to the fact that, given length of education in some countries, it is essentially impossible to attain high education in the early 20s, and so many who pursue tertiary education are not indicated as high educated because they are still in school (and have not yet completed college, for example).

The proportion of people in a co-residential union (cohabitation or marriage) declined slightly in all countries, with some degree of variation. More important, this

[3] However, we try to keep the number of observation in each unit of analysis higher than 60 and we use weights provided in the survey.

[4] In the 1986 sample of UK this variable is not available. We use the age at completion of education to determine the level of education, assuming that children enroll in school when they are 5 years old and complete high school when they are about 16. The level of education is defined as *low* if the age at which they exit school is below 16, *medium* if between 16 and 21, and *high* if greater or equal than 21.

decline is fully explained by a decline in marriage, while the diffusion of cohabitation functions as a countervailing factor in this trend. As a direct evidence that the transition to adulthood has been postponed, the percentage of men and women between 22 and 30 years of age that lives with parents has increased over time. The only exception is Norway, where it decreased by 9.5%. One possible explanation can be found in the expansion of education and in the educational system, given that those going to college tend to do so away from parents, and mainly live in university accommodations. Thus, they leave home, but not necessarily because they have a job or are financially independent. The proportion of those still living in the parental home increased only slightly in Germany (0.9%), in the United States (3.1%) and in the United Kingdom (3.5%), while more substantially in Italy: Italian young adults staying with parents in 2004 are 71.2%, a 13.8% increase compared to 1987. The delay in the formation of independent household in Italy can be due to the high housing costs, cultural factors and parental income gains (Bell et al. 2007; Giannelli and Monfardini 2000; Giuliano 2007; Manacorda and Moretti 2002). Also the scarcity of public social transfers and the strong family ties contribute to the postponement in leaving the parental home.

Table 1.2 Descriptive Statistics - Weighted, by country and year.

	USA		UK		Germany		Italy		Norway		Netherlands	
	1986	2004	1986	2004	1984	2004	1987	2004	1986	2004	1987	2004
Mean Age	26.2	25.9	26.0	26.0	25.9	26.1	26.3	26.1	25.9	26.2	26.1	26.4
% Female	52.0	49.9	51.9	50.9	49.0	54.4	39.2	46.9	48.7	46.4	52.9	51.6
% with high education	25.5	33.5	11.7	30.1	16.1	13.5	6.3	14.6	17.7	31.0	12.0	34.4
% in a Union	53.9	46.2	60.0	51.0	52.4	44.8	36.7	16.6	na	na	57.3	56.7
% Married	49.6	37.9	58.8	25.7	44.0	21.3	na	16.2	39.0	16.4	38.1	26.9
% living with parents	20.3	23.4	18.9	22.4	25.2	26.1	57.4	71.2	21.8	12.3	na	19.4
% working "full-time"	63.3	48.7	61.2	63.8	57.8	44.4	65.8	45.4	*75.9*	*74.2*	52.0	59.1
Unemployment rate (%) *	7	5.5	11.3	4.7	8.1	10.5	9.6	8	2.0	4.3	6.3	5.1
Labor Force Particip. Rate (%) **	74.9	75.9	75.5	75.8	66.0	72.9	59.9	62.1	77.8	80.4	64.2	76.7
N	4,755	22,615	2,450	6,194	2,029	2,398	1,784	2,276	1,803	3,124	1,683	1,778

*Source: UNECE Statistical Division Database. n.b.: 1986 (1987 for Italy and Nethelands, 1984 for Germany)

**Source: UN Statistics Database. *n.b.*: 1986 (1987 for Italy and Nethelands, 1985 for Germany), average between male and female LFPR

For Norway the % working full-time reflects only those who state to be employed (no info on hours and weeks of work)

One of the main outcomes of our analysis is the proportion of young adults working full-time. Secure, full-time employment is defined as working more than 35 hours per week and more than 40 weeks per year[5]. The percentage working full-time decreases over time in each country, but in Netherlands and United Kingdom (where it increases by 7.1% and 2.6%, respectively). The reduction is very modest in Norway, whereas it is 14.6% in the United States and 13.4% in Germany. Again, Italy shows the largest decline with a 20.4% drop in the percentage working full-time. This is consistent with the argument that in Italy, and more generally in southern Europe the delay in the transition to adulthood – starting from leaving the parental home and being full-time employed – is greater than in other European countries or in the US. Not always these figures are consistent with the unemployment rate and the labor force participation rate at macro level (bottom of Table 1.2), but usually where the decline in the unemployment rate has been very small, or there was an increase in unemployment rate, the proportion of those working full-time in our sample decreased the most. Also it is possible that more people are working, but less are employed full-time.

The first step of our investigation is to present some descriptive graphs showing the employment status of the individuals in the selected samples. We produce graphs distinguishing between men and women, and between the mid-1980s and the 2004 samples. Secondly, we look at the proportion of surveyed young adults who are not classified as low-paid workers, considering their wages and labor earnings. To establish if a person is a low-paid worker or not we use the OECD definition, i.e. if the wage is lower

[5] Unfortunately in the UK surveys and in the 1987-survey for Netherlands we have information only on hours worked per week, and in the Germany 1984-survey only on weeks worked per year. In addition, for the Norway data, we only know if surveyed individuals are employed or unemployed.

than two thirds of median earnings. Therefore we build a relative measure of earnings within the sample: we compute the individual median income in each sample of those who are employed (Table 1.3) – one for each country and for each wave – and we define a person as a non low-paid worker if his/her earnings are higher than two thirds of the median income. This measure is not an objective measure of financial independence, because economic self-sufficiency is determined by many different factors, such as by the cost of living (housing, food), by public or private transfers, access to credit and future streams of incomes and financial obligations. For example, young adults may decide to go to graduate school, so they will achieve financial self-sufficiency at an older age. However, this investment can pay off and give them a more secure job with a higher wage. It is difficult to establish whether economic independence should be evaluated using current income, if any, or the discounted flow of future earnings. Also, the measure we use in this work is an individual measure that does not take into account the household size, the number of dependent children, partner's income etc. Even with the mentioned limitation, it gives a sense of the level of wages in each country, by age and sex, and shows changes in trends over time. The probability of being employed, and even more the level of wages are positively correlated to the level of education. This is especially true in contexts where in the last forty years education expanded and returns to education (mainly college) increased. For this reason we also examine the trends of the proportion of low-paid workers dividing people in the sample by level of education. It is possible that the postponement in the transition to adulthood or simply the changes in the transition occurred in a different way among people with different level of education. We

might expect a greater delay for those with low education, and also a greater recuperation in the delay among those with a college degree or more.

Finally, we are interested in understanding how the level of wages is related to the probability of living with parents. Being self-sufficient is not a necessary condition to leave the parental home (for example, college students), but it is surely one of the most important steps that can induce young adults to establish his/her own independent household. To investigate this issue more deeply we use logistic regressions to predict at each age the probability that an individual will live with parents depending on their being low-paid workers or not. Some controls are also included in the regressions, such as gender and the level of education. The results are presented in the next two sections and will help to understand more carefully the dynamics behind the transitions to adulthood in different countries and in different time periods. As already said, results are presented for men and women separately, given that ages at which they exit school, leave their parents' home, and start working differ considerably by gender, particularly in the 1980s.

Table 1.3 Median Income of Those Employed

Country	Median Income of those working	Currency	Low-Paid Income	PPP Conversion Factor	Low Paid Income in USD
USA					
1986	13,000	USD	8,666.7	1.00	8,666.7
2004	22,000	USD	14,667	1.00	14,666.7
UK					
1986	6,245	GBP	4,163.0	0.58	7,204.9
2004	15,432	GBP	10,288	0.64	16,133.0
Germany					
1984	25,500	DEM	17,000.0	1.10	7,911.0
2004	14,520	EUR	9,680.0	0.91	10,667.4
Italy					
1987	13,000,000	LIRA	8,666,667	0.70	6,408.7
2004	11,000	EUR	7,333	0.91	8,068.0
Norway					
1986	115,474	NOK	76,982.7	9.23	8,341.8
2004	236,690.5	NOK	157,793.7	9.80	16,096.6
Netherlands					
1987	32,340	NLG	21,560.0	1.00	9,818.9
2004	23,037.5	EUR	15,358	0.92	16,704.9

Source for PPP Conversion Factor: World Bank Database.
Low-Paid Income corresponds to two thirds of the median income.

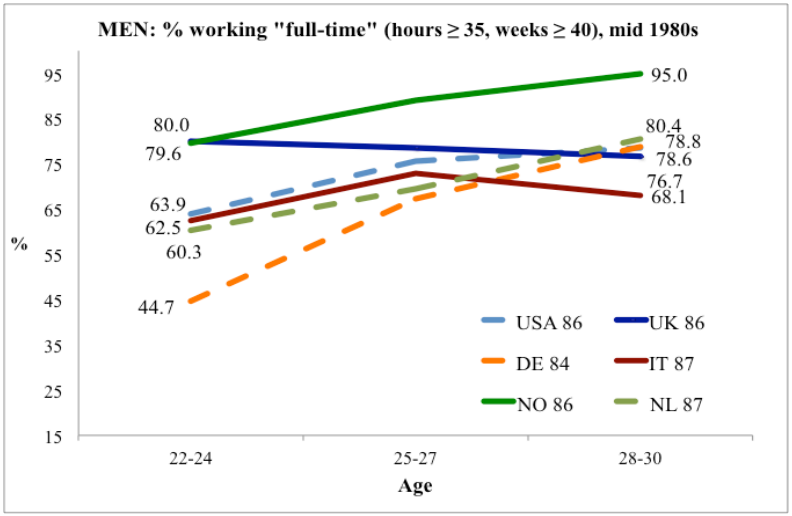
2.5 Employment trends and economic self-sufficiency in the Western world

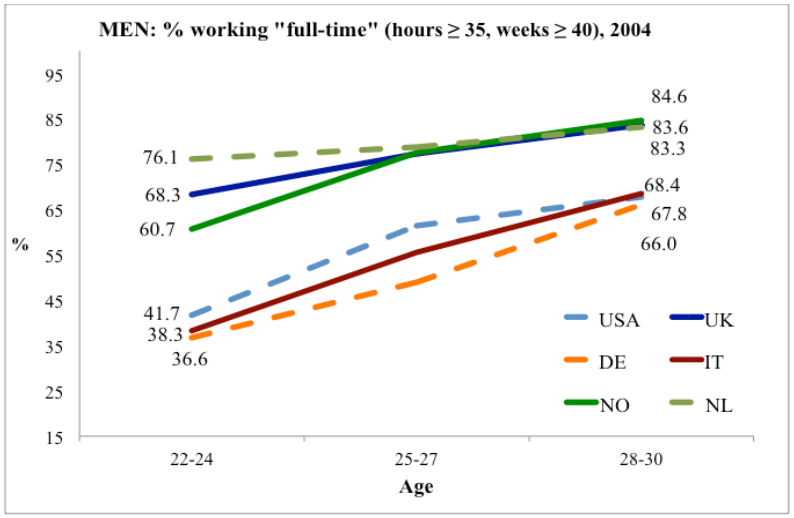
As mentioned, the first set of results that we present refers to the employment conditions of young men and women in the six countries of the selected sample. Figure 1.1 reports the proportion of men and women working full-time by time periods and by age. In order to compute the proportion in each category we used person weights included in the LIS, so to take into account the sampling probability and the different age structures in different countries. The proportion of young men and women working full-time decreased over time in the United States, Germany and Italy. In the United Kingdom the percentages among men are lower in 2004 than in 1986 but only at lower ages. By age 25 and 26 the proportions breakeven and by age 30 more people are working full-time in 2004 than in 1986. Among English women, except for the age interval 22-24, the proportions are higher in 2004 than in 1986. The delay in the entry into full-time employment and the fast recuperation as age increases may be related to education expansion. As a matter of fact those with high education in 2004 are 30.1%, compared to 11.7% in 1986. Netherlands is the only country where the proportion increased for both men and women. The gap between 2004 and 1987, however, decreased over age for males, while it increased among females showing a substantial growth in the female labor force participation. Also in Norway we observe a large upshift in the proportion of women *employed*, and the gradient increased with age. The same is not true for men, given that the share of males employed is lower in 2004 than in 1986 at each age (even if the differences reduce when age goes up). In general, the age gradient is positive among men and flatter among women (except for Norway). Comparing levels of different

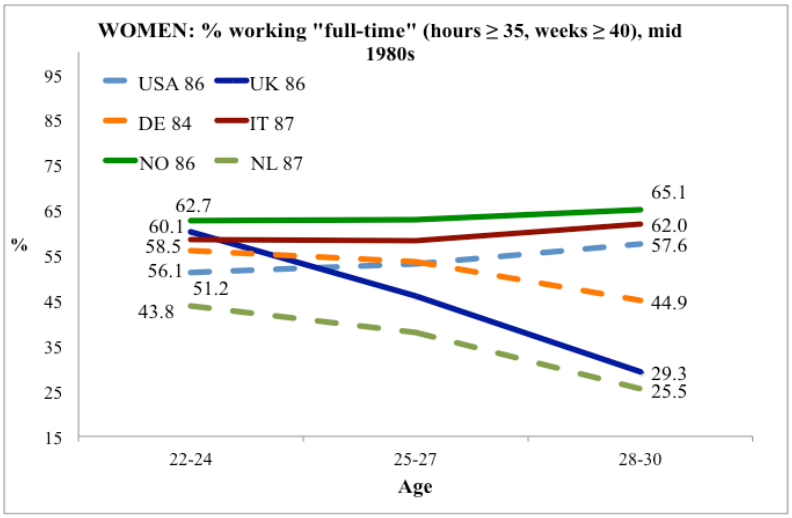
countries in the 1980s we observe that percentages for men are distant in the age range 22-24, but differences decrease as respondents get older, if we do not consider Norway where only the proportion employed is reported.

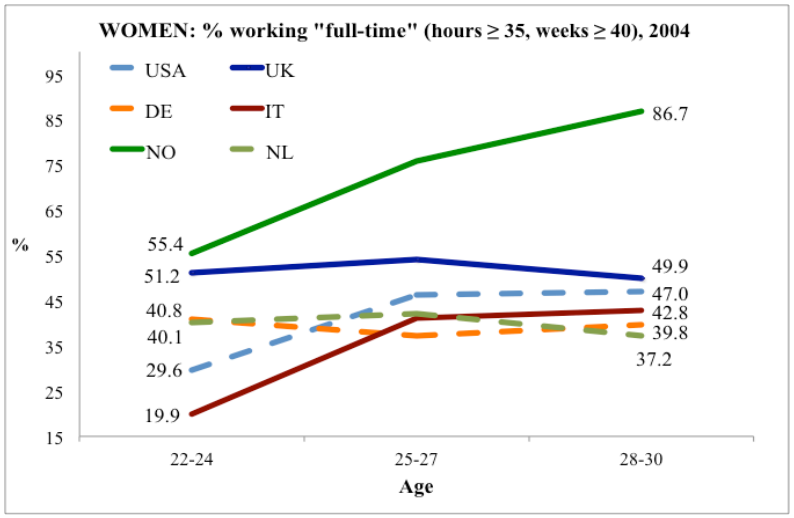
In 2004 instead, we have to distinguish between UK and Netherlands where the proportions are very similar and at a high level, and USA, Italy and Germany that adjust on a lower level. Among women in the 1980s we observe the opposite picture, with a lower range across countries at young ages that increases by the time female respondents have 28-30 years old. In 2004, even if women start at lower and more dispersed levels, they recuperate as they get older and there is more convergence across countries (with percentages between 37.2 and 49.9, with a peak of 86.7% for Norway that again refers to women employed, and not employed full-time). Moreover, the gender gap has shrunk over time everywhere except for Netherlands, even with some cross-national variation. Before commenting the results concerning levels of wages, we briefly need to discuss the way in which wages are reported for different countries in the LIS database. Italy is the only country in our sample to report after-tax wages, while all the others register pre-taxes salaries. Hence, taxes that most workers pay on their payroll are already deducted among Italian employees. This can give a biased picture of net earnings in all the other countries studied in the analysis, based on the difference in tax systems.

Figure 1.1 Percentage of men and women working "full-time", by country and year









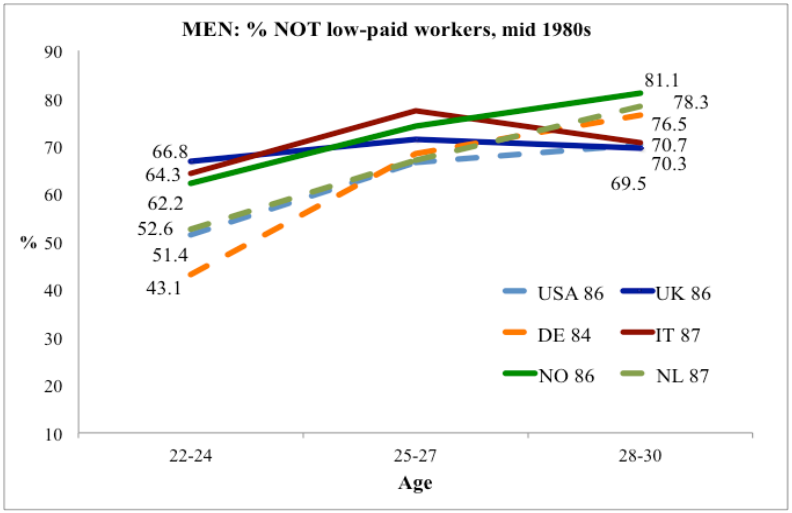
For this reason it is important to pay attention when interpreting the results on economic self-sufficiency, even though the measure we use is a relative one and refers to a specific country in a specific year. Figure 1.2 shows that both among men and among women there is an increase in the dispersion of trajectories across countries from 1980s to 2004. This means that differences in the proportions of those who are not low-paid workers among countries are smaller in the mid 1980s than in 2004. As a matter of fact the range is at least 10% wider in 2004 at all ages. In the United States the gap existing between 1986 and 2004 is much lower than the one related to employment status. This means that even if fewer American people are employed full-time, not many of them are low-paid workers. Importantly, the gap between men and women is smaller in 2004 than in 1986, also because the ability of women to support themselves with earnings in the US has improved over time. In the UK instead, the picture is more coherent with the one presented on employment conditions, even if among English men the recuperation process is slower and only at age 27 the proportion not "low-paid" in 2004 starts converging to the 1986 proportion. For women the opposite is true, given that if by age 28-30 in 2004 71.3% of men are not low-paid workers, as opposed to 69.5% in 1986, half of the women (51.6%) became independent showing a 24.3% increase compared to 1986. In Germany we observe a steep increase with age. The proportion of independent German men is higher in 1984 than in 2004, but percentages get closer when age goes up, while the share is higher in 2004 for women 25 years old and older. A similar situation – with an improvement over time for females and a deterioration for men – can be found in all the other countries, but Italy. In fact, in Italy the proportions for women decrease more than those for men over time. We can conclude that the achievement of independence is

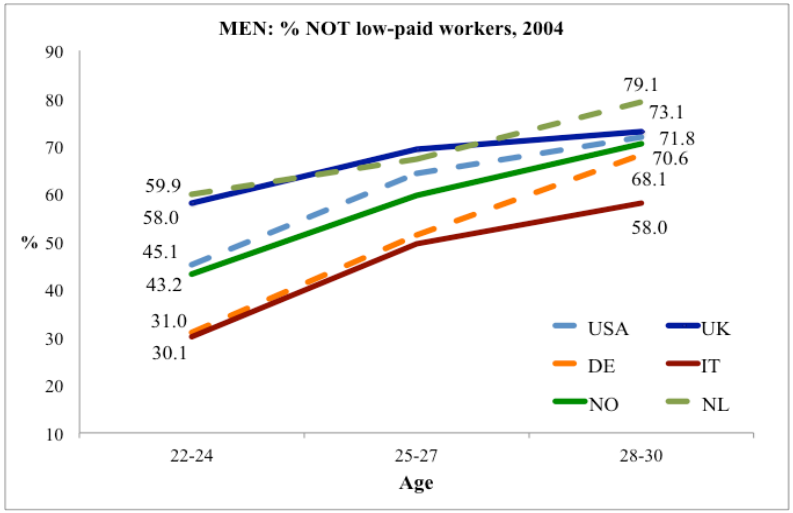
easier among women in all countries, with the exception of Italy, in 2004 than in the mid-1980s – probably due to the increase in female labor force participation – while the picture has not changed substantially among men, and if so it worsened. Moreover, compared to full-time employment, results show greater variability, both across countries and over age. The opportunity to live independently with labor earnings does not occur in a smooth way and the process to get there is de-standardized and unpredictable.

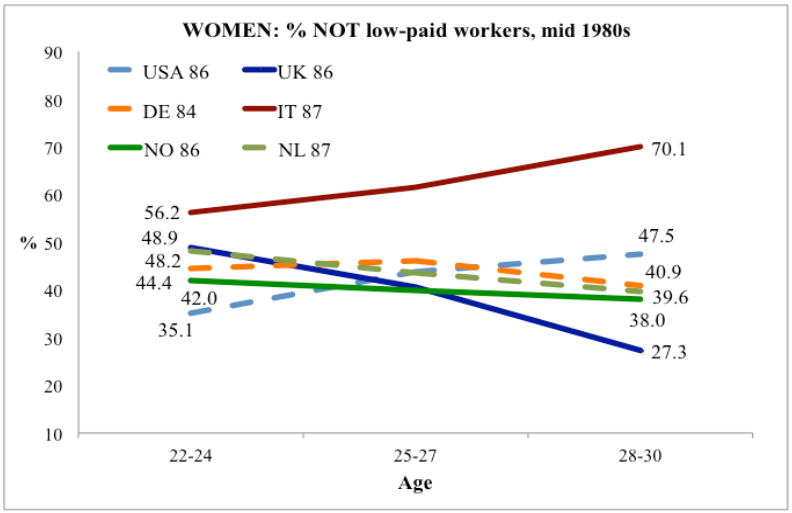
The role that education plays in the transition to adulthood, especially in the first steps such as entry into the labor market and achievement of economic self-sufficiency, is not negligible. As with unemployment, wage levels have become more correlated with education level. Shifts in the labor market toward higher-skilled jobs have eroded wages for many with the least education, leading to growing income inequality. Young adults, who decide to go to college or graduate studies after that, will achieve financial self-sufficiency at an older age than those who do not go to college. However, investing in more education can pay off in the long run and can lead to a more secure job and a higher standard of living. To present results more effectively, when we look at the proportion of men and women who are low-paid and non low-paid workers by age and education level, we show the percentage change over time, and so the percentage difference between 2004 and mid-1980s. Hence, in Figure 1.3 and 1.4[6] – presenting results for men and women respectively – if we observe a positive change it means that the proportion with a higher level of earnings increased over time.

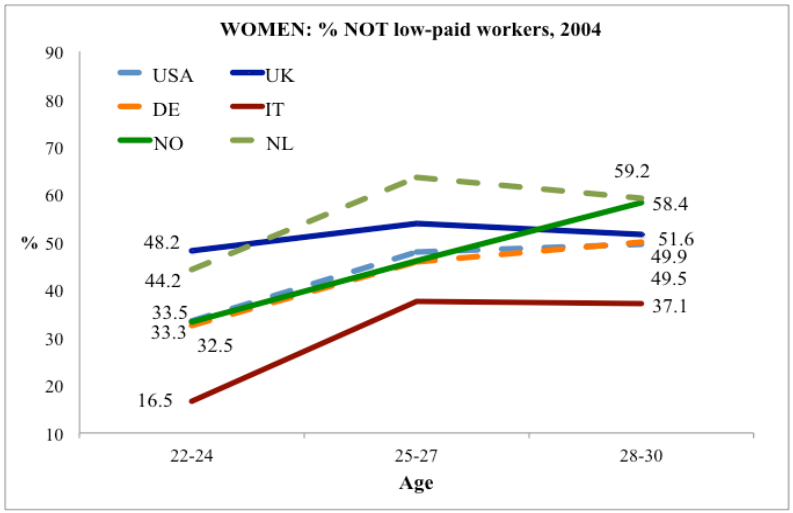
[6] Numbers used to produce Figures 1.3 and 1.4 con be found in the Appendix (Tables 1.A1 and 1.A2)

Figure 1.2 Percentage of men and women who are NOT low-paid workers, by country and year









Starting from men (Figure 1.3), we notice that in the UK, Germany and Netherlands if there is any improvement in the economic conditions of young adults it happens among the high-educated individuals. In other words, the negative changes over time get smaller as education increases. In Italy, on the contrary, there are more positive changes among low-educated men than among middle- and high-educated ones. Some categories for Italy are missing because the units of analysis were too small. This result can be driven by the fact that the percentage of those with high education is still low, and also that if Italian men decide to stay in school they might stay enrolled longer or take a long time to finish college (longer than in other countries at least). Moreover, mostly because of cultural factors, full-time students in Italy do not work and are supported by families. So they start earning their own money later in life, and this can worsen or delay their ability to achieve financial self-sufficiency. In the United States changes, positive and negative, are very small even if more positive at low level of education. In Norway there are negative changes, independent on the level of education. However, the difference between low-educated and mid- and high-educated men is still non negligible (with smaller decrease over time).

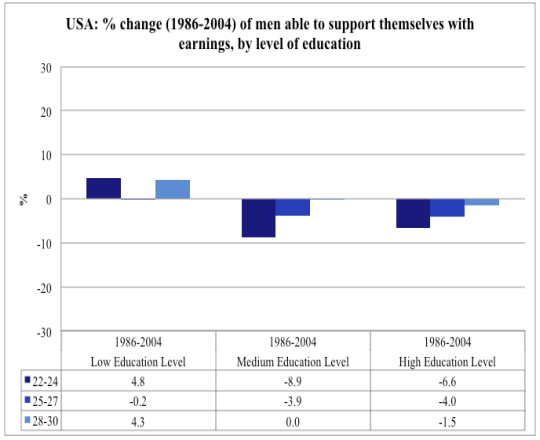
The picture for women displayed in Figure 1.4 shows more positive changes, confirming the improvements observed in figures 1.1 and 1.2. In the United States, United Kingdom, Germany and Netherlands there are still some negative changes, but they get smaller and smaller when the level of education increases, and the positive changes are greater among females with high education. Among Italian women there are no positive spreads. The number of women with high education is too low, so we do not

report the results for that group. It would be ideal to follow these women over time in order to investigate whether improvements will become visible in their mid- or late thirties. Norwegian women are in a peculiar situation: there are improvements over education for older ages (28-30 years old), but negative changes for those in the youngest categories (22-24 years old). Overall we can claim that the postponement is less evident among those with higher levels of education, either because young adults with high education in the mid-1980s were leaving school and entering the job market later in life, or because for individuals with a college degree or more in 2004 is easier to find a secure job paying higher wages than for those with low education.

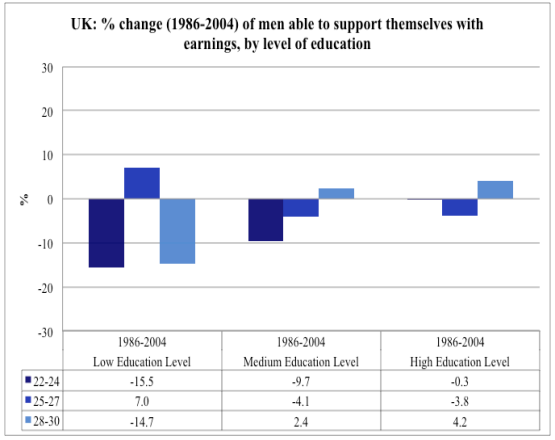
2.6 Economic independence and living arrangements

The data portrayed in Figures 1.1-1.4 suggest (but do not necessarily demonstrate) that young adults in the later cohorts delay other adult transitions (home leaving, partnership and parenthood) because they have lower earnings at comparable ages, at least as far as men are concerned. It is possible they are deferring labor market commitments that would bring them greater earnings capacity for other reasons. One event in the transition to adulthood, that is related if not determined by economic conditions, is the departure from parental home. We explore the possible relationship between level of wages and living arrangements of young adults, by predicting the probability of people in the sample to live together with parents based on their financial conditions. It is important to look at other characteristics of young people in the sample in order to gain more information on how they navigate the transition to adulthood.

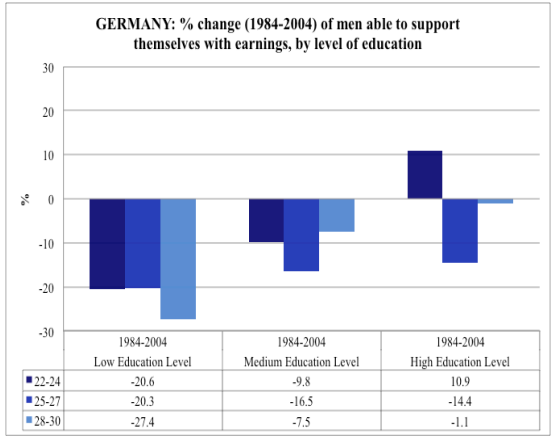
Figure 1.3 Percentage change over time of men who achieved economic self-sufficiency, by country and education level



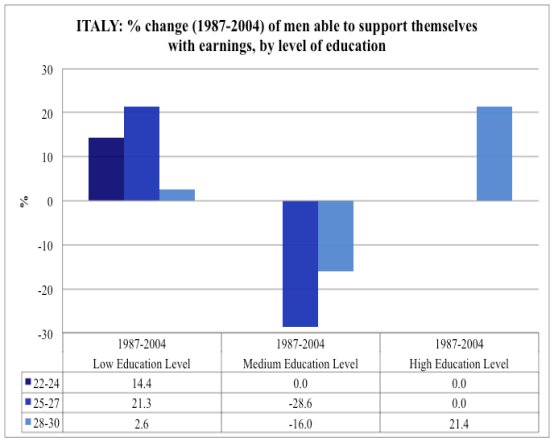
	1986-2004 Low Education Level	1986-2004 Medium Education Level	1986-2004 High Education Level
22-24	4.8	-8.9	-6.6
25-27	-0.2	-3.9	-4.0
28-30	4.3	0.0	-1.5



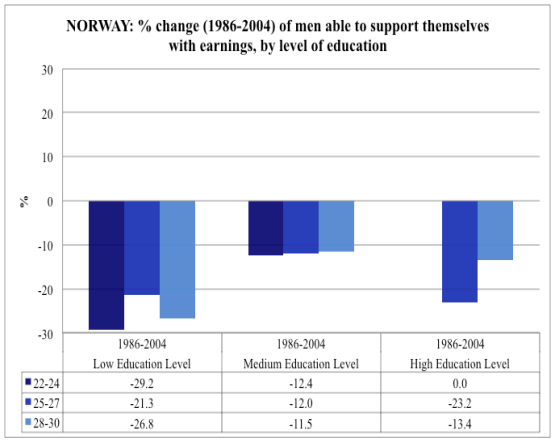
	1986-2004 Low Education Level	1986-2004 Medium Education Level	1986-2004 High Education Level
22-24	-15.5	-9.7	-0.3
25-27	7.0	-4.1	-3.8
28-30	-14.7	2.4	4.2



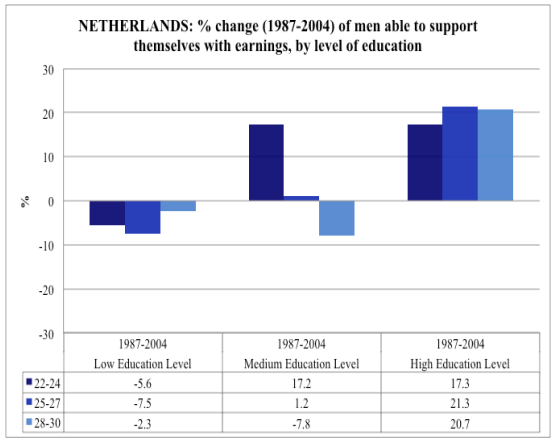
	1984-2004 Low Education Level	1984-2004 Medium Education Level	1984-2004 High Education Level
22-24	-20.6	-9.8	10.9
25-27	-20.3	-16.5	-14.4
28-30	-27.4	-7.5	-1.1



	1987-2004 Low Education Level	1987-2004 Medium Education Level	1987-2004 High Education Level
22-24	14.4	0.0	0.0
25-27	21.3	-28.6	0.0
28-30	2.6	-16.0	21.4

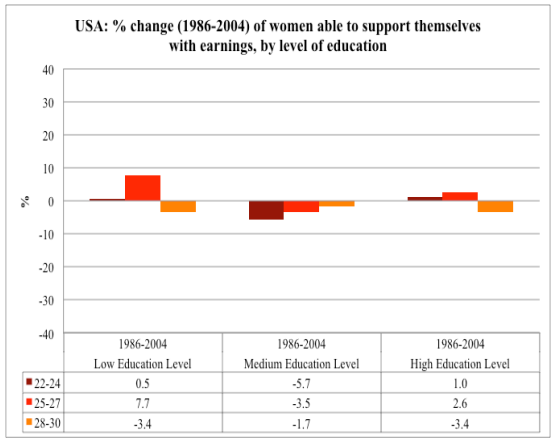


	1986-2004 Low Education Level	1986-2004 Medium Education Level	1986-2004 High Education Level
22-24	-29.2	-12.4	0.0
25-27	-21.3	-12.0	-23.2
28-30	-26.8	-11.5	-13.4

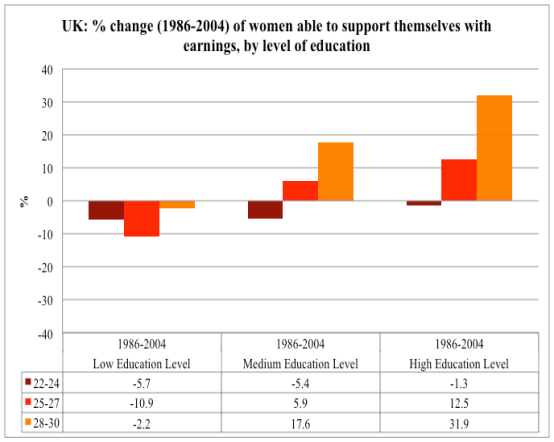


	1987-2004 Low Education Level	1987-2004 Medium Education Level	1987-2004 High Education Level
22-24	-5.6	17.2	17.3
25-27	-7.5	1.2	21.3
28-30	-2.3	-7.8	20.7

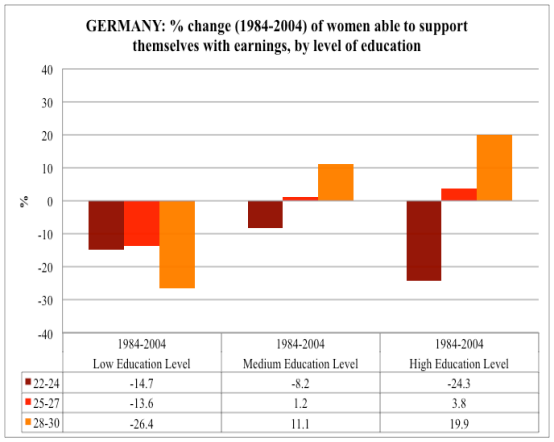
Figure 1.4 Percentage change over time of women who achieved economic self-sufficiency, by country and education level[7]



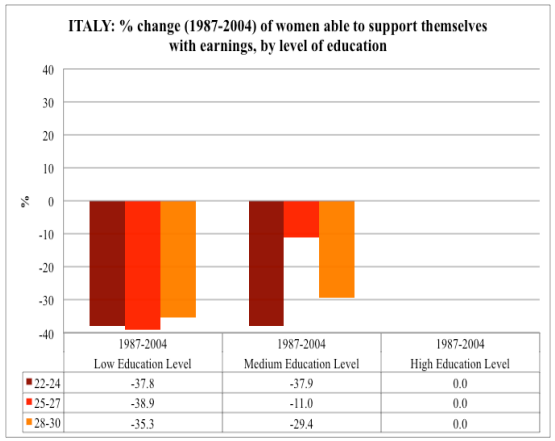
	1986-2004 Low Education Level	1986-2004 Medium Education Level	1986-2004 High Education Level
22-24	0.5	-5.7	1.0
25-27	7.7	-3.5	2.6
28-30	-3.4	-1.7	-3.4



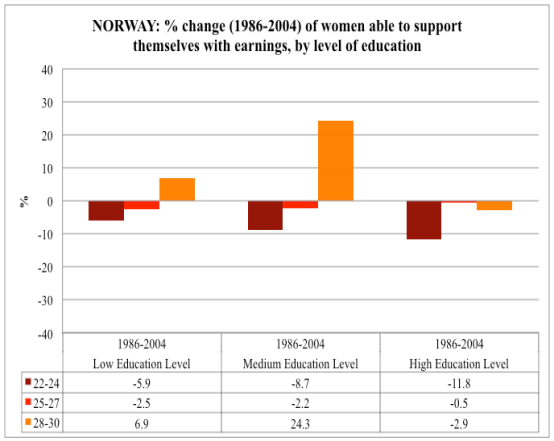
	1986-2004 Low Education Level	1986-2004 Medium Education Level	1986-2004 High Education Level
22-24	-5.7	-5.4	-1.3
25-27	-10.9	5.9	12.5
28-30	-2.2	17.6	31.9



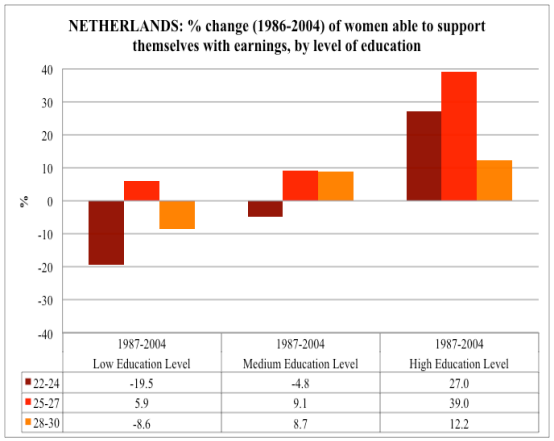
	1984-2004 Low Education Level	1984-2004 Medium Education Level	1984-2004 High Education Level
22-24	-14.7	-8.2	-24.3
25-27	-13.6	1.2	3.8
28-30	-26.4	11.1	19.9



	1987-2004 Low Education Level	1987-2004 Medium Education Level	1987-2004 High Education Level
22-24	-37.8	-37.9	0.0
25-27	-38.9	-11.0	0.0
28-30	-35.3	-29.4	0.0



	1986-2004 Low Education Level	1986-2004 Medium Education Level	1986-2004 High Education Level
22-24	-5.9	-8.7	-11.8
25-27	-2.5	-2.2	-0.5
28-30	6.9	24.3	-2.9



	1987-2004 Low Education Level	1987-2004 Medium Education Level	1987-2004 High Education Level
22-24	-19.5	-4.8	27.0
25-27	5.9	9.1	39.0
28-30	-8.6	8.7	12.2

[7] Most of the differences over time and across countries that we presented in Figures 1.1-1.4 are significant, especially when the difference is greater than 2%. We do not show it on the graphs not to make them more complex and difficult to read, but we can provide confidence intervals upon request.

Delay can occur because it is more difficult to find a job and earn enough to form a separate household, and all other events are postponed accordingly. In this case, structural changes in the labor market that occurred in the last three decades would be responsible for the postponement. But it may also be the case that delay is occurring because of something else, such as a deeper normative and cultural change, and that even with a stable job and a secure wage, young adults in 2004 decide to wait longer to move out and start their own families. Consequently, it is relevant to investigate whether those in 2004 who have adequate earnings still postpone, or whether they leave the parental home at the same age as young adults in the mid-1980s. The cross-national comparison allows us also to investigate whether the context matters in the relationship between economic conditions and the decision to live with parents or to move out. The high costs in the housing market can delay the decision to leave the parental home until labor earnings are high enough to bear a rent (or a mortgage). So even if wages are above the threshold for low-paid workers, young adults can still decide to stay with parents and save some money, especially if the family supports them (as it happens in Italy). It is also possible that the government through public transfers can facilitate the exit from parents' house and speed up the process.

Figure 1.5 shows the predicted probability of *living with parents*, by gender[8], age, and economic conditions resulting from a set of logistic regressions in which we also control for education level[9]. In each graph we actually report the percentage change in the predicted probability of living with parents between the mid-1980s and 2004 for each country. On the left part of the figure we produce the chart if respondents are low-paid

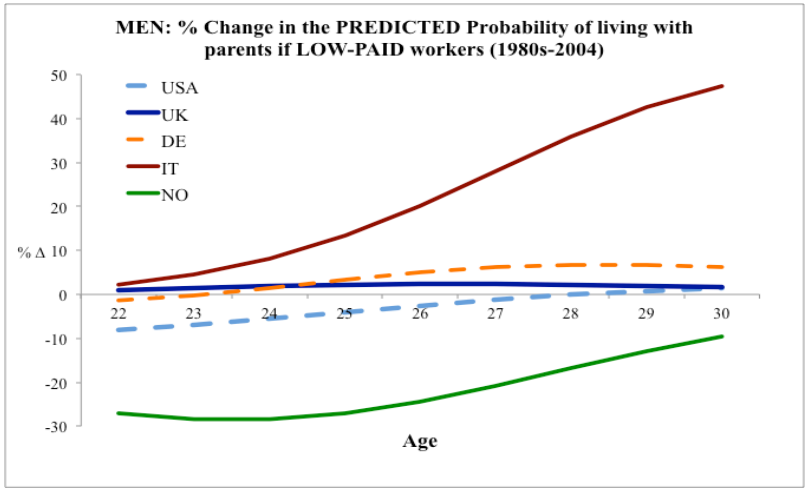
[8] We do not have information about living arrangements for Netherlands.
[9] For the predictions we set education level at the mean value.

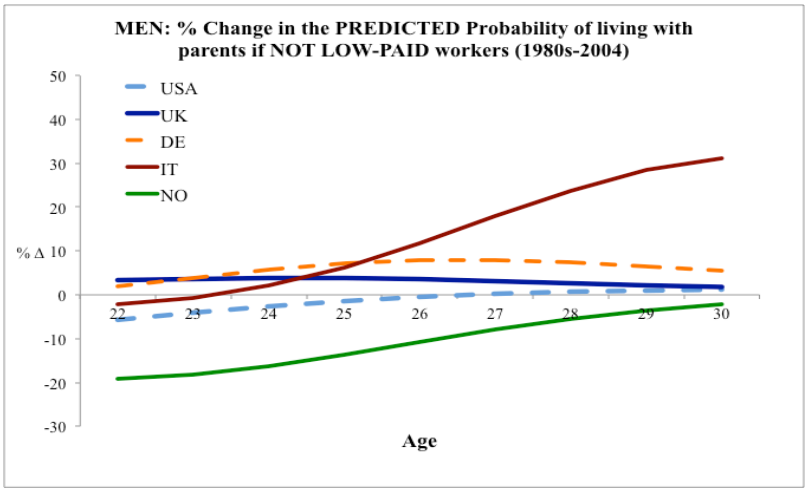
workers, while on the right if they are not. We know that generally there is an increasing trend over time in the proportion of young adults staying with parents (except for Norway, see Table 1.2). However this trend is not uniform and possibly not driven by the same motivations. Hence we expect to find a percentage change greater than zero between 1980s and 2004, but with a different magnitude in different countries. Moreover, we would expect this increase to be lower among financially independent people, so to be lower among those who are non low-paid workers – assuming that being in good financial conditions helps young adults to move out from their parents' house. Among low-paid men we observe an increase in the predicted probability of living with parents in all countries except for Norway, and the United States at younger ages (until age 26). This "positive" change however is lower than 3% in the United Kingdom and than 7% in Germany. In Italy instead, the change is substantial. Between 1987 and 2004 the probability of living with parents increases also by more than 40%, and it increases the most among older respondents. The difference with respect to workers who are not low paid is very modest in the U.S., in the UK, and in Germany. The decrease in the predicted probability that we observed in Norway is smaller in this category, while the large increase detected in Italy shrinks a lot. So it seems that in Italy it is important to have a solid financial background to be able to move out from parental home, while in other countries the difference is very modest. Among women we find more variations across countries. If we consider low-paid women, we find that only in Norway the change is negative, meaning that the probability of living with parents decreases between 1986 and 2004. The increase is still very low in the United States, and it is 17.6% in the UK at age 22, but it decreases to zero by age 30. In Germany and in Italy the increase is larger.

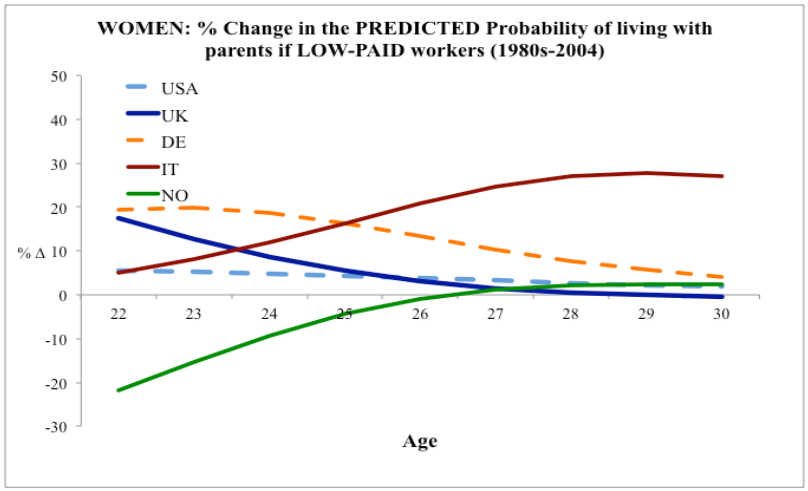
However, in Germany it starts at 20% for very young women and decreases when age goes up, showing a delay in leaving the parental home but a convergence before age 30. In Italy the increase is smaller at age 22 (only 5%), and it goes up to 27% by age 30, showing a delay that does increase with age. When we move to non low-paid women we can see how the level of wages can play a role. As a matter of fact, the percentage change is still negative in Norway, but it becomes negative also in the UK and in Germany. In the United States there is almost no change between 1986 and 2004. Italy is the only country where we still find an increase in the predicted probability of living with parents. However, this probability increases less than for low-paid women.

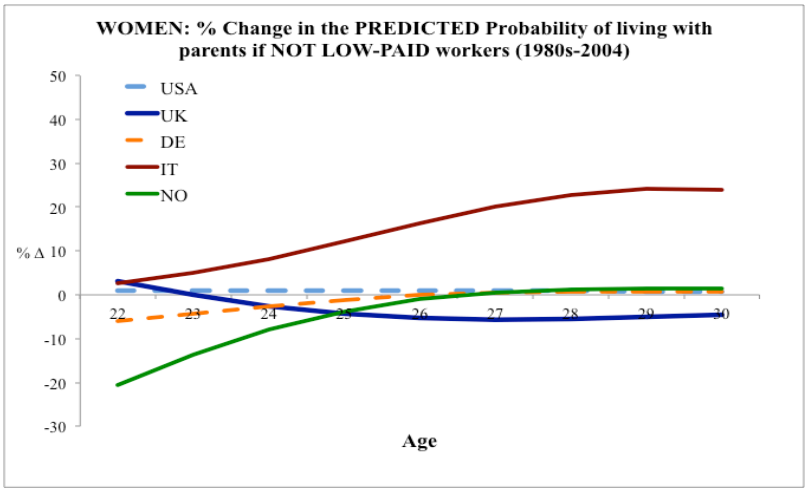
Summing up, it seems that attaining economic independence or having a job paying a good wage has a role in the change over time of young adults' living arrangements. However this role is not the same in all countries and across gender. First being in good financial conditions helps avoiding or reducing the delay in leaving the parental home among women, but it does not make a big difference among men. Consequently, there is something else that is not related to wage structure and labor market changes behind the decision of leaving the parental home for men. Among these factors we can mention housing costs, family ties, and culture. Also, the Italian picture seems to show that the postponement of leaving home is substantial and not strictly related to economic conditions, and so most likely related to cultural factors. Further research is needed to investigate these issues.

Figure 1.5 % Change (1980s-2004) in the predicted probability of living with parents based on level of wage









2.7 Discussion and concluding remarks

To investigate how the transition to adulthood has changed in the Western developed world we started from two fundamental steps in the process, entry into the labor market with a full-time job and attainment of satisfactory level of wages. Financial independence is a complex concept, and it is hard to define exactly when and how young adults achieve it. In this work we decided to focus on earnings and to look at those who are defined as low-paid workers versus those who are not, according to the OECD definition. Of course there are some limitations due to the fact that we consider a relative measure computed within the selected sample – one for each time period and for each country. This can cause some biases, also because we do not consider other sources of income that may enable young adults to live independently, such as self-employment income, social and public transfers, partner's or family income, loans, etc.

Being aware of these limitations, the picture that is presented evaluating the proportion of those employed full-time and who are not low-paid workers is not particularly reassuring. There is a general decreasing trend in the percentage working more than 35 hours per week and 40 weeks per year, and earning enough to be in good financial conditions. This happens mainly among men, and in some countries we observe a convergence when age increases (e.g. in UK, U.S. and Netherlands), but in some other countries the delay has not been recuperated by age 30. The situation is more positive for women, who are more active in the labor force in 2004 than in the mid-1980s. There are still places where the proportions are well below those of the 1980s, for example in Germany and Italy, but the general trend is positive. This has also a positive influence on

their level of wages, given that in all countries, but Italy, by age 30 the proportion of females who achieved economic independence is higher in 2004 than in the 1980s. These two parallel but divergent processes occurring among men and among women start to close the gap and reduce the distance prevailing in the mid-1980s between sexes. Males and females' careers – or the way they face the transition to adulthood – become more similar over time, and even if the gap is very similar in 2004 and 1980s at young ages, it decreases as age increases (with proportions for men that are still always higher). Moreover, we have seen how the postponement has been less drastic among those with high education.

Despite some general similarities across countries, substantial differences still remain and do not seem to reconcile over time. The delays in the transition towards economic self-sufficiency are limited in the United States, in the United Kingdom, and in the Netherlands. Norway is in an intermediate position with a delay that is more pronounced among men, and high variability across ages. Germany, and in particular Italy are the two countries with the most visible postponement and the lowest proportions of young adults who attained satisfactory levels of earnings. Hence, it is evident how contexts matter, and the results are to some extent linked to the structure of the labor market and welfare state systems.

However, there are some results and some trends that cannot be entirely reconciled with structural factors. Some other determinants could explain these findings. Elements like culture and social norms, on top of family ties, can play an important role in shaping the life course trajectories. They can be responsible for the variation across

countries that cannot be explained through structural factors related to the labor market. Moreover, women's findings cannot be simply explained by differences in welfare regimes or institutions. Therefore, there a lot of aspects that should be investigated in future research, starting from the influence that culture and social norms have on the transition to adulthood and their ability to explain differences across countries. Also it would be interesting to investigate the way in which the entry into the labor market and the achievement of economic independence are related to the other steps of the transition, and to focus more on the women's side of the story that is much more diverse and innovative.

2.8 Appendix

Table 1.A1: MEN, Able to support themselves w/ earnings

	Low Education Level		Medium Education Level		High Education Level	
United States						
Age	**1986**	**2004**	**1986**	**2004**	**1986**	**2004**
22-24	30.8	35.6	53.5	44.6	60.1	53.5
25-27	53.0	52.8	66.8	62.9	76.3	72.3
28-30	46.0	50.3	70.5	70.5	83.3	81.9
United Kingdom						
Age	**1986**	**2004**	**1986**	**2004**	**1986**	**2004**
22-24	57.1	41.6	67.3	57.6	69.0	68.8
25-27	50.0	57.0	70.5	66.4	84.6	80.8
28-30	62.2	47.5	71.1	73.5	78.6	82.7
Germany						
Age	**1984**	**2004**	**1984**	**2004**	**1984**	**2004**
22-24	43.8	23.2	43.5	33.7	33.4	44.3
25-27	75.8	55.5	67.7	51.2	60.8	46.4
28-30	85.2	57.8	76.7	69.2	71.9	70.7
Italy						
Age	**1987**	**2004**	**1987**	**2004**	**1987**	**2004**
22-24	57.4	43.1	77.4	na	na	17.5
25-27	77.0	55.7	78.5	49.9	na	33.1
28-30	69.7	67.1	73.7	57.6	68.0	46.6
Norway						
Age	**1986**	**2004**	**1986**	**2004**	**1986**	**2004**
22-24	67.7	38.4	61.9	49.5	55.8	na
25-27	70.9	49.6	73.9	61.9	77.5	54.3
28-30	66.9	40.1	80.2	68.6	92.5	79.1
Netherlands						
Age	**1987**	**2004**	**1987**	**2004**	**1987**	**2004**
22-24	62.3	56.7	52.4	69.7	19.6	36.8
25-27	74.7	67.2	68.2	69.4	43.3	64.6
28-30	74.6	72.3	87.8	79.9	61.1	81.8

Table 1.A2: WOMEN, Able to support themselves w/ earnings

	Low Education Level		Medium Education Level		High Education Level	
United States						
Age	**1986**	**2004**	**1986**	**2004**	**1986**	**2004**
22-24	12.3	12.9	36.7	31.0	45.6	46.7
25-27	10.2	17.9	45.4	41.9	61.4	64.0
28-30	18.2	14.9	44.5	42.8	69.7	66.3
United Kingdom						
Age	**1986**	**2004**	**1986**	**2004**	**1986**	**2004**
22-24	26.7	21.0	48.0	42.6	75.7	74.3
25-27	28.1	17.3	38.2	44.1	70.5	83.0
28-30	18.6	16.4	27.4	45.1	45.5	77.4
Germany						
Age	**1984**	**2004**	**1984**	**2004**	**1984**	**2004**
22-24	36.8	22.2	44.6	36.3	58.6	34.3
25-27	30.5	16.9	48.0	49.3	54.9	58.7
28-30	38.6	12.2	39.7	50.8	45.5	65.4
Italy						
Age	**1987**	**2004**	**1987**	**2004**	**1987**	**2004**
22-24	60.5	22.7	53.7	15.8	na	na
25-27	64.4	25.5	56.6	45.7	77.6	na
28-30	67.1	31.8	70.6	41.3	80.5	na
Norway						
Age	**1986**	**2004**	**1986**	**2004**	**1986**	**2004**
22-24	27.5	21.5	44.1	35.4	40.1	28.4
25-27	16.0	13.4	40.2	38.0	58.9	58.4
28-30	24.4	31.3	29.8	54.0	67.5	64.5
Netherlands						
Age	**1987**	**2004**	**1987**	**2004**	**1987**	**2004**
22-24	39.5	20.0	57.9	53.2	22.6	49.5
25-27	24.4	30.3	57.8	66.9	32.1	71.1
28-30	30.4	21.8	44.2	52.9	65.5	77.7

3. *Chapter 2*: "Trends in Economic Independence of Young Adults in the United States: 1973-2007".[10]

3.1 Introduction

The transition to adulthood since the late 1970s has become increasingly complicated and prolonged compared to the very swift passage that occurred in the post-World War II era.[11] Typically, the demographic package of adult transitions has included such markers as leaving home, finishing education, securing a job, and marrying or cohabiting, and having children (Settersten, Furstenberg and Rumbaut 2006). In the post-war years, the transition occurred quickly (usually by age 25 for both men and women) and in an orderly sequence beginning with school completion, full-time work, and home-leaving. Since then, the transition has lengthened and become more circuitous.

Public and scientific discussion over why the transition to adulthood changed so suddenly has not yet reached any consensus on this question. Clarifying this question involves, we contend, understanding when and how economic self-sufficiency is attained. There has been considerable speculation that shifts in the labor market require more education and training to become economically secure enough to establish a family (Berlin, Furstenberg and Waters 2010b). Moreover, the structure of the U.S. labor market

[10] This chapter is co-authored by Frank Furstenberg (University of Pennsylvania). A slightly different version of this chapter is published as: Sironi M., Furstenberg F. (2012), "Trends in Economic Independence of Young Adults in the United States: 1973-2007", *Population and Development Review*, 38(4) 609-630

[11] Even though the delay in the transition is less pronounced in the United States than in some countries in Europe – such as Italy and Spain, where today young adults leave home in their late 20s, between 5 and 7 years later than those leaving home in the 1960s and 1970s – over the last three decades, Americans have experienced large changes in rates of household formation and dissolution. Age at leaving parental home, age at marriage and rates of non-marriage, extra-marital childbearing and divorce have all risen (Aassve, Arnstein, Simon Burgess, Andrew Chesher, and Carol Propper. 2002b. "Transitions from home to marriage of young Americans." *Journal of Applied Econometrics* 17(1):1-23, Billari, Francesco C., and Chris Wilson. 2001. "Convergence towards diversity? Cohort dynamics in the transition to adulthood in contemporary Western Europe." *MPIDR Working Papers* Max Planck Institute for Demographic Research, Rostock, Germany(WP-2001-039).

itself has been reformed significantly in the last 30-40 years in the face of global competitive pressure. Increase in earnings inequality, in employment instability, and shortening of job tenure due to higher turnover are some of the most relevant changes that occurred since 1970s. Together with these structural changes, youths' expectations about what it takes to live independently have risen, along with the actual costs of living.

This paper explores the trends in the achievement of economic self-sufficiency over time by comparing the life course of young adults in 1973, 1987 and in 2007, using data from the National Longitudinal Surveys in 1966 (NLS Original Cohorts), in 1979 (NLSY79) and 1997 (NLSY97). These three data sets enable us to compare individuals between ages 22 and 30 in 1973, 1987 and 2007, while accounting for the role of educational attainment and family background. Our research builds on a line of previous research suggesting that it takes longer today to build the human capital necessary to establish economic independence and as a consequence, a growing number of young adults may linger for a long time in a state of semi-autonomy.

The next section presents a review of the past works on labor market outcomes and economic self-sufficiency, trying to reflect about the causes of its postponement. After describing the specific contributions of our study we present our samples and the methodological strategy for the empirical analysis. Sections 3.4 and 3.5 report our findings, and section 3.6 concludes.

3.2 Background

Previous research has demonstrated that the transition to adulthood since the late 1970s

has become increasingly complicated (Aassve et al. 2002b; Furstenberg 2010; Settersten, Furstenberg and Rumbaut 2006). Financial independence is a fundamental step to be considered an adult, associated with – but not identical to – full-time employment. As noted by Yelowitz (Yelowitz 2005) in an article discussing the widely-held perception that the transition to adulthood has become longer, many young people (aged 19-28) in the US do not consider themselves "financially independent enough" to be an adult. The achievement of economic self-sufficiency, however, has been delayed together with the other events leading to adulthood, possibly due to reduced economic opportunities and to the stagnation of real wages for many groups of American workers during the 1970s and 1980s (Duncan, Boisjoly and Smeeding 1996; Katz and Autor 1999). Changes in the labor market over the past forty years, e.g. technological changes in the production process, spread of globalization, the decline of unionization, etc. made it more difficult for young adults to attain economic stability and self-sufficiency (Danziger and Ratner 2010; Duncan, Boisjoly and Smeeding 1996).

There is, therefore, good reason to believe that it takes longer today to achieve a wage that permits economic autonomy and, in particular, enough to establish a separate household and support a family (Danziger and Rouse 2007; Smeeding and Phillips 2002). Earnings levels became uniformly lower over the 1970s and the 1980s, at least for male workers. Moreover, failure to obtain a college degree or dropping out of high school dramatically decreases the probability of earning a middle-class wage. For many less-educated individuals, unemployment has become a substantial problem, with their unemployment rates significantly higher than those of more educated people. This is especially true for disadvantaged minorities. As with unemployment, wage levels have

become more correlated with education level. Shifts in the labor market toward higher-skilled jobs have eroded wages for many with the least education, leading to growing income inequality. Within low-skilled jobs, mobility is also reduced, lowering the possibilities of advancement on the job. Further, jobs overall have also become less stable over time. This created greater uncertainties about young adults' ability and willingness to take on adult responsibilities, and about their long-term socioeconomic characteristics (Duncan, Boisjoly and Smeeding 1996; Hill and Holzer 2006; Oppenheimer 1988). Even when social transfers are taken into account, a significant proportion of young people remain unable to support themselves, and much less a family, before their mid- to late twenties (Smeeding and Phillips 2002).

These outcomes may also contribute to delays in other markers of the transition to adulthood, such as completing education, establishing independent living arrangements, marrying and having children. Certainly, the employment and earning changes of the past four decades have affected the transition to adulthood in ways that vary sharply by gender and education. Education expansion has been more substantial among women, who started from a lower level and managed to catch up with men in getting college degrees and enrolling in graduate studies. The same is true for the labor force participation rate, given that its increase for females has been much more pronounced. If young males with a low level of education take longer now than they did in the mid-1970s to become self-sufficient and to earn enough to support a family by working steadily in a job with good wages and benefits, young women are more likely to attain self-sufficiency now than they were in the mid-1970s (Danziger and Ratner 2010).

The changing economic situation of young men and women has potentially

important implications for the second phase of adult transitions, union formation and parenthood. Career opportunities and earnings, in fact, affect decisions about marriage and parenthood differently by gender. Among men, steady employment and earnings are positively associated with marriage and childbearing (Becker 1981; Blossfeld and Drobnič 2001; Blossfeld et al. 2005; Gibson-Davis 2009; Gibson-Davis, Edin and McLanahan 2005). For women, the picture is more complex. The new home economics (Becker 1965; Mincer 1962) hypothesis is that women's economic independence is the main reason behind delayed marriage and motherhood in industrialized countries. This *independence effect* is driven by better education and career opportunities, with consequent higher wages, which enable women to forgo marriage. Gains from marriage and role specialization within marriage dissipate with women's growing investments in human capital and careers. The higher their level of education and the better their job opportunities, the more likely women are to postpone or even avoid marriage and motherhood. An alternative hypothesis, with different implications, is that women's earnings contribute to a couple's higher standard of living, which encourages marriage (*income effect*). Which scenario dominates is not clear yet and appears to be dependent on other factors such as local and country context, birth cohort, and educational attainment (Harknett and Kuperberg 2009; Sweeney 2002).

There are several reasons behind these changes in labor market outcomes and economic self-sufficiency among young adults. One important factor explaining the delay in the achievement of financial independence is the expansion of education that took place in the last 40 years. Today it takes longer to build the human capital necessary to

establish economic independence and as a consequence, a growing number of young adults may linger for a long time in a state of semi-autonomy. As a matter of fact, by spending more time in school they are delaying economic independence and temporarily giving up job earnings, but they are improving their capacity to earn good wages in the future (Bell et al. 2007).

Beginning in the 1970s – and until the late 1980s – the U.S. economy began to experience periods of great instability. Some date the end of rapid real earnings growth and the beginning of slower growth in 1973 after the oil embargo that resulted in a deep recession. At the same time there was an acceleration in the growth of earnings inequality, especially among men (Levy and Murnane 1992). For both men and women, increased inequality in earnings was driven by increased wage variation rather than increased variation in hours worked. The supply shifts alone, however, cannot explain the rapid changes in income inequality. Also the demand for skilled workers relative to unskilled ones played an important role.

During the 1970s the large baby boom cohort entered the labor market creating what has been called the *Easterlin Effect*. Easterlin's argument theorizes cyclical changes in demographic and social behavior as the result of fluctuations in birth rates and cohort size during the post-World War II period. Large cohort size reduces the economic opportunities of its members and reduces income relative to smaller parental generations (Jeon and Shields 2005; Macunovich 2011; Pampel and Peters 1995). "Low relative economic status in turn leads to lower fertility, higher rates of female labor force participation, later marriage, higher divorce and illegitimacy" (Pampel and Peters 1995). There are mixed findings related to Easterlin's theory, some providing support (Jeon and

Shields 2005; Macunovich 2011) and some others claiming that the change in relative cohort size was not predictive – or at least powerfully predictive – of changes in labor market outcomes and social behaviors (Pampel 1993). Even considering the Easterlin effect as true and effective, it can explain only in part the worsening of economic conditions of young adult that has been constant over time since the 1970s. The Easterlin effect should have resulted in cycles in economic opportunities and financial independence in the ensuing decades that have not been observed.

In sum, the structure of the U.S. labor market has changed substantially in the last four decades to face global competitive pressure, decline of unionization, and the raise of jobs demanding high human capital. During this period, a decline occurred in tenure and long-term employment relationships, with a subsequent increase in the proportion of workers with short-term contracts. Despite the sustained growth in employment in the United States until the Recession of 2007-08, there is longstanding concern that the quality of the stock of well-paying jobs in the economy is deteriorating. Stable jobs with high wages have been replaced by service sector jobs, that report high rates of turnovers, low wages and frequently by part-time employment. Employers need to rely more on temporary workers, on subcontractors, and on part-time workers, because they need more flexibility to face greater uncertainty regarding product demand (Farber 2007).

Along with these structural changes, youths' expectations about what it takes to live independently have risen, along with the actual costs of living. The cost of housing, for example, rose in the last decades, especially from 2000 to 2005, before coming to a sudden halt in August 2008 with the severe economic crisis. Furthermore, expenditures on children in dual-parent households (middle income) increased on average by 20

percent from 1960 to 2008) (Lino and Carlson 2009). The main drivers of this growth can be found in housing costs, health care expenditures, childcare and education, transportation costs, and clothing. The higher costs of living and of raising a child contributed to growing attitudes that a full-time job was insufficient to live independently and build a new, independent household. Yelowitz (Yelowitz 2007) tried to assess how changes in the cost of housing, transportation, and childcare affect living arrangement decisions, and he found that there is a significant effect of housing and transportation costs in the expected direction: the higher the costs, the lower the percentage of young adults living independently. In particular, the results show that rising real housing costs can explain 15% of the total change in independent house living arrangements in the U.S. between 1980 and 2000.

Some researchers, though not dismissing the structural roots associated with the extension of education and changes in the labor market for young adults, contend that the changes in the timing of adult transitions can be partially explained by a shift in cultural norms regarding home-leaving and family formation. In this paper we do not specifically consider the possible effect of normative and cultural changes, but we only take into account the growing interest in the role that families and parental socioeconomic status may play in shaping life course trajectories. The precise mechanisms by which family background and socioeconomic status affect the transition to adulthood and the ability to achieve economic self-sufficiency are largely unknown, but presumably include factors such as role modeling, labor market connections, neighborhood influences and parents' ability to make monetary investments in their children. Moreover, the association between parents' socioeconomic status and young adult outcomes may also reflect the

intergenerational transmission of genetic traits such as intelligence or motivation (Guldi, Page and Stevens 2007).

This paper examines three specific research questions related to the changing barriers to gaining financial independence:

1: How has timing of the entry into the labor market and of the achievement of financial independence changed since 1970s?

2: How do the trends differ between younger men and women? Has there been convergence between men and women in employment and financial indepence trajectories over time?

3: How do the changes in the transition to adulthood over time differ by social class and family background? Is the role of parental socio-economic status changing over time?

3.3 Data and Methods

3.3.1 Data

The NLSY are a series of nationally representative samples of young men and women, designed to gather information at multiple points in time on their labor market activities and other significant life events. In this study, we use the NLS Original Cohorts (NLS hereafter), and both the NLSY79 and NLSY97. The first one began in 1966 for men and 1968 for women, interviewing 5,225 young men and 5,159 young women who were age 14-24 (born between 1941 and 1954). The NLSY79 began in 1979 with the survey of 12,686 young men and women who were age 14-22 (born between 1957 and 1964). These individuals were interviewed annually through 1994 and are currently interviewed biennially. The NLSY97 consists of a nationally representative sample of

approximately 9,000 youths who were age 12–16 in December 31, 1996 (born between 1980 and 1984). Round 1 of the survey took place in 1997 and respondents are interviewed annually. All these surveys are implemented to document the transition from school to work and into adulthood.

Substantial differences exist between the data sets, but they all collect essential demographic and socioeconomic information. Hence, we know respondents' educational attainment, employment and earnings, partnership status, living arrangements, and some family background details, such as parents' education level. Exploiting data included in these surveys, we compare individuals making the transition to adulthood in 1973, 1987, and in 2007, respectively. Following this strategy we obtain three samples with an almost identical age range (22–30 in the NLS and in the NLSY79, and 22–28 in NLSY97) but in three very different historical contexts. The NLS includes people born in the last years of World-War II and in the Post-war decade, so they can be considered baby boomers. This was a time of substantial economic growth and prosperity. The NLSY79 cohorts (late Baby Boom) were born in a period in which the U.S. economy was still growing and expanding. However, by the time they reached adolescence and earlier adulthood, many of the forces that contributed to the prolongation of adult transitions were underway. Nonetheless, labor market prospects were still relatively good at the end of the 1980s, after a severe recession earlier in the decade during which wage stagnation started and income inequality rose. The NLSY97 cohorts were raised in a period of varying prosperity and in an era when a two or four-year college education became increasingly essential to enter the middle class.

1973-Round of NLS, Round 9 of NLSY79, and Round 11 of NLSY97 (the focus of this study) include fewer individuals than their respective first rounds owing to attrition. Moreover, the NLSY79 contains a military sample (individuals born between 1957 and 1961 and serving in the military as of September 30, 1978) and a group of oversampled economically disadvantaged whites. We exclude both these groups to make the samples more comparable. After dropping these individuals (1,280 of the military sample and 1,643 economic disadvantaged whites) and those with missing information on essential variables, we are left with 6,888 individuals in the NLS (49.4 percent men and 50.6 percent women), 8,590 individuals in the NLSY79 (48.4 percent men and 51.6 percent women) and 7,418 respondents in the NLSY97 sample (51.4 percent men and 49.6 percent women).

3.3.2 Methods

In order to answer the first research question we start by describing the employment situation of the young adults in the three samples. Secure, full-time employment is defined, according to the conventional definition, as working more than 35 hours per week and more than 40 weeks per year. The structure and main characteristics of the samples are reported in Table 2.1.

We next compute the percentage of young adults who are able to live independently and support themselves with their own earnings. To define the affordability of living independently, we use the poverty thresholds established by the

U.S. Census Bureau[12] and consider economic self-sufficiency to include those who report an income that is greater than 200 percent of the poverty threshold.[13]

Table 2.1 NLS (1973), NLSY79 (1987) and NLSY97 (2007) Sample Characteristics

	1973	1987	2007
Mean Age	25.4	25.7	24.9
% Female	50.6%	51.6%	49.6%
% Enrolled in school	10.8%	8.5%	15.5%
% in a union	69.5%	50.0%	42.5%
% Married	62.7%	42.3%	23.6%
% Cohabiting	n/a	7.7%	18.9%
% with at least 1 child	56.3%	41.7%	34.1%
% living with parents	21.6%	24.4%	28.1%
% working "full-time"	51.7%	54.7%	51.8%
Unemployment rate*	5.6**	7.0**	4.6**
Labor Force Participation Rate*	60.4**	65.2**	66.2**
N	6888	8590	7418

*Source: Bureau of Labor Statistics
**NB: we use information concerning the year preceding the survey

In addition, and still using Census Bureau poverty thresholds, we compute the percentage of individuals who can support a family of three with their earnings (still considering as able to support a family those earning more than 200 percent of the poverty threshold for that family size). Poverty thresholds for years and family units considered in the analysis

[12] The Census Bureau updates poverty thresholds each year. Values of the poverty thresholds for the years 1960–2008 for families of different sizes are available on the Census Bureau's website, and they differ by age (distinguishing between families with members under and over age 65). Thresholds are the same for all mainland states, regardless of regional differences in the cost of living, and are updated annually for price changes using the Consumer Price Index for All Urban Consumers (CPI-U).

[13] All the analyses presented in Sections 4 and 5 have been repeated using two alternative definitions of economic self-sufficiency. We used the simple poverty line (and not two times the poverty line) as a threshold, and a within-sample threshold, specified as the average income of respondents in 1973, 1987 and 2007, respectively. Results with alternative definitions of economic independence are similar to those presented here.

are reported in Table 2.1.[14] All the analyses described above are produced separately for men and women in order to address the first part of the second research question, i.e. how the trends in the transition to economic self-sufficiency differ by gender.

Table 2.2 Poverty Thresholds. Source: US Census Bureau

	1972	1986	2006
1-person family unit (members age < 65)	$ 2,168	$ 5701	$ 10,488
3-persons family unit (members age < 65)	$ 3,339	$ 8,820	$ 16,227

NB: we use poverty thresholds of the year preceding the survey, because earnings are referred to that year

The concept of economic self-sufficiency can be defined in several ways, such as being able to live in a separate household, without any family members and without any financial support from the family of origin. It can also be defined as the ability to establish a partnership and have a child. In addition, the source of economic independence is also relevant. It can be earnings from work, welfare and social transfers in addition to wages, family income, or even loans. Young adults who decide to go to college or graduate studies after that will achieve financial self-sufficiency at an older age than those who do not go to college. However, investing in more education can pay off in

[14] Our measure of financial self-sufficiency is only based on wages and self-employment income, and does not reflect family support, taxes, or welfare transfers. However, reforms to the cash assistance program in 1996 substantially altered access to cash assistance. The 1996 Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) replaced Aid to Families with Dependent Children (AFDC) program with a more flexible block grant, Temporary Assistance for Needy Families (TANF), attached work mandates and time limits to receipt of welfare. It is impossible to accurately measure its impact with our data (and it is not feasible for the NLS), which can cause some bias in our estimates. However, we computed the total amount of welfare transfers received by respondents in NLSY79 and NLSY97 samples. Hence, we have information about AFDC or TANF, food stamps benefits, unemployment insurance, and Supplemental Security Income in 1986 and 2006. Exploiting this important information, we can add welfare transfers to wages and perform the same kind of analysis implemented using labor earnings. Results including welfare transfers are used as robustness checks, but the main trend and the differences between 1987 and 2007 do not differ substantially from the analyses without welfare transfers.

the long run and can lead to a more secure job and a higher standard of living. Consequently it is unclear whether economic independence should be evaluated using current income, if any, or the discounted flow of future earnings. Moreover, the current amount of earnings together with expectations about career prospects can influence decisions about standard of living (e.g., affordability of a marriage or of childbearing). Individuals with low incomes in early adulthood may decide not to marry or have children. Others who have higher earnings, or who can expect a substantial wage growth, may feel more secure in deciding to having a greater number of children. In this case it is hard to classify individuals as economically independent and to establish which one of the two conditions implies greater economic self-sufficiency.

Furthermore, the meaning of self-sufficiency may have changed from 1970s to 2007. Both expectations about what it takes to live independently and the actual costs of living have changed. The housing market conditions and child care services and costs have undergone considerable transformations, as has the welfare system. All these aspects contribute to shaping individuals' attitudes and beliefs about their prospects and strategies to achieve economic independence. Ideally, to answer our research questions, it would be necessary to define economic independence taking into account all the issues discussed above. Our measure should adapt to changes in the costs of living and also to people's expectations. Likewise, it would be necessary to follow people over time in their transition to adulthood, to focus on life course trajectories and to investigate how investments in higher education may delay the achievement of economic independence but also improve the subsequent standard of living. However, the approach we take here is somewhat limited by the nature of the data. We use panel data in a cross-sectional way.

We cannot exploit the longitudinal data to follow young adults over time, given that there are only two waves of NLSY97 after Round 11, the one investigated here. This also means that our measure of economic independence is built on current income, rather than a life course approach. However, by just using the NLSY79 and NLS, we would lose ability to compare the current situation with that in the 1980s and 1970s. Consequently, even though our approach is incomplete and partial, it will shed light on the evolution of young adults' characteristics in the United States in the last 40 years and establish the basis for future research when new waves of NLSY97 will be released.

Also, our examination takes account of the importance of social class variations over time by computing the proportion economically independent and/or able to support a family by parents' education level. Parents' education level[15] is based on three different categories: we divided the distribution of parents' education into terciles, in order to take into account the fact that education expanded over time – not only for respondents, but for parents as well. As a matter of fact, the threshold dividing the first and the second terciles is "10 years of education" in 1973, "11 years of education" in 1987, and "12 years of education" in 2007. Also the threshold dividing the second and the third terciles has changed over time, "12 years of education" in 1973 and 1987, and "14 years of education" in 2007.

Finally, we implement an event history analysis – through some complementary logistic regression models with random effects for individuals (Lancaster 1979; Nickell 1979) – to explore the possibility of a convergence in life course trajectories among men

[15] We used the highest level of education between that of the father and that of the mother.

and women, and to investigate the association between the parental social class and the timing of economic self-sufficiency. We merge the three data sets and we include some socio-demographic variables, such as age (as a time-varying covariate) and race, and then we start including other explanatory variables step by step in order to answer our research questions. First we include time dummies to see how the timing of economic independence differs across cohorts, and a gender dummy to detect the distance between men and women. Secondly, we include some interaction terms between the gender dummy and the time dummies to test the hypothesis that there is some convergence over time in the life course trajectories of males and females. Third, we incorporate the covariates referring to family background – parents' educational attainment and whether the respondent was living with both biological parents at age 14 – to shed light on the environment in which the respondent grew up, which may influence the transition to economic independence. Many studies show the effects of parental education, occupation, number of siblings, family income, and other characteristics of family background on the timing of school completion, labor force entry, marriage, and parenthood, and on their sequencing (Duncan, Featherman and Duncan 1972; Hogan and Astone 1986; Marini 1978; Marini 1984a). Relatively disadvantaged family circumstances or relatively low levels of resources have been linked to early exit from school, early marriage and parenthood. Having relatively less educated parents, growing up in a household with neither natural parent or with a stepparent, and having more siblings are associated with lower per capita income, which can deter marriage. The impact of family background on the timing of home-leaving is less clear cut. Last but not least, we do interact parental education level with time dummies and also with gender to

investigate whether and how the role of family social class has changed in the last four decades, and if it has a different role for men and women.

The results do not establish causal relationships or uncover exact determinants of economic independence, but the findings can still shed important light on young adults' conditions in the United States.

3.4 Trends in financial independence over time

The first step is to compare the three groups of young adults on employment status and economic independence. The mean age of working full-time is 25.6 in 1973, 25.9 in 1987 and 25 in 2007 (with a standard deviation of 2.5 in 1973, 2.2 in 1987 and 1.4 in 2007, and median age equal to 25 in 1973, 26 in 1987, and 25 in 2007).[16]

Except for the NLS, all NLSY data sets over-sample Hispanics and blacks. Therefore, if the data are not adjusted, the greater number of black and Hispanic respondents would skew population averages toward black and Hispanic averages. For this reason, we adjusted the data using population weights when computing the proportion of those who are employed "full-time" and economically self-sufficient.

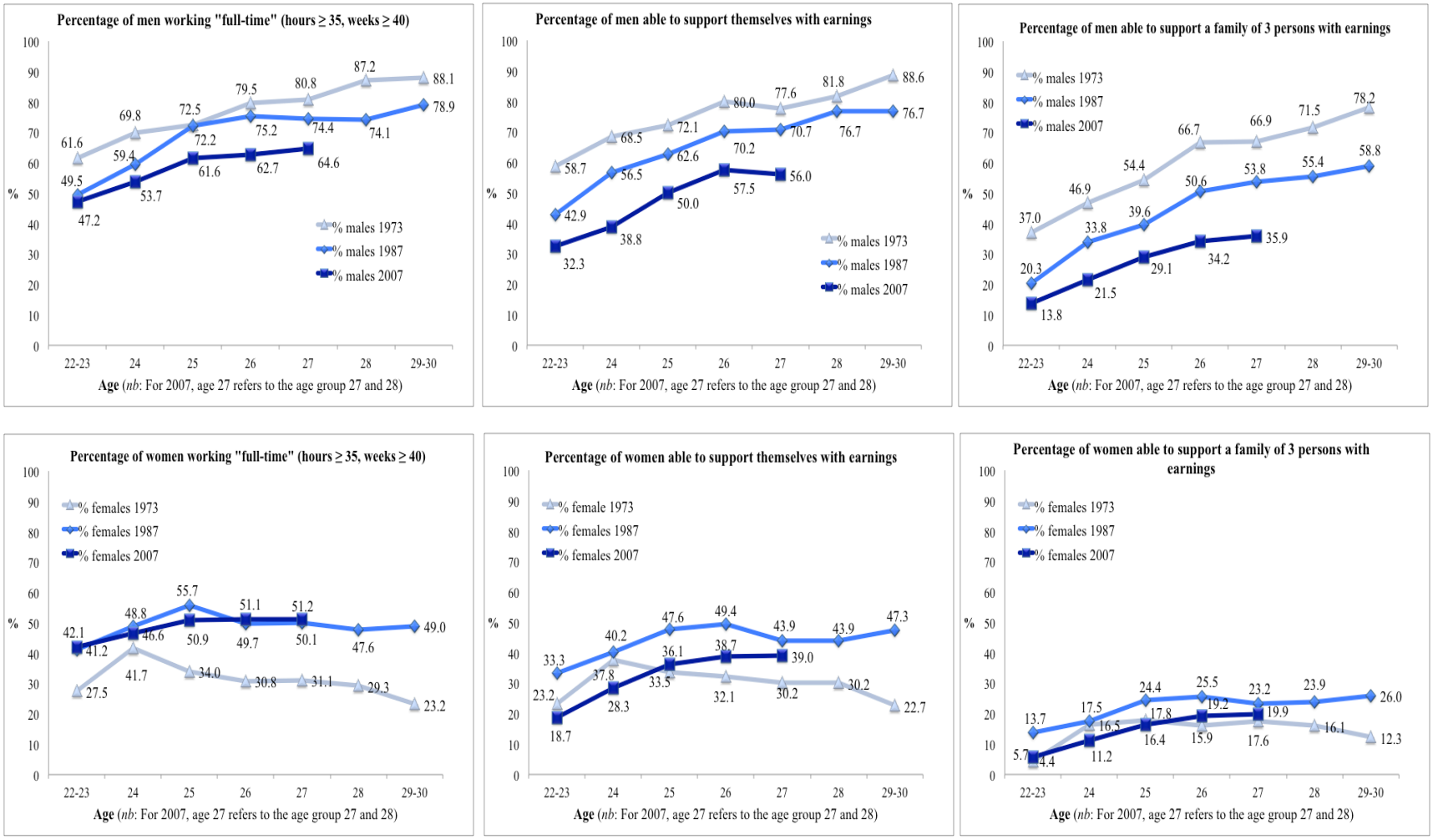
Figure 2.1 reports results for men and women relative to the trends in employment status and economic independence, over time and by age. As expected, the percentage of men working full-time increases with age for all the three groups. However, the percentage of males who have a full-time job is highest in 1973, decreases in 1987, and it is lowest in 2007. Moreover the differences sharpen with age, except for ages 25 and 26, for which we observe very similar percentages in 1973 and 1987. If in 1973, by age 29-

[16] Note that the age range is wider in 1973 and 1987 (22-30) than in 2007 (22-28).

30 almost 90% of males in the sample are employed full-time, this proportion drops to 79% in 1987, and to 65% in 2007. This is a very clear signal of the worsening in the situation of young males in the U.S. over time.

Our measure of income sufficiency shows a similar pattern. In this case, however, the difference is apparent even at very young ages and does not decrease with age. Interestingly, in all years – 1973, 1987 and 2007 – the percentage of individuals able to live independently or afford to support a family is lower or at most equal than the percentage working full-time. This suggests that even with a relatively stable job, some young men are unable to earn enough to start their independent households. The distance between these two figures (percentage working full-time and percentage economically self-sufficient) is greatest for NLSY97 respondents. Hence financial independence is lowest in 2007, and this is certainly true at individual level. It is worth mentioning that this might not be the case at household level, given that men in the later cohorts who are in a partnership have combined incomes with working women, or women are completely supporting their spouses. The last graph in Figure 2.1 referred to young men shows the proportion of respondents able to support a family of 3 people with their earnings. We observe exactly the same pattern as for economic independence, possibly with even larger differences in the three groups. In contrast to deteriorating economic circumstances over time for men, women's economic position does not erode (bottom part of Figure 2.1). Nor do we observe the same strong gradient by age in the percentage of women working full-time.

Figure 2.1 Share of Men and Women in 1973, 1987 and 2007 Who Were Working Full-Time and Who Had Attained Economic Independence



An increase with age is still evident for women in 1987 and in 2007, although in the older age groups percentages are very similar, suggesting that there may be an upper limit for the share working full-time (approximately 50-55 percent). Interestingly, if percentages working full-time are very similar in 1987 and 2007, they are much lower in 1973. This shows the considerable increase in educational attainment and, certainly, in female labor force participation rates. It can also depend on a rise in the labor force participation of women with children or on the decline in fertility, or both.

As for economic independence, however, when we look at 1987 and 2007 the results do not show significant differences with respect to men, except for the fact that distance between the two samples decreases with age. The proportion of women who report to be financially independent in 1973 lies in between that for the other two data sets until age 24. From age 25 it is even lower than in 2007, showing once again the improvements of women in the labor market. The pictures describe the progress of women in the 1970s, until the late 1980s, but then show an adjustment that bring them closer to the trend we observed for men. The share of economically independent women is clearly much lower than for men, ranging between 33 percent and 50 percent in 1987, and between 18 percent and 39 percent in 2007. The shares do, however, increase with age and are higher in 1987 than in 2007 at all ages.

There is a good possibility that education plays a role postponing full-time work. The level of education increased over time, and both men and women in 2007 were enrolled in school longer than their counterparts 20 or 40 years earlier. Being a full-time student normally prevents one from being a full-time worker and from being able to earn enough to be independent. On the other hand, being more educated increases the

likelihood of finding a secure job and earning a good wage. We replicated the analyses shown in Figure 2.1 while excluding those who were still in school in all samples to ensure that the different proportions of students did not bias the results. Results from these analyses do not differ from those shown above.

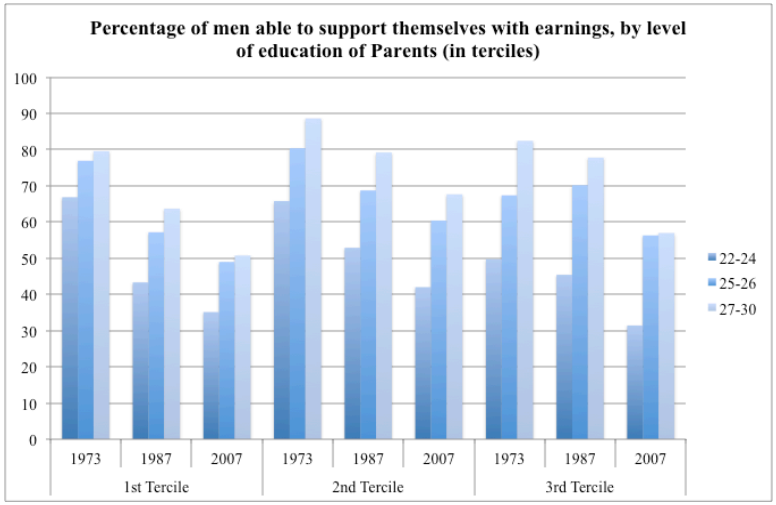
The next step is to look at how the proportion of young men and women who achieved financial independence differs by level of parents' education. Results are reported in Figure 2.2[17]. Among men we observe an increase with age in the proportion of those self-sufficient, and a monotonic decrease over time periods. Moreover, there is a gradient by education level: the higher the parents' education level, the less evident is the postponement in achieving economic independence. The distance between the the 1st, 2nd and 3rd terciles would have been much more pronounced if we were looking at respondent's education attainment (Figure 2.A2 in the Appendix). However, we can still observe an increase from the 1st to the 2nd tercile. Surprisingly there is not such a big difference between the 2nd and the 3rd terciles, as we expected to find a higher proportion of men who achieved financial independence among those with parents in the third tercile and it is not the case. One explanation can be that in the past the real difference was between those with no education or just with primary education and those who attended high school. An high school diploma most likely was enough for parents of respondents interviewed in 1973 and in 1987 to find a good job, earn good wages and so to assure their children a favorable family background and environment where to grow up. If this is true in the past, not necessarily it is accurate to describe the picture in 2007. However, the

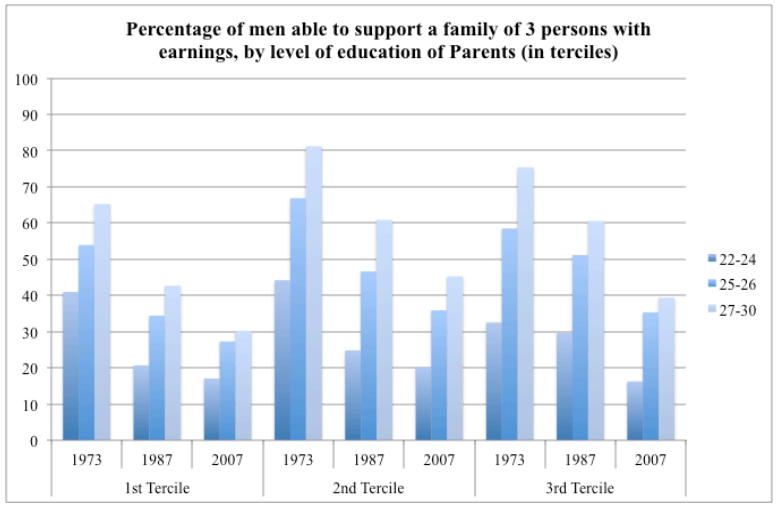
[17] We also reproduce the analyses using the number of years from the end of education instead of age. This gives information about the time young adult could spend in the labor market to build up enough income to become economic self-sufficient. Results do not show significant differences (See Appendix).

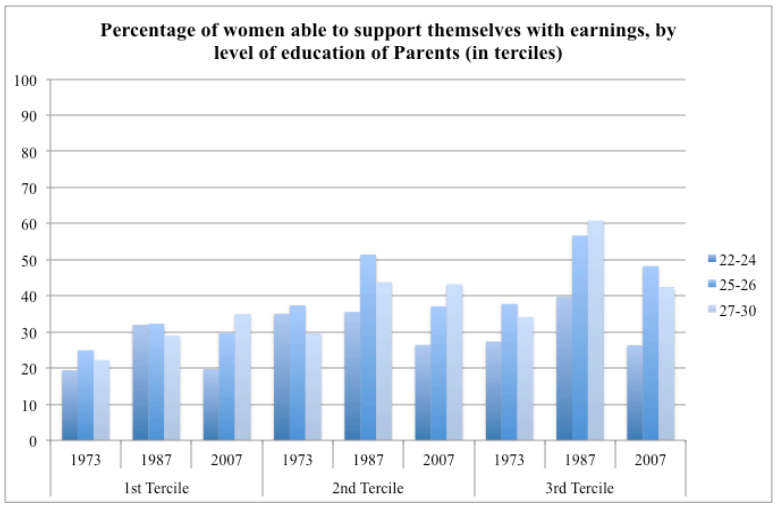
threshold between the 1st and the 2nd terciles in 2007 is "12 years of education", meaning that the difference between the 1st and the 2nd terciles is between those with college educated parents and those with parents who did not attend college.

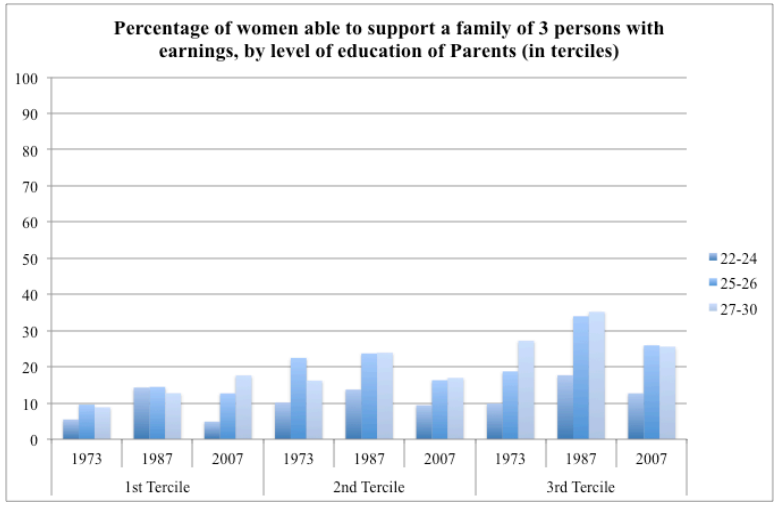
In this Figure we also show the graphs related to the ability of supporting a family of three persons with wages. The proportion among men is clearly lower, for all periods and for all age groups. Again the percentages increase with age and decrease over time. In this case the distance between the different terciles is more visible, and the gradient of the delay decreases when parents' education increases. If we look at the two corresponding graphs for women the picture is much more blurred. The proportion of women who achieved economic self-sufficiency increased by age only in 2007, independently on parents' level of education, and in 1987 for women whose parents are in the 3rd tercile of the distribution. Possibly, these graphs show how women are becoming more similar over time in terms of employment and financial independence. On the other hand, if among men we observed a decrease over time in the proportion economically self-sufficient, among women there is an increase from 1973 to 1987, and then just a small decrease in 2007. Moreover, we notice an improvement by parents' level of education, especially from the 1st to the 2nd tercile. The increase by parents' education is slightly less marked in 2007, meaning that probably trends in female labor force participation are becoming less dependent on family background and parents' education. Finally, investigating the ability of women to support a family, we find a striking low proportion that is able to do that among those whose parents are in the 1st tercile.

Figure 2.2 Share of Men and Women in 1973, 1987 and 2007 Who Had Attained Economic Independence, by age and parents' education









In addition, the upward trend in the ability to support a family by parents' education is more evident than that for financial independence itself.

The Figures presented above showed clear signals of delay and postponement in the achievement of economic self-sufficiency, even with different degrees of intensity and strength. Delay is more pronounced among men, and it is greater among those whose parents are low educated. Generally speaking, however, if the downward trend is so widespread and apparent, it is extremely important to investigate more deeply the mechanisms behind it. This can be helpful to reduce the postponement by proposing labor market strategies that support young adults to become self-sufficient at an earlier stage. We return to this question in the conclusion of the paper.

3.5 Convergence between genders and the role of parental social class in the timing of economic self-sufficiency?

As described in section 3.2, we implement an event history analysis – through some complementary logistic regression models – in order to understand which factors are associated with the timing of economic independence (our response variable takes the value of 1 if the respondent is able to support him- or herself, and 0 otherwise). To do that we use our data longitudinally, and build the event history for economic independence to study when respondents became self-sufficient for the first time. Some of them have never achieved independence, and are therefore censored. We describe the results only in qualitative terms, reporting the results of the regression analysis in the appendix (see Table 2.A1).

As expected age and race are important predictors of self-sufficiency. As a matter of fact being older increases the "risk" of achieving self-sufficiency, while this risk is lower for "non-white" respondents. The analyses confirm what we reported in Figure 2.1, and so that the probability of achieving financial independence is significantly lower for women, and it is also lower in 2007 and 1987 than in 1973 showing the delay of this event over time. But what we are interested in is the possibility of a convergence over time in men and women life course trajectories, and the results reveal that the difference in the timing of economic independence across gender is becoming smaller over time. This is probably due to a strong delay among men and some progress among women, who increase their participation in the labor force.

When we look at the role of family background we find that having parents with high education slightly increases the probability of achieving independence. This means that growing up in an "advantaged" family may have some beneficial effects in terms of economic independence during the transition to adulthood. However the positive role of parents' socio-economic status seems to change over time, being strong and evident in 1987 but not in 1973 and in 2007. Also, the association between parental socioeconomic status and the "risk" of becoming self-sufficient is different between men and women. The beneficial effect that we may observe is stronger for women, suggesting that being from an advantaged family makes it easier to achieve economic independence for a woman than for a man – who is probably better off in terms of employment and earnings independently on the conditions of the family of origin.

A potential limitation should be noted. We do not have information on other key explanatory variables that could potentially shed light on why it is so difficult to achieve economic independence and why it became more difficult in the last four decades (e.g., family income, if respondents own the house they live in, etc.).

3.6 Discussion and Conclusions

The transition to adulthood has changed considerably between the 1970s and late 2000s in the United States. It is much more difficult for young adults to achieve economic independence in 2007 than it was 35 years before. A sizable difference exists between 1973, 1987 and 2007 in the percentages of young people able to live independently or to support a family of three people with their own earnings. The picture is to some extent different for men and women. Among young men, the differences grow with age, suggesting that postponement of economic independence is considerable and that over a six-year time span we do not observe any catch up. Among women, we observe an increase over time in the proportion working full-time, due mainly to a substantial expansion of education and an increase in the female labor force participation. Nonetheless there are signs of convergence over time in the situation of men and women concerning the achievement of economic self-sufficiency.

While the postponement of economic independence over the past four decades is clear, the potential implications of the delay for family formation have not been examined directly in this paper. Men's lower proportion working full-time and their later economic self-sufficiency may have a "negative" impact on the timing of marriage (or cohabitation)

and parenthood, transferring the delay also on these events (Blossfeld and Drobnič 2001; Blossfeld et al. 2005; Gibson-Davis 2009). The positive results obtained by women do not necessarily counterbalance the effects of men's delay of economic self-sufficiency in family formation (Harknett and Kuperberg 2009; Sweeney 2002). As a matter of fact, an increase in the proportion of women working full-time and able to support themselves may not translate into incentives for marriage and motherhood – as it might happen for men. It certainly depends on which one between the *independence* and the *income effect* prevails, not to mention the role of institutions and welfare state.

Education surely plays an important role in achieving economic independence, and the higher the educational attainment, the less likely it is that an individual will live in poverty. Staying in school for a longer time, however, is one possible reason for the delayed entry into the labor force. Hence, if education plays a role because it expanded and more people spend more years in school starting later the transition to adulthood, then it is easier to recuperate for those with a college degree.

In the second part of the analysis we have also investigated the role of family background, how it influences the transition to economic independence, how its role has changed over time, and its different impact on men and women. We argue that it is essential to take socioeconomic background into account when trying to interpret the delay in the achievement of financial independence, on top of possible structural changes and possible normative shifts. We found that it has a positive, even if rather small, association with the probability of becoming self-sufficient, and that this association is stronger in 1987 than in 1973 or 2007, and it is stronger among women than among men.

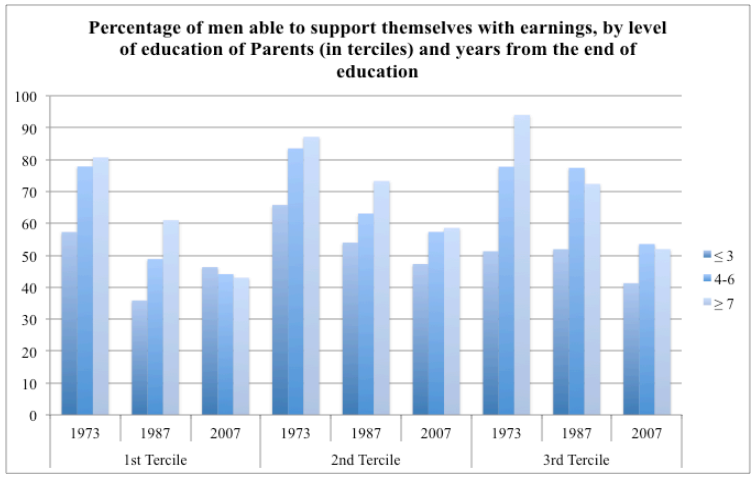
The debate about which one between structural changes in the U.S. economy and labor market, and normative shifts concerning youth's attitudes is still open, and it should be an important topic for future research. In all likelihood these forces are both in place and shape young adults' lives and choices. Their expectations, of course, are not completely independent of the awareness of tougher labor market conditions. At the same time, it is possible that many couples retain preferences in the ideal situation for earlier family formation if economic conditions permitted. However, the early patterns of family formation characteristic of the post-war period were probably not sustainable in an era of a slower growing economic and an increasing demand for higher skills in the labor market. So we suspect that norms have changed, but we also consider it likely that the normative change reflects the new realities facing young adults from the conditions that their parents experienced in the 1980s and their grandparents in the 1960s.

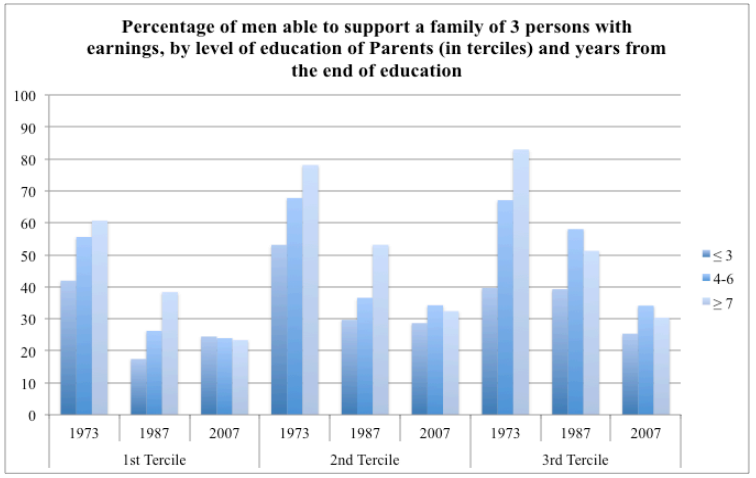
One of the advances of many developed societies is that they developed mechanisms that allow young adults to do "other things" rather than starting work or a family relatively early. Education is clearly one example of this, which is in part financed by transfers (private and government), loans, and high returns to education. One possible question is whether the young adults who are in higher education today would rather be on a career track as their parents were in their early to mid-20s. In this perspective, the delay could be seen as a response to the opportunities offered to them. To better understand what is happening, future works should look directly at people's attitudes towards employment and what it takes to be self-sufficient, and also should investigate the effect of policies

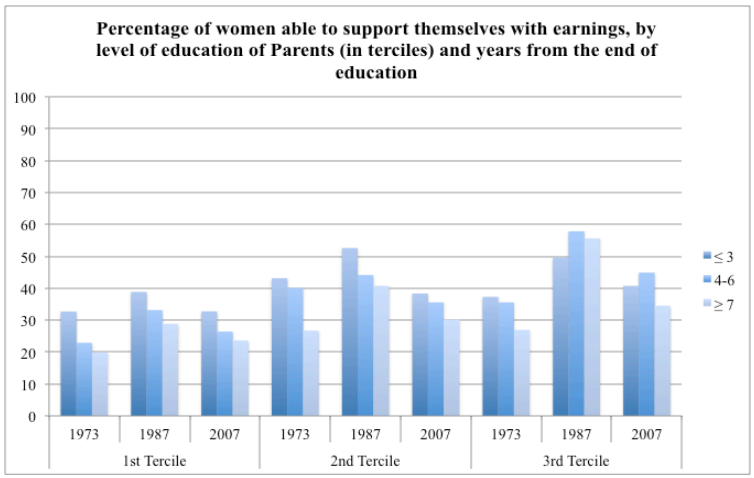
aimed at changing the structure of the labor market. Also we need to focus our attention on the possible implications of the delay for the formation of the family, and on how changes in the timing of the first steps in the transition to adulthood may affect timing of other events – i.e. forming a co-residential union and having a child – later in life. But that is the topic of a future paper.

3.7 Appendix

Figure 2.A1 Men and Women Who Had Attained Economic Independence, by years from the end of education and parents' education







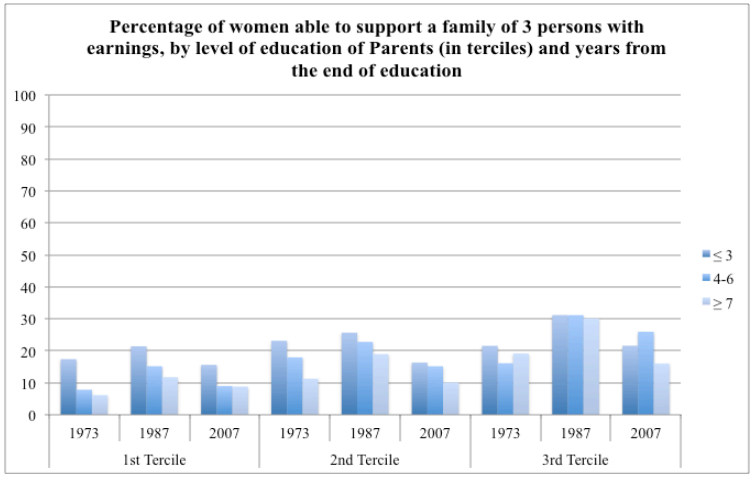
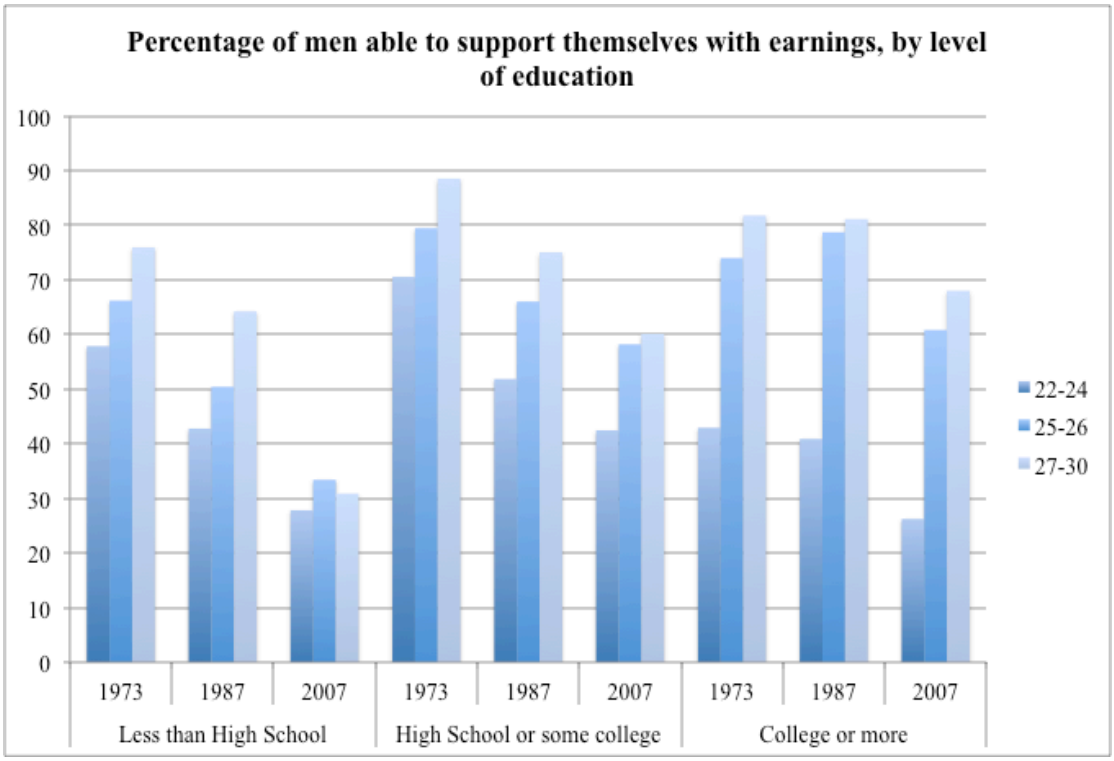


Figure 2.A2 Share of Men and Women in 1973, 1987 and 2007 Who Had Attained Economic Independence, by age and level of education



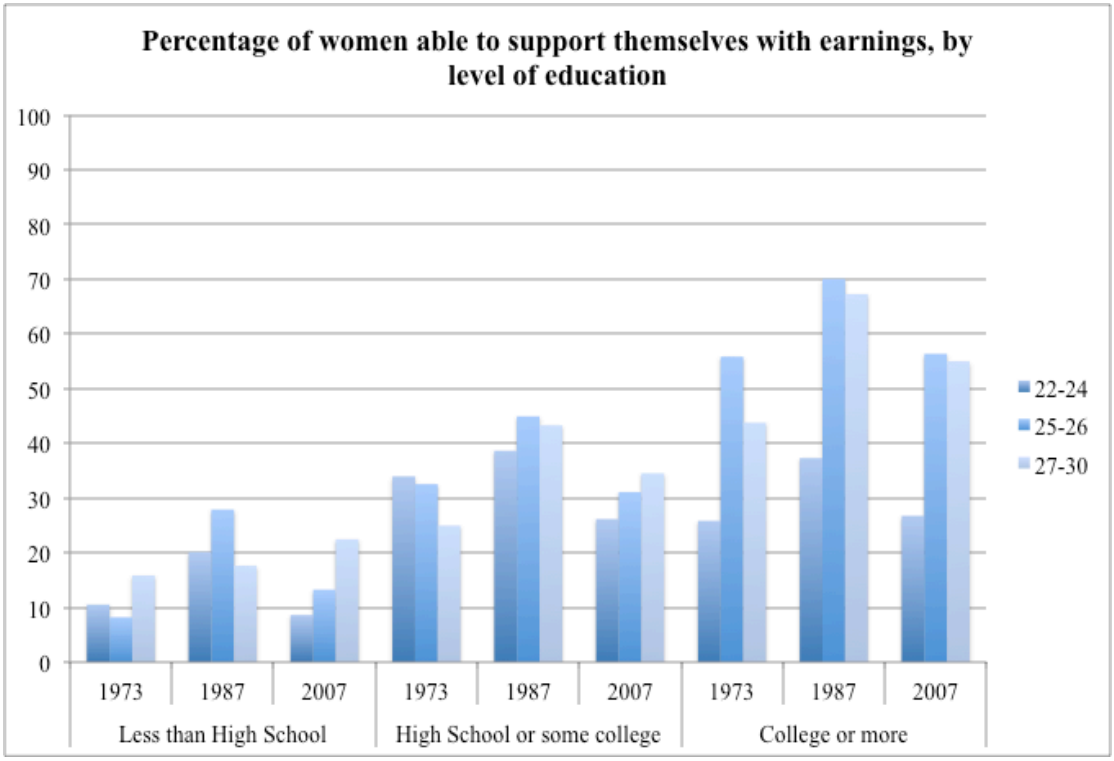


Table 2.A1[18].

Complementary Logistic Regression, Y = 1 if able to support themselves with earnings, 0 otherwise.					
Number of observations: 22,896. 1973: N = 6,888. 1987: N = 8,590. 2007: N = 7,418					
Odds ratios	(1)	(2)	(3)	(4)	(5)
Age	1.359***	1.359***	1.373***	1.374***	1.374***
	[0.005]	[0.005]	[0.006]	[0.006]	[0.006]
Race: non-white	0.633***	0.634***	0.686***	0.694***	0.691***
	[0.014]	[0.014]	[0.017]	[0.018]	[0.017]
Female	0.376***	0.166***	0.190***	0.188***	0.147***
	[0.008]	[0.007]	[0.009]	[0.009]	[0.008]
t: 1987	0.559***	0.359***	0.380***	0.286***	0.291***
	[0.015]	[0.013]	[0.015]	[0.016]	[0.016]
t: 2007	0.972	0.515***	0.537***	0.503***	0.529***
	[0.026]	[0.018]	[0.022]	[0.029]	[0.031]
1987*Female		2.619***	2.264***	2.291***	2.235***
		[0.138]	[0.132]	[0.133]	[0.130]
2007*Female		4.005***	3.467***	3.492***	3.201***
		[0.214]	[0.204]	[0.205]	[0.190]
Live with parents when 14			1.135***	1.121***	1.122***
			[0.030]	[0.030]	[0.030]
Father Education ≥ 12 yrs			1.049	0.915	0.829**
			[0.027]	[0.049]	[0.047]
Mother Education ≥ 12 yrs			1.178***	1.041	0.928
			[0.032]	[0.056]	[0.053]
1987*Father Education ≥ 12 yrs				1.269***	1.259***
				[0.086]	[0.085]
1987*Mother Education ≥ 12 yrs				1.328***	1.317***
				[0.090]	[0.089]
2007*Father Education ≥ 12 yrs				1.13	1.12
				[0.076]	[0.075]
2007*Mother Education ≥ 12 yrs				1.03	1.019
				[0.071]	[0.070]
Female*Father Education					1.259***
					[0.064]
Female*Mother Education					1.302***
					[0.069]

Standard errors in brackets. P-values: p ≤ 0.10:*, p ≤ 0.05:**, p ≤ 0.01:***

[18] As for the analyses presented in Figure 2.1, we replicated the analyses in Table 2.A1 excluding respondents who are still in education, not to produce biased results due to the expansion of education over time. Results do not show significant changes. We do not show the results of the models concerning the ability to support a family, given the similarity with those in Table 2.A1. However, they are available upon request.

4. *Chapter 3*: "The Role of Parental Social Class in the Transition to Adulthood: a Sequence Analysis Approach in Italy and the United States".[19]

4.1 Introduction

In the last fifty years the process that brings adolescents and teenagers to adulthood has changed greatly, in many – if not all – countries in the West developed world. After World War II adult roles, such as being employed full-time and financially independent were achieved by the early 20s. Nowadays it takes much longer to assume such roles, and the whole transition has been postponed to the late 20s, early 30s. The general delay that has been found in the first steps of the transition to adulthood (Sironi and Furstenberg 2012) is most likely transferred also to the subsequent events in life trajectories, such as leaving the parental home, starting a co-residential union, and having children. As a result, in developed societies young adults, as compared to older cohorts, experience a delay in the transition to adulthood (Aassve et al. 2002b; Furstenberg 2010; Settersten, Furstenberg and Rumbaut 2006). However, the patterns leading to adulthood are not simply postponed. Because of profound structural and cultural changes that occurred in the western world in the last few decades, life trajectories had to adapt and have become more diverse. The "second demographic transition" theory would use the word *individualization* to characterize changes in the life course (Lesthaeghe 1995; Van de Kaa 1987). But as Elzinga and Liefbroer (Elzinga and Liefbroer 2007) pointed out, this term includes many different aspects, such as the de-institutionalization, the de-standardization, and the differentiation in the life trajectories of young adults. This means that, first, the order of events become less clear and less guided by normative rules of the society.

[19] This chapter is co-authored by Nicola Barban (University of Groningen, NL) and Roberto Impicciatore (Università di Milano, IT).

Second, it means that the timing at which the events occur may vary substantially between individuals, as well as the duration in different states. Finally it means that the "number of distinct stages that young adults occupy increases" (Bruckner and Mayer 2005).

Within the framework of postponement and individualization of trajectories shaping the life course, timing and sequencing of events in the patterns of transition to adulthood are still strongly influenced by family background (Elzinga and Liefbroer 2007; Ravanera, Rajulton and Burch 2006). The exact mechanisms by which socio-economic status affects the transition to adulthood and the ability to achieve economic self-sufficiency are largely unknown, but presumably include factors such as role modeling, labor market connections, neighborhood influences and parents' ability to make monetary investments in their children.

The aim of this study is to investigate the role of parental social status on the sequence of events characterizing the transition to adulthood, i.e. school completion, entry into the labor market, leaving the parental home, entry into a co-residential union, and parenthood. All of these events mutually influence each other in terms of timing resulting in major challenges in lifestyles, responsibilities, and autonomy (Gauthier and Furstenberg 2002). Thus, focusing on single events makes it difficult to understand the interrelationships of these different steps. We address this issue by implementing a sequence analysis, an approach that gives a "holistic" perspective and in which life course is seen as one meaningful conceptual unit (Billari 2001). Moreover, we compare two different countries – the United States and Italy – in order to understand if and how the institutional structure and context can fill the gap stemming from disadvantaged family background. Indeed, U.S. and Italy are located in different stages along the second demographic transition (Lesthaeghe and van de

Kaa 1986) showing a different incidence of "individualized" and "secularized" behaviours such as informal cohabitations, non-marital fertility and marital dissolution.

4. 2 Theoretical Background and Hypotheses

The Second Demographic Transition Theory predicts a general trend toward heterogeneous experiences in individual life courses. Changes in the economic structure and cultural shifts trigger individualization in the demographic behavior, which implies flexibility in life trajectories and longer periods spent in states such as single person or unmarried cohabitation. Furthermore, these trends have been complicated by short-term economic fluctuation and historical events. Hence, we would expect all countries to converge in their demographic behavior and so more homogeneity in national experiences, but more diverse sequence patterns, with familial and non-familial transition markers increasingly overlapping (Shanahan, 2000). However, we still observe great heterogeneity across countries, and this is mainly due to the fact that countries can be found in different stages of the transition process. Italy and the U.S. can be considered as probably the main example of countries at a different stage of the transition, with the U.S. being the leader and Italy being the lagger. Consequently, the role of parental social class in the transition to adulthood might be different in such different contexts, and the differences across countries might become smaller as social class increases.

As suggested by Furstenberg (2008), the relevance of family social class on the subsequent life course starts before birth, it continues throughout adolescence, and it is able to shape the course of young adult transitions and psychological development in the third and fourth decades of life. Youth from affluent and well-

educated families marry and have children later in life because of a longer education, much more extended search for a permanent partner in life, and a lower incidence of unintended pregnancy (Furstenberg 2008). In other words, the family background is crucial in determining the individual resources that may lead to good decisions in the early phases of adulthood. These resources may be economic and cultural. Financial resources may create or facilitate opportunities for a longer education and a delayed entry into the labor market. As a matter of fact, young adults from disadvantaged families, even if they go to college, do it with fewer resources and therefore face more difficulties in completing the degree. Moreover they do not want and cannot afford to remain unemployed for too long, and consider education as a way to get a job. So they are more likely to drop out of school if they are able to find an occupation. Finally, the economic difficulties linked to the housing costs, may hinder the independent living before family formation. As far as cultural resources are concerned, Kohn et al (1986) noticed that in raising their children middle class parents tend to give more importance to autonomy whereas working class parents are more focused on conformity (Kohn, Slomczynski and Schoenbach 1986). Upper-class parents tend to talk to their children more than working-class parents do. Therefore, favouring analytical thinking, higher status parents prepare their children for higher education and higher status jobs (Nisbett 2009). However, there are other authors who posit that the association between parents' socioeconomic status and young adult outcomes may also reflect the intergenerational transmission of genetic traits such as intelligence or motivation (Guldi, Page and Stevens 2007).

Focusing on the effect of parental resources on leaving the parental home – a crucial step in the transition to adulthood – De Jong-Gierveld et al (1991) distinguish four classes of parental resources, material and non-material, and that can or cannot

be transferred to young adults. The transferable material resources are strictly related to income; the transferable non-material resources refer to parents' education, cultural and social capital, i.e. a set of values that are transmitted to the children via socialization process; the non-transferable material resources are related to the available space within the parental home (inversely related to the number of siblings) and to the mother's role in taking care of home chores, preparing meals, washing, and cleaning; the non-transferable non-material parental resources refer to the quality of relationships among family members. Each kind of resource may play a specific role in the decision of leaving the parental home and, consequently in the transition to adulthood. Results for young adults born in Netherlands show that autonomy and independence are strengthened by high level of transferable parental resources and weakened by high level of non-transferable resources (De Jong-Gierveld, Liefbroer and Beekink 1991).

In any case, family background can influence not only the timing of events in the transition to adulthood but also the sequencing of these events thus modifying the propensity to experience traditional or innovative patterns. For example, it has been underlined that children from higher family social status on the one hand tend to postpone their first union (Wiik 2009) and their first child birth (Rijken and Liefbroer 2009); on the other hand, tend to acquire their housing autonomy earlier, without directly making the transition to live with a partner (Blaauboer and Mulder 2010). A specific interest may be also devoted to the order of events related to family formation (first union, first marriage, first child) identifying innovative patterns such as cohabitation, pre-marital pregnancies, childbirth out-of-wedlock.

The effect of familial status on the propensity to experience more complex or innovative pattern of transition to adulthood may be context-specific. The

classification and the characteristics of the different welfare states suggest that the de-standardization, turbulence and individualization in life course trajectories are more advanced in countries that can be classified as liberal or social-democratic compared to the southern European countries, where welfare support is very weak and we observe a reliance on the family as the locus of support (Ferrera 1996; Mayer 2001; Trifiletti 1999). In our analysis we focus on North America and Southern Europe since the existing literature suggest crucial differences between them. Several studies show that in North America, an higher familial status tends to decrease the complexity of trajectories or, in other words, to push towards a more "traditional" pattern, i.e. a trajectory in which the end of education and the first job precedes union formation, which in turn precedes parenthood (Hogan 1981; Hogan and Astone 1986; Marini 1984a; Marini 1984b). In Canadian society, completing postsecondary education and getting a job are important steps to marriage and parenthood in particular among high and middle social classes (Rajulton and Burch 2010; Rajulton, Ravanera and Beaujot 2007; Ravanera, Rajulton and Burch 2003; Ravanera, Rajulton and Burch 2006). Youth born and raised in high socio-economic conditions, on average, take longer to find a permanent partner (and to have children). They are not less likely to cohabit, but their cohabitation (or their marriage) ends up to be much more stable than co-residential unions of young adults coming from low-educated families. For disadvantaged young men and women cohabitation may be the result of unintended pregnancy, and so it can result in greater family instability later in life (Furstenberg 2008).

In Southern Europe, and Italy in particular, in a context characterized by an higher persistence of "traditional" sequencing of events (also due to the still strong influence of the Catholic Church), innovative and more complex patterns, mainly

living alone, non-marital cohabitation and children out-of-wedlock, are more widespread among children of upper social classes. Thus, the "burgeois" model is characterized by the postponement of events and the non-linear nature of the pattern leading to the adulthood, whereas lower class young people would continue to follow traditional and safer trajectories as a protection against the uncertain economic situation (Cavalli, Buzzi and De Lillo 1997; Galland 1995; Galland 1997).

Finally, the role of parental background may be different across gender in specific context. Usually women face the transition to family formation earlier than men (mainly marriage and parenthood), although this trend is reducing over time due to the expansion of female education together with the increase in the female labour force participation. However, big differences still remain between countries. This is the case of U.S. and Italy: 46% of female employment rate in Italy in 2011 versus 62% in the U.S. (OECD 2012). Thus, we wonder whether in a society characterized by a high female unemployment rate and traditional gender roles within the couple (woman caretaker and man breadwinner) like Italy, the effect of parental resources may be different in shaping the transition to adulthood of daughters and sons.

Generally speaking, current literature, for the most part, focuses on single events in a single context. The aim of our analysis is threefold. First, we want to evaluate the impact of social origins on the patterns of transition to adulthood as a whole; second, we apply a cross-national comparative perspective to evaluate the role of a specific context in the relationship between parental social class and the transition to adulthood; third we want to focus on gender differences and in particular we want to evaluate if the role of parental background is gender-specific in the two counties. Background literature enables us to formulate the following hypotheses, to be tested separately for men and women:

H1: a higher parental socio-economic status (in terms of parents' education and/or better occupation) is associated with a general postponement in the transition to adulthood;

H2: patterns towards independence and family formation are more rapid, more innovative and less standardized in the U.S. than in Italy;

H3: the effect of parental background on the life course trajectories is context specific. In particular we expect that in the U.S. children of upper social status tend to follow more normative and standardized sequence of states than children of lower states whereas the opposite occurs in Italy.

4.3 Data and Methods

In this paper we use two different data sets, one for each country, containing similar information on the life course of young adults. For the United States we use data collected through the National Longitudinal Surveys of Youth (NLSY79). The sample includes 8,636 individuals (4,275 males and 4,361 females), born between 1957 and 1964, interviewed each year from 1979 to 1994, and every other year since 1994. We consider waves from 1979 to 1996, in order to follow young adults starting when they are 14-22 years old (born between 1957 and 1964) until they are 31-39 in 1996. The NLSY79 collects information on a nationally representative sample of young men and women, designed to gather information at multiple points in time on their labor market activities and other significant life events. For Italy instead we use the Multipurpose ISTAT survey called "Famiglia e soggetti sociali", including individuals born between 1899 and 1985 and interviewed at the end of 2003. We do not use the entire sample, but we select the same birth cohorts included in the NLSY79 to make the samples more homogeneous and comparable. Our final sample for Italy includes 6,002 individuals (2,916 males and 3,086 females). The longitudinal structure of the NLSY79 and the retrospective questions in the Multipurpose ISTAT

survey enable us to reconstruct the steps, year by year, in the independence and family transitions for each individual in the sample.

The method we intend to use to investigate the relationship between the social class and the life course trajectories is based on the *sequence analysis* (Abbott 1995; Abbott and Tsay 2000; Aisenbrey and Fasang 2010). We adopt a life course perspective, looking at the entire development of school, employment, and family history. Parental social status strongly affects the environment in which individuals grow up, and so can have a large association with young adults' life trajectories and the sequence of events in their transition to adulthood. Individuals build their future on the basis of the constraints and opportunities they have faced in the past (Elder 1994). The process is iterative and cumulative, so it is important to take a unitary, *holistic* approach and look at the effect of family background on the whole life course rather than on single events of the transition to adulthood (Barban 2011; Barban and Billari 2012; Billari 2005).

The events we take into account are the following: end of education, entry into labor force, leaving the parental home, first union (marriage and/or cohabitation), and parenthood. Parents' social status is defined on the basis of education level when the respondent was 14 years old. More specifically parental socioeconomic status can be low, medium or high depending on the level of parents' education. Given the disparity in the distribution of education level between Italy and the United States, we define a low socioeconomic status in Italy if both parents attained just primary education, a medium level if at least one attained lower secondary education, and a high level if at least one attained upper secondary education. In the United States a low level corresponds to both parents with primary or lower secondary education (9 or fewer

years of education), a medium level corresponds to at least one parent with upper secondary education (12 or fewer years of education), and a high level corresponds to at least one parent with tertiary education (more than 12 years of school)[20].

In sequence analysis each life course trajectory is represented by a string of characters, resembling the one used to code DNA molecules in biological sciences. Hence, every trajectory is made up of a number of values that corresponds to the number of years each individual is observed. Accordingly, the number of possible combinations is equal to (# possible different states)$^{(\#\text{ years each individual is observed})}$. Moreover a sequence can differ along three dimensions:

- Timing, i.e. the age at which different events occur in peoples lives;
- Quantum, i.e. the number of events in a trajectory;
- Sequencing, i.e. the order in which different transitions happen.

We describe trajectories along these dimensions. In fact we investigate the median age at each event (*timing*), we look at the proportion of individuals who experienced each event by age 35 (*quantum*), and finally we report the frequencies of the five most common independence and family trajectories showing the sequence of events (*sequencing*). All these dimensions are explored by gender and parental social class.

After defining the different sequences and describing them in terms of *timing*, *quantum*, and *sequencing*, we exploit a sequence analysis to identify specific typologies of life trajectories – dealing simultaneously with timing, quantum, and sequencing – in order to study how social class is related to the likelihood of ending

[20] We also used another measure of parental social class, using parents' occupation instead of education level. We consider the father's job unless mother's job is at higher level, or father's job is missing and mother's job is not missing Erickson, Frederick. 1984. "School Literacy, Reasoning, and Civility: An Anthropologist's Perspective." *Review of Educational Research* 54(4):525-46.. Also in this case we have three different levels of social class, low (e.g. workers and farm laborers), medium (e.g. clericals, craftsmen, military soldiers), and high (e.g. professionals, managers, entrepreneurs), based on the type of occupation that parents had when the respondent was 14. Results do not change significantly when using occupation, and are more consistent with education. Education defines more clearly socioeconomic status, hence we only report results obtained with education level in the sequence analysis.

up in a certain typology. The analytical strategy adopted in this case uses the Longest Common Subsequences metric (LCS) proposed by Elzinga (Elzinga 2010), whose goal is to compute a matrix of dissimilarities between pairs of sequences, and so of life courses (Billari 2005). The dissimilarity measure is based on the length of common distinct subsequences between life course trajectories. This metrics differs from the Optimal Matching Algorithm of Abbott since it does not require a cost definition and can be used with sequences of different length.

To take into account multiple domains, we adopted a *multichannel sequence analysis* approach (Pollock 2007), that allows to specify multiple domains in order to construct a single matrix of dissimilarities. In the multichannel sequence analysis, we distinguish between transitions in the family domain (i.e., marriage, cohabitation and childbearing) and transitions in the independence domain (i.e., school, leaving parental home and entering the labor market). Once the dissimilarity matrix is built, one possibility to identify a limited number of typologies is to apply a cluster analysis (Aassve, Billari and Piccarreta 2007). Finally, we perform a multinomial logistic regression analysis to investigate the relationship between parents' socio-economic status and the probability of being part of a specific typology (determined through the cluster analysis).

As a robustness check, on top of the sequence and the cluster analysis we also perform a latent class analysis to investigate whether the number of clusters selected (i.e. five clusters) is a plausible one. We indeed find that the choice of five clusters is correct, and that the characteristics of the clusters are very similar using the two methods. Consequently we only report the results concerning the sequence and the cluster analysis, while the findings of the latent class analysis are included in the Appendix.

One aspect that is worth mentioning is how gender can affect all the analyses that will be developed in the article. Certainly the gender of individuals, together with their social class, plays a fundamental role in the way people structure their transition to adulthood. Usually women face the transition to family formation earlier than men (mainly marriage and parenthood), even if this trend is reducing over time due to the expansion of education which is greater among women, together with the increase in the female labor force participation. Also, retrospective information on parenthood is sometimes more reliable if asked to mothers rather than fathers, and sometimes fertility questions are collected only among women. Given these differences we need to adopt an analytical strategy that takes them into account, i.e. we do the analyses separately for men and women.

4.4 Descriptive findings

4.4.1 Timing

Looking at Table 3.1, containing the median age of each event we consider in the analysis, by country, gender, and by parental social class, the delay in the transition to adulthood among Italian people is evident compared to the U.S. With the exception of the median age at completing school, that is higher in the US because of the higher schooling rates in this country, all the other events in the independence and family transitions occur at an older age in Italy. For example, young adults leave the parental home 3-4 years later in Italy than in the US (at age 27 for men vs. age 23, and at age 24/25 for women vs. age 21/22). Accordingly, cohabitation, marriage and parenthood are postponed by 3-4 years. The median age at childbearing is well above 30 among Italian men.

When we look at the same figures but considering differences in parental socioeconomic status, we find that among men in Italy the median age at each event goes up as social class increases, meaning that coming from an advantaged family background induces a delay in the transition. Also in the U.S. this is true, but the gradient is weaker and not observable for "Starting a job" – the median age is constant at 19 –, and for "leaving the parental home" – the median age is lower (23) among those with a lower parental status than among those from a higher social class (24). The same result can be observed among women. Median age at all the events is generally lower than for men, but differences across countries and parental social class persist.

Table 3.1. Median age at each event, by gender, country and parental social class

	Weighted Median Age at…											
	Completing Education		Starting 1st Job		Leaving Home		Starting a Cohabitation		Marriage		Parenthood	
	U.S.	Italy	U.S.	Italy	U.S.	Italy	U.S.	Italy	U.S.	Italy	U.S.	Italy
Parents' social class						**Men**						
Low	18.6	14.9	19.0	19.0	24.0	26.0	24.3	27.4	24.8	27.7	25.1	30.8
Medium	19.0	18.8	19.0	20.8	23.0	27.0	25.0	28.6	25.3	29.1	28.1	33.4
High	23.0	19.8	19.0	24.2	23.0	27.7	26.0	30.4	27.3	31.7	31.0	35.6
Parents' social class						**Women**						
Low	18.5	14.6	20.0	20.9	21.0	22.7	22.5	23.1	21.9	23.3	21.9	25.8
Medium	19.0	18.7	19.0	22.0	21.0	24.0	23.0	24.7	22.5	24.9	24.3	28.8
High	22.0	19.6	19.0	24.7	22.0	25.2	24.0	26.9	24.7	27.3	29.3	31.8

Briefly, two major results emerge: firstly, a delay in the transition to adulthood in Italy compared to the U.S.; secondly, differences across social class are stronger among Italian young adults than among Americans. These results are confirmed by looking at survival curves (see figure 3.A1 and 3.A2 in Appendix). This is a first

signal that family background may be more important in some contexts (i.e. Italy) than in others.

4.4.2 Quantum

Table 3.2 contains the proportion of people who have experienced each event by age 35 according to gender, country and parental social status. Generally speaking, percentages tend to be higher in the U.S. showing that in this country the pattern to adulthood is more likely to be completed by age 35 compared to Italy (Table 3.2). Focusing on the acquisition of independence, we see in Italy a stronger gender gap for "Starting a job" (only 75.2% of Italian women enter the job market by age 35 compared to 95.6% for men whereas in the U.S. the proportion are respectively 97.9% and 98.7%) and an higher proportion of men that still live with their parents by age 35 (15.7% compared to 10.6% in the U.S.). For the events just mentioned, the gradient across social class is not very strong, except for leaving home among American men (92.7% in high SES vs. 84.3% in low SES), and for starting first job among Italian women, of which only 71.4% enter the job market if they come from a lower social class, while 89.8% start working by age 35 if from a higher social class.

Family transition, instead, shows big differences both across countries and across social classes. As a matter of fact, in Italy men and women who experience cohabitation are, respectively, at most 11.1% and 13.9% among higher class and percentages considerably decrease among medium and low social classes. In the U.S., these proportions are around 35% and do not vary by social class and gender. Interesting and contrasting characteristics in the two countries emerge for marriage: the proportion of people married by age 35 in the US tends to increase among higher social classes, while the opposite trend is observed in Italy. Moreover, differences

between classes are stronger in Italy where the proportion of married by age 35 drops from 77.8% to 67% for men and from 87.1% to 75.9% for women going from higher to lower social class. It is possible that for these individuals marriage is substituted by cohabitation, or it is delayed.

Finally, people experiencing parenthood are more widespread in the US than in Italy (as expected by the lower TFR in Italy). In this case though the trend is decreasing in both countries as social class goes up, possibly due to a delay in all the events preceding childbearing that lead to a postponement of parenthood as well.

Table 3.2. Proportion of people who experienced each event within age 35, by gender, country and parental social class

	Weighted Proportion of People Experiencing the Event											
	Completing Education		Starting 1st Job		Leaving Parental Home		Starting a Cohabitation		Marriage		Parenthood	
	U.S.	Italy	U.S.	Italy	U.S.	Italy	U.S.	Italy	U.S.	Italy	U.S.	Italy
Parents' social class						**Men**						
Low	99.2	96.3	97.7	95.8	84.3	84.5	35.3	3.7	78.3	77.8	76.5	67.7
Medium	97.3	98.8	98.9	96.0	88.7	82.6	35.7	7.1	82.1	73.2	73.2	57.1
High	95.3	98.0	99.1	94.2	92.7	85.0	34.7	11.1	81.3	67.0	67.5	49.4
Total	96.9	97.0	98.7	95.6	89.4	84.3	35.2	5.4	81.1	75.3	71.8	63.3
Parents' social class						**Women**						
Low	96.3	96.8	95.2	71.4	91.9	91.7	33.7	7.4	83.8	87.1	88.3	82.6
Medium	94.9	96.9	98.0	78.9	93.1	92.5	36.0	9.7	87.6	85.7	82.5	71.5
High	94.0	96.8	99.2	89.8	94.5	92.1	35.9	13.9	87.2	75.9	74.3	62.2
Total	94.8	96.7	97.9	75.2	93.5	92.1	35.8	8.7	86.7	85.2	80.7	77.3

In conclusion, relevant differences between US and Italy in the transition to adulthood are confirmed looking at the *quantum*. These differences mainly concern the role of women in the job market that is less widespread in Italy, and the events of family transition. Again we observe that differences across social class are stronger in Italy

than in the US, and that in some cases the gradient is different (as for cohabitation) or even goes in opposite directions (as for marriage).

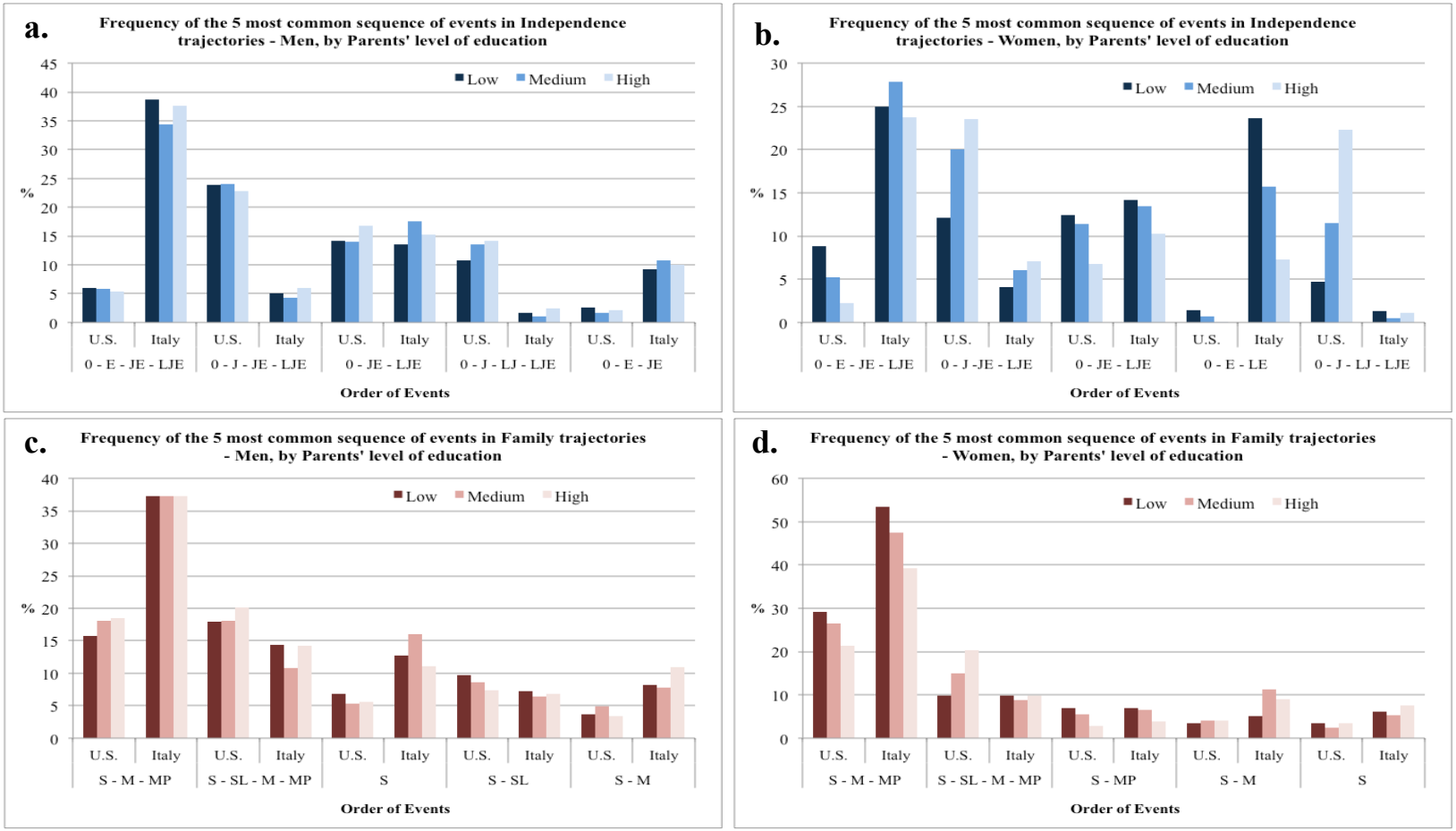
4.4.3 Order of events

Figure 3.1 shows the first five most common sequences of states in the independence and family transition according to sex, parents' level of education and country. In the pattern towards independence, in both countries and for both sexes the exit from parental home follows the end of education and the entry into the labour market (see Figure 3.1a. and Figure 3.1b.). However, if in the US starting a job before the completion of education is very common, it is almost non-existent in Italy, where end of education is strongly characterized as first step in the transition to adulthood. The effect of social class is more relevant among women than men. In particular, among the former group, the more frequent sequence (in Italy: exit education, starting a job, leaving home; in the U.S.: starting a job, exit education, leaving home) tends to be reinforced within the higher SES (Figure 3.1b). Moreover, leaving home without a job is very frequent in Italy, especially among lower classes, while it is almost non-existent in the U.S.

Looking at family formation pattern (Figure 3.1c and Figure 3.1d), we see a strong concentration of individual in Italy in the "traditional" sequence Single-Married-Married Parent, especially among women. In the US, this sequence is the more common as well but a higher heterogeneity of patterns emerges. For example, in the American country, it tends to be more common living as a single outside the parental home whereas in Italy people leave parental home to marry.

Once again, the role of family status is more important for women than for men, with a declining frequency of "traditional" pattern among higher classes in both countries.

Figure 3.1. Frequency of the 5 most common sequences of events in Independence and Family Transitions. By parents' level of education.



Legend: 0 = still in school, without a job, living with parents; E = out of education; J = working; JE = out of school and working; LE = left parental home, out of school, but without a job; LJE = left parental home, out of school and working. S = single; M = married; SL = single and left parental home; MP = married and parent;

Briefly, Italy is more characterized by traditional patterns whereas in the US people tend to experience a more various set of trajectories. In both countries social class is relevant only for women showing a negative relation between family status and percentage of people experiencing the more frequent sequence (*Single-Married-MarriedParent*). However, looking at the independence pattern, we see that in Italy a higher social class put more relevance to the end education as a first step in the transition to adulthood whereas in the U.S. a higher status favors the beginning of the first job before the end of education.

4.4.4. Summary

Summarizing, descriptive findings show that the transition to adulthood occurs much later in Italy, independently by social class. However, social class – measured by parents' level of education – emerges as a relevant aspect in shaping the patterns to adulthood and sometimes its effect in the two countries is different (e.g. timing of first job, quantum of cohabitations, incidence of "single living") or goes in the opposite directions (quantum of marriages, order between end of education and first job). In any case, from any perspective, timing, quantum and sequence of events, the relevance of socio-economic status emerges clearly stronger in Italy than in the US, in particular among women.

4.5 Holistic Perspective on the Transition to Adulthood

We now want to assume a more comprehensive perspective taking into account at the same time all the three aspects we have seen separately in the previous section: timing, quantum, and order of events. In order to facilitate the interpretation, we will show on

separate graphs the process called “Independence” (characterized by the following states: being a student, having entered the labor market, living with parents) and the process called “Family formation” (characterized by the states: living with parents, single or cohabiting or married, having a child), estimated simultaneously considering multiple domains.

The first step considers the descriptive analysis of the distribution of states according to the various ages (Figures 3.2 and 3.3) in order to highlight general differences between the two countries in the transition to adulthood. In a second step, we will come back on the effect of parents’ background on the transition to adulthood in US and Italy following the research strategy called Sequence Analysis that starts with the identification of typical patterns (in terms of sequence of states and time experienced in each state) through a cluster analysis and then try to evaluate the propensity to follow a specific pattern according to a specific population subgroup. More specifically, we pool the data for Italy and the U.S. (but separately by gender) and through a sequence analysis we identify five different typologies that show different behaviors in experiencing the events characterizing the Independence and Family formation trajectories.

4.5.1 Description of the Process in the two Countries

As we can see in Figure 3.2, among men there exist substantial differences in the way they face both the independence and the family transitions. First of all, looking at the top of the figure, in Italy many young adults go through a phase in which they still live with parents, are not in school and do not work. This category is almost non-existent in the

U.S., where young men find their first job when they are still in school. Moreover men who completed education and found a job are more likely to still live with parents in Italy than in the U.S., and this is true also if they are still in school. As a matter of fact many people in the U.S leave the parental home when they go to college, no matter how far the college is from their parents' house. When we look at family transition (bottom part of the figure) we can see that cohabitation is very infrequent in Italy, while in the U.S. it is limited but does happen among young men. Also, some statuses like being a single parent do not exist in Italy, and living as a single out from parental home is more common in the U.S. than in Italy. Based on Figure 3.2 we can argue that the transition to independence occurs earlier in the U.S. where men start working when they are still in school, and leave the parental home earlier than in Italy. Family transition is characterized by a more modern behavior in the U.S., where men cohabit more and experience periods of single fatherhood in some cases.

Among women (Figure 3.3) the differences between the two countries are even more visible. There is one difference that we observed also for men, i.e. that young women start working when they are still in school in the U.S., while in Italy there is a fraction of them who are not in school, live with parents and do not work. Also when they exit from school and find a job the moving-out process is less common and slower. In addition, more than 20% of Italian women finish school, leave their parents but do not enter the labor market. So presumably they end up as housewives and possibly mothers. This group cannot be found in the U.S. where most of women enter the labor market, many of them also when still in school. Country differences concerning the family

transitions are very similar to those found among men. In the U.S. more women cohabit and have children during the cohabitation, and more experience periods of single motherhood. With respect to men, there are fewer women who are single and leave their parents, and on average they experience a faster transition.

Figure 3.2. Distribution of Independence and Family Transitions, by Country. Men

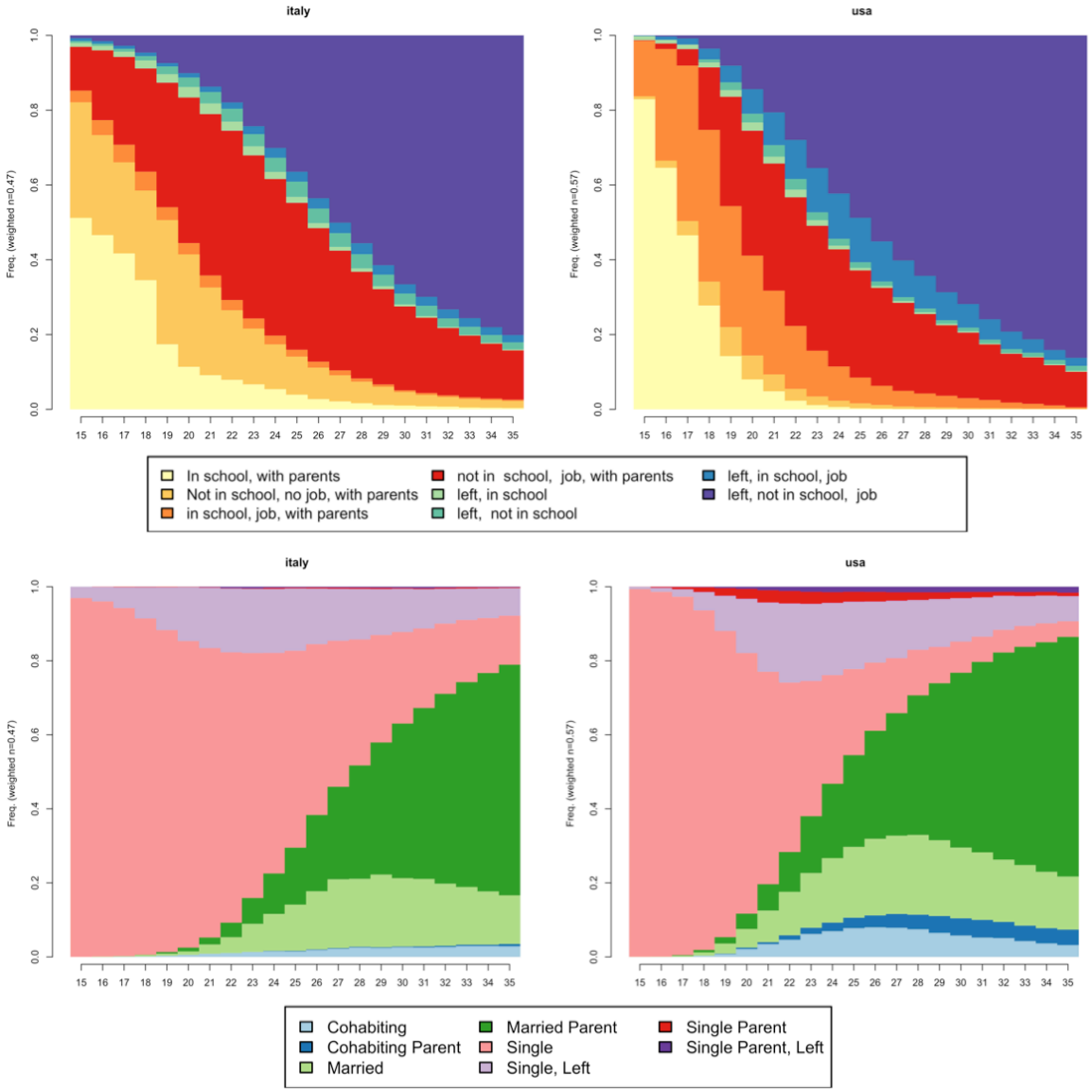
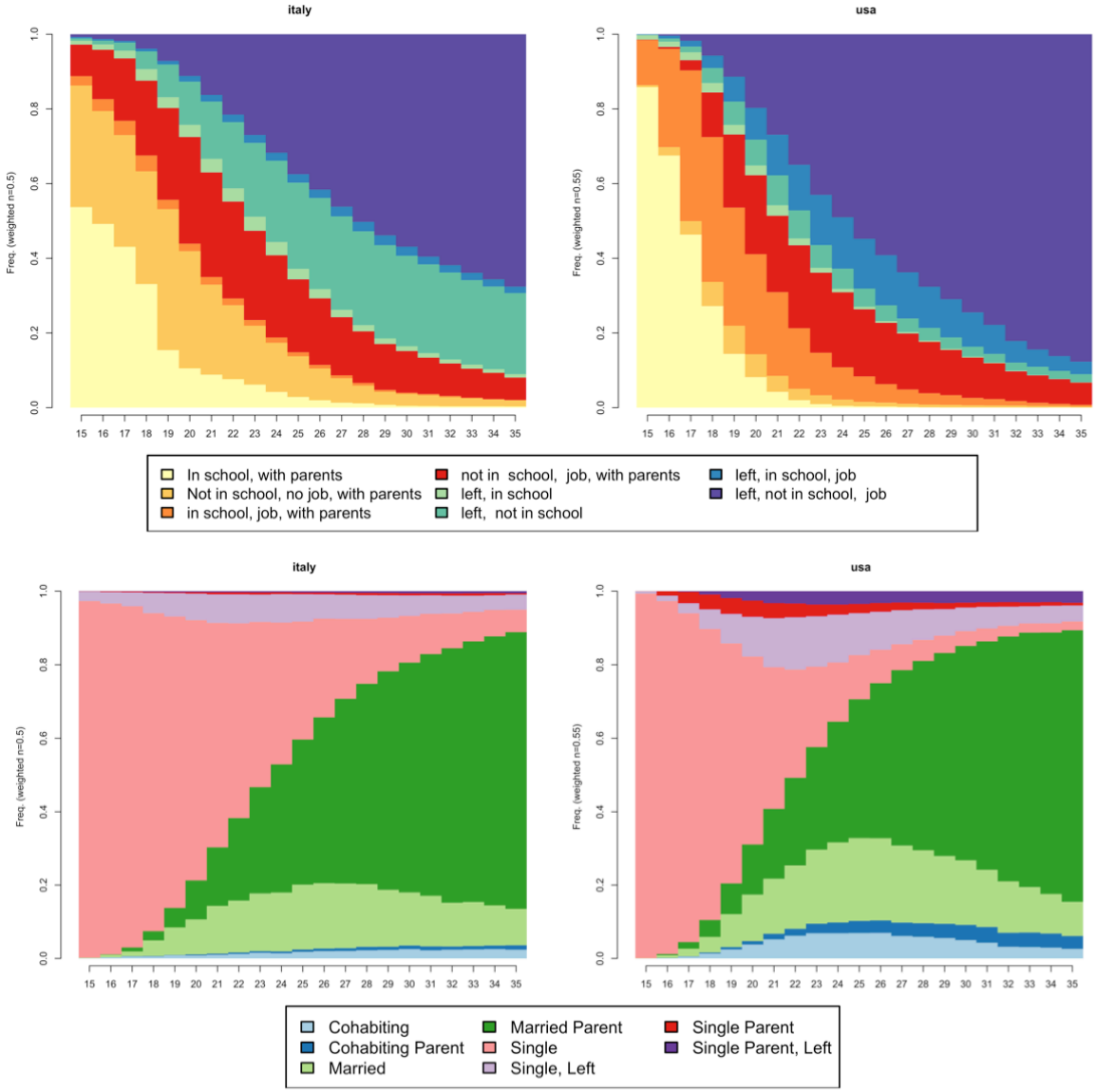


Figure 3.3. Distribution of Independence and Family Transitions, by Country. Women



4.5.2 Cluster analysis

Certainly there are large individual variations within countries, and we do want to identify these differences. Therefore, as a second step and as explained above, we

perform a cluster analysis pooling data for both countries together, but separately by gender, in order to identify typologies of different behaviors in the transition to adulthood. In Figure 3.4 and 3.5 we show the graphs concerning the clusters, respectively for men and women. In each figure we show on the left the clusters for family formation and on the right side the clusters for the independence transition.

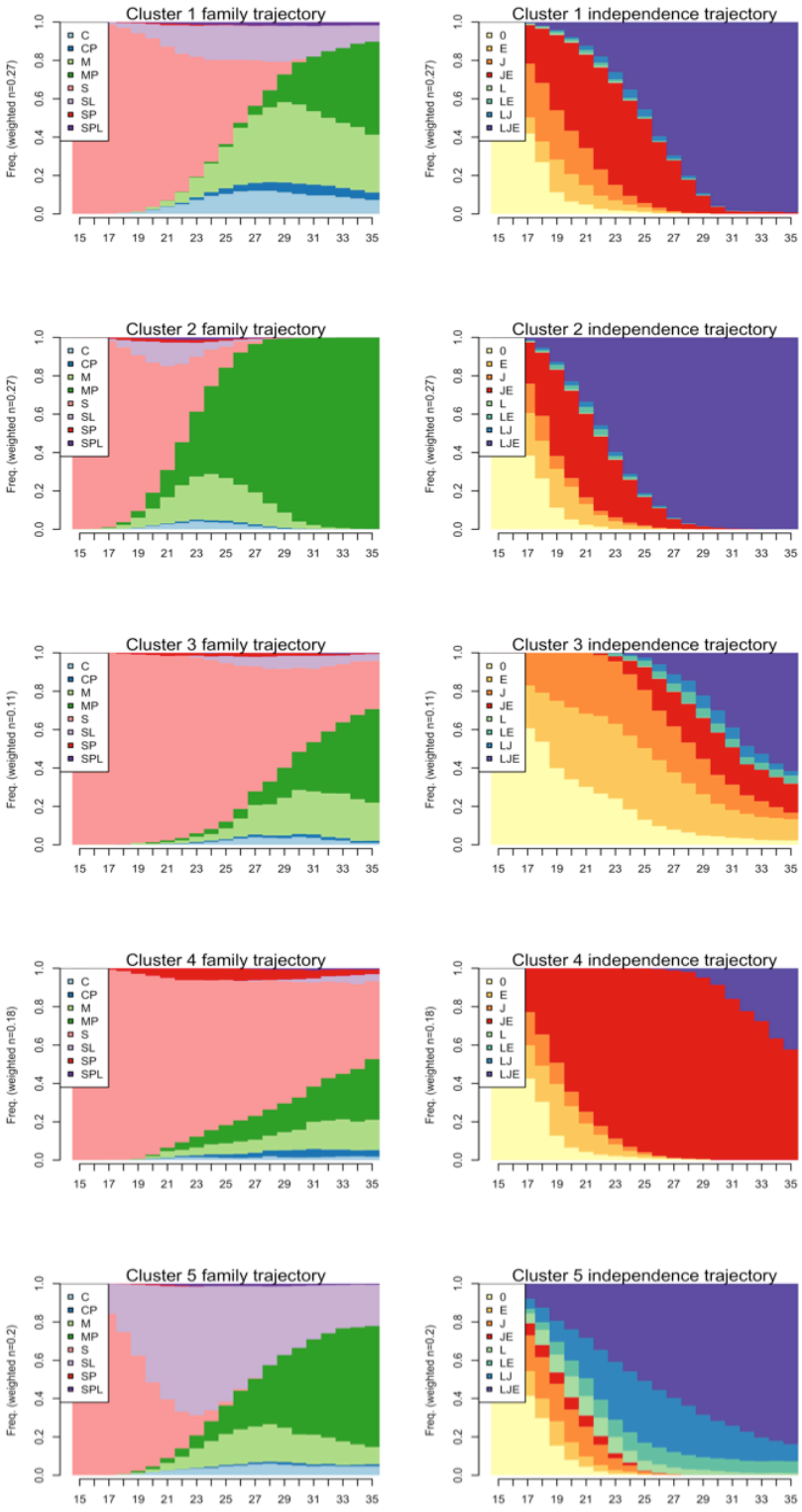
We start from the discussion of males' clusters. The first cluster – *Modern and Independent Transition* (22.5% of the male sample in Italy and 26.7% in the U.S.) – can be defined as experiencing a modern behavior in the transition to adulthood. In fact men in this group leave their parents' house when they finish school and find a job, but they do not move out necessarily to marry. They also stay single or cohabit. Moreover men in cluster 1 delay substantially childbearing. The second cluster instead can be defined as traditional – *Traditional and Early Transition* (22.4% of the male sample in Italy and 27.8% in the U.S.) –, given that both their achievement of independence and their family formation occur very early and pretty quickly. These young men leave their parents very soon, and usually do it to marry. Very few leave to stay single or to cohabit, and those who marry become fathers very shortly after the marriage. The third cluster – *Slow and Late Independence* (15.1% of the male sample in Italy and 7.5% in the U.S.) – is very different from the first two. The transition to adulthood is very slow and they gain their independence very late. Most of them in their late 20s is still in school and lives with parents, even if they found a job. In addition, more than 20% of men in this group never marries, never cohabits and does have children before 35 years of age. Also cluster 4 – *Late Home Leavers (with a job)* (19.3% of the male sample in Italy and 19.8% in the

U.S.)– is very different from the first two, but for different reasons. These individuals finish school and find a job relatively early, but then they do not move out from their parents' home, resulting in a strong postponement in family formation: almost 60% by age 35 still live with parents, they do not marry, or if they do they do it very late. Thu, their transition to adulthood seems to be incomplete. The fifth cluster – *Single Living with High Education* (20.8% of the male sample in Italy and 18.2% in the U.S.) – presents very peculiar characteristics. These young men leave their family very soon, even if they are in school and sometimes even before than having a job. They leave to stay single at least for a while, then they marry or cohabit and have kids. Presumably the typical person belonging to this cluster is a young man who goes to college and starts living by himself when still in school. They enter the "marriage market" with some delay because they wait until they complete education, and they finish later than others. Hence in cluster 5 we do observe a delay in the transition to adulthood, in this case due to high education.

Figure 3.5 reveals some similarities in a couple of clusters, but also profound differences in the transitions between men and women, supporting our strategy to analyze this topic separately by gender. The first cluster – *Traditional and Early Transition* (38.3% of the female sample in Italy and 38.8% in the U.S.) – corresponds to a traditional transition, with an early achievement of independence and a fast family formation through marriage and motherhood (almost no cohabitation or single living). Cluster 2 – *Modern and Independent Transition* (11.4% of the female sample in Italy and 20.2% in the U.S.) – is extremely modern with respect to cluster 1. In fact these women experience a very fast transition to independence, and more than 50% at age 24 have already left the

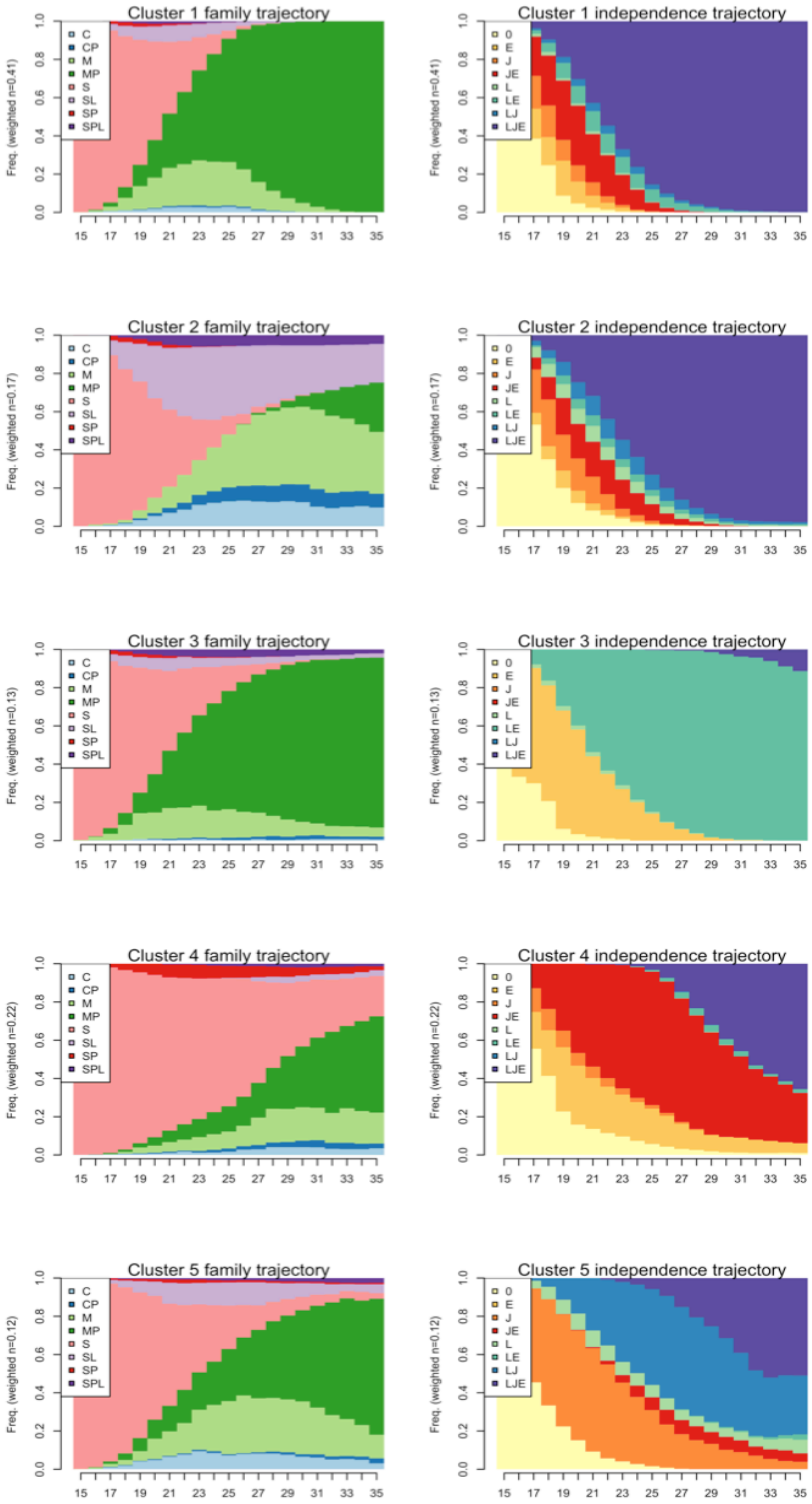
parental home, have completed education and found a job. When they leave their parents they do it to stay single or to cohabit. If they marry, they still delay substantially childbearing or do not have kids at all. The third cluster – *Housewives* (21.8% of the female sample in Italy and 3.9% in the U.S.) – is a unique typology that we do not find among men. These women exit education and leave their parents early in their life, but they never enter the job market. So they leave their parents because they find a partner, they marry and have children early. We can define this typology as the one of mothers and housewives. As we observed in the tables and figures reported above about quantum and sequencing, most of the women in this cluster are from the Italian sample, because the majority of American women actually enter the labor market. Cluster 4 – *Late Home Leavers (with a job)* (24.8% of the female sample in Italy and 20.9% in the U.S.) – is very similar to Cluster 4 for men, in which people leave the parental home very late, and a long time after the end of education and the entry into the labor market. Consequently they marry late – if they marry – and become mothers even later. In Cluster 5 – *Higher Education* (3.6% of the female sample in Italy and 17.3% in the U.S.) – we can find more educated women that stay in school longer, but find a job while studying and usually leave their parents early in life. Not necessarily they delay marriage, but to some extent delay motherhood. Also, in this cluster as in cluster 2 we find a greater number of women cohabiting than in other typologies.

Figure 3.4. Clusters derived from the Cluster Analysis – Men



Note: For a more detailed version of the legend see Figure 3.2 and Figure 3.3 above.

Figure 3.5. Clusters derived from the Cluster Analysis – Women



Note: For a more detailed version of the legend see Figure 3.2 and Figure 3.3 above.

4.5.3 Multivariate Analysis

Now that we described the different typologies of life course trajectories for men and women, it is important to go back to the main research question of this study, that is how the family background and parental socioeconomic status influence the transition to adulthood, and how this effect differs in the two countries. To answer this question we implement some multinomial logistic regressions, separately by gender, to test the importance of parental SES in the probability of belonging to the different clusters in Italy and in the U.S. Our typology of reference is the one with a *traditional* life course trajectory, i.e. Cluster 2 for men and Cluster 1 for women. As explanatory variables in the model we include *birth cohort*, the *number of siblings* in the family of origin, and the key variables *country* and *parental SES*. We do not want to study only the different probabilities of belonging to a specific typology based on family social class and country, but we also want to investigate how the role of social class varies in different contexts. Therefore we include an interaction term between parental SES and the country dummies. Tables 3.A3 (Men) and 3.A4 (Women) in the Appendix show in details the results of the multinomial logistic regressions, but to focus on the key results of the models we plotted in Figures 3.6 and 3.7 the predicted probabilities of being in each cluster derived from the regressions, by country and family social class. The graphs in these figures report also the confidence interval (at 95% level) in order to determine if differences across countries and social classes are significant.

Among men (Figure 3.6) we find that the probability of belonging to the first cluster – *Modern and independent trajectory* – is the same in the two countries for a low level of

parental SES, but it increases by almost 10% in the U.S. as we go from low to high social class, while it stays the same in Italy. The probability to be in the second cluster – *traditional and early transition* – decreases as social class increases in both countries, even if the probability is always higher in the U.S. The opposite is true when we look at cluster 3 – *slow and late independence* – given that the probabilities are quite low in both countries when parental SES is low (8% in the U.S. and 12% in Italy), they increase substantially in Italy and get to 25% when social class is high, while they remain very low in the U.S.

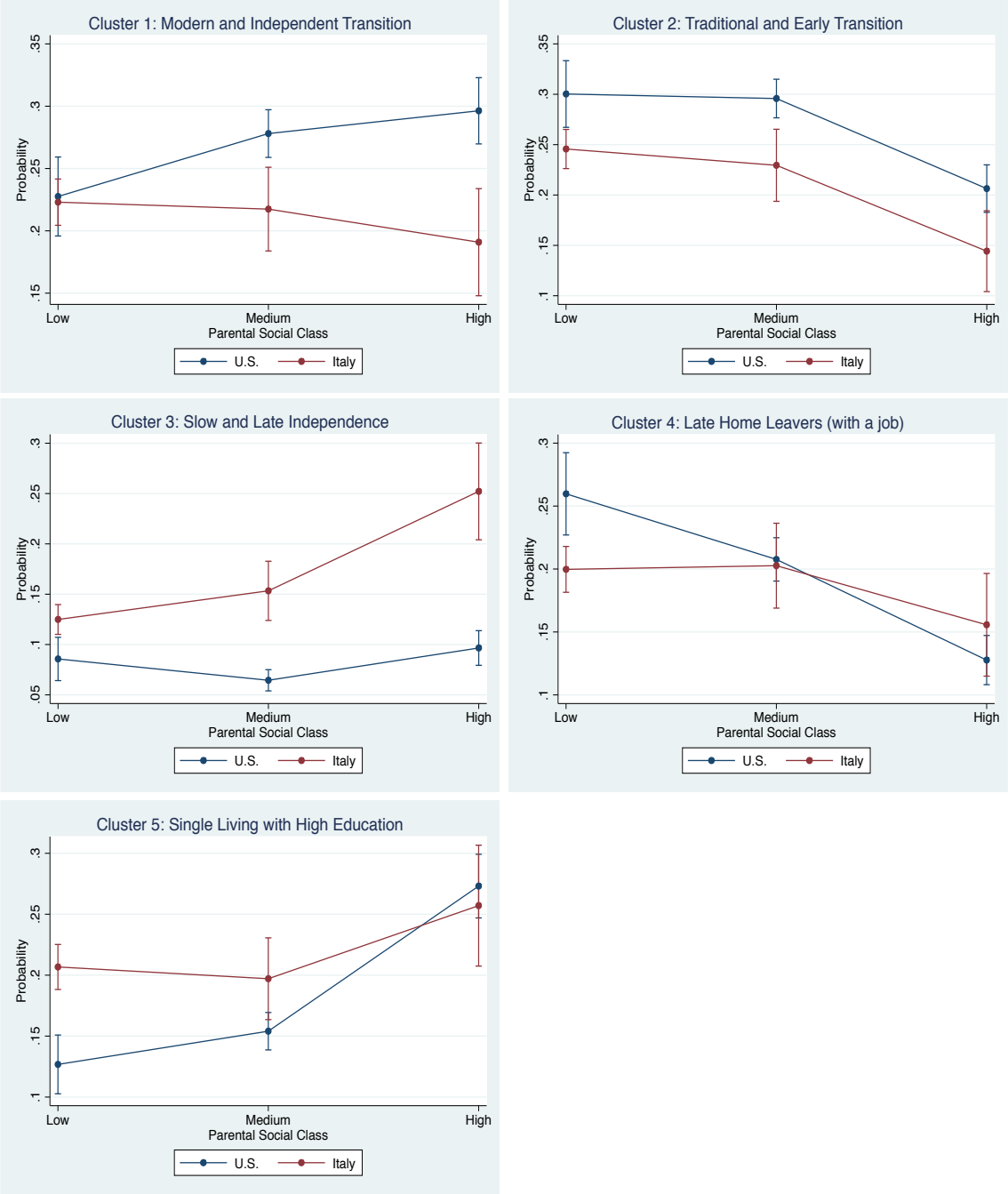
Based on these first three clusters we can say that generally as family socioeconomic status increases the typologies of life course trajectories in the two countries move in different directions: in Italy among higher classes emerges a delay both in the independence and family formation patterns (the effect of parental background is negative in cluster 2 and positive in cluster 3); in the US an higher status pushes towards modern and more heterogeneous trajectories in the family formation but it is not clearly associated with a delay in the independence trajectory (the effect of parental background is positive in cluster 1 and negative in cluster 2 where both of these clusters are characterized by early independence).

These indications are confirmed looking at the last two clusters: in the US, men with an higher social status show a lower probability of belonging to cluster 4 – *late home leavers* – , in which exit from parental home and consequently family formation are strongly postponed, but an higher probability of belonging to cluster 5 – *single living with high education* –, in which an early departure from parental home results in an higher

proportion of men living as a single. In Italy, for both clusters, differences according to parental background are not supported by an adequate statistical significance.

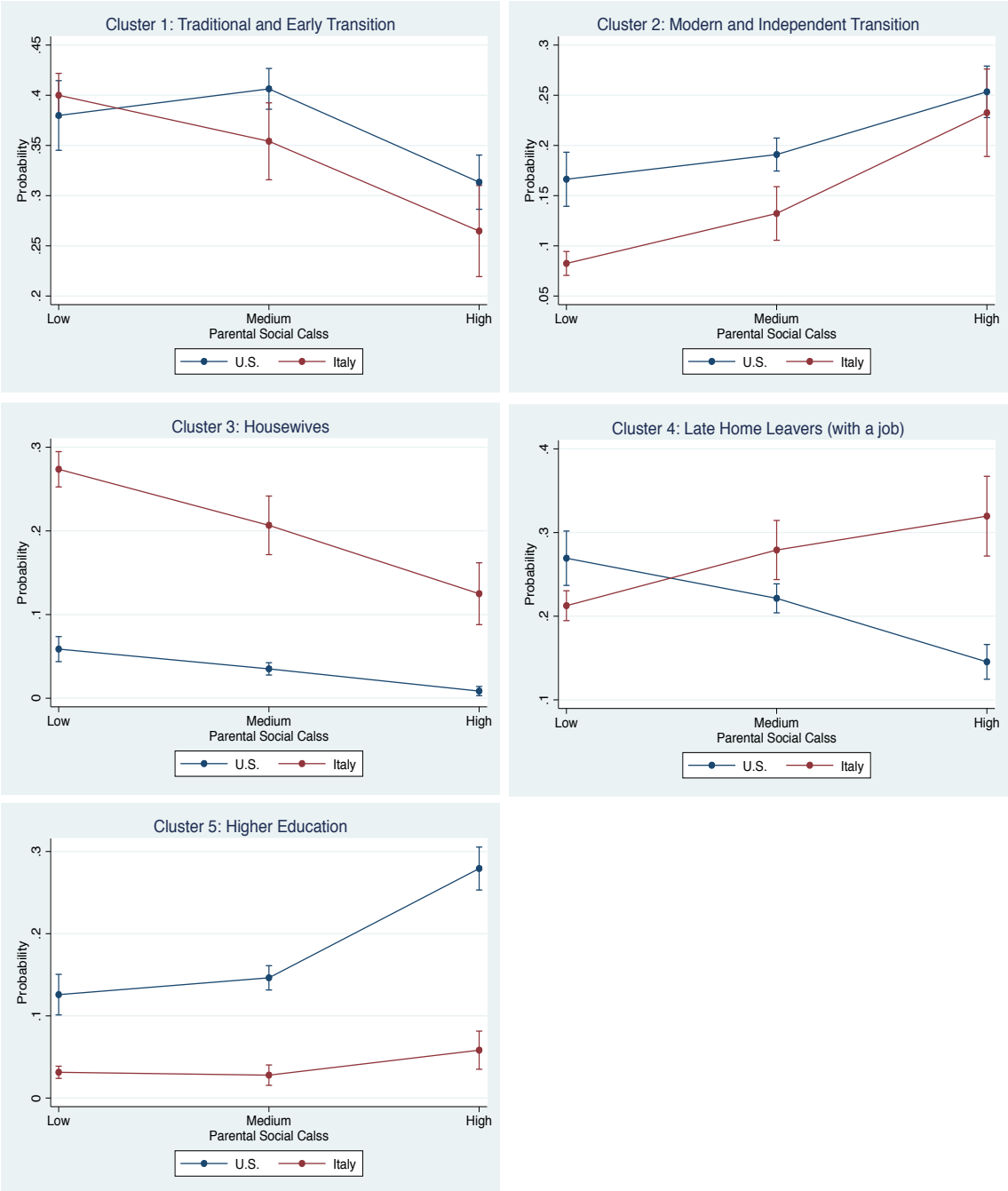
Among women (Figure 3.7) the probability of experiencing a traditional and early transition decreases as social class increases in both Italy and the U.S., with a slightly larger decrease in Italy (from 37% to 32% in the U.S. and from 40% to 27% in Italy, even if differences between countries are not significant). On the contrary, as parental SES goes up the probability of being in cluster 2 – *modern and independent trajectory* – increases in both countries. In Italy women coming from a low social class have a 8% probability of being in this cluster, while those from high social class a 23% probability. In the U.S. the increase goes from 17% to 25%. Predicted probabilities of belonging to cluster 3 – *housewives* – clearly shows how the missed entrance into the labor market is a phenomenon that occurs almost only in the Italian context. The probability is lower than 10% in the U.S. and this probability goes to zero when we look at high parental SES. In Italy, those with a low family social class have almost 30% probability of being in this group, and this probability drops to 12% for women from a higher social class. Generally speaking, the analysis of the first three clusters suggests that among women high social classes push towards a modern and more heterogeneous pattern of transition to adulthood in both countries, even though with a different level of the predicted probabilities. On the contrary, a clear-cut interaction between country and family background emerges for cluster 4 – *late home leavers*. In fact, if in Italy the predicted probability is 21% for a low social class woman, this probability increases to 30% when social class goes up.

Figure 3.6. Predicted Probability of Being in each Cluster, by Country and Parental Social Class. Men.



Note: The probability are obtained controlling fro birth cohort and number of siblings

Figure 3.7. Predicted Probability of Being in each Cluster, by Country and Parental Social Class. Women.



Note: The probability are obtained controlling fro birth cohort and number of siblings

In the U.S. instead, the relationship goes in the opposite direction since the probability decreases from 27% to 15% as family SES goes up. This is clear also if we look at the predicted probability of ending up in cluster 5 – *higher education*. First of all this kind of life course trajectory (i.e. exit from the parental home and find a job when still in school, presumably in college) is by far more likely to happen in the U.S. Moreover this probability increases with social class in the U.S. (from 12% to 28%) while it stays roughly constant in Italy (between 4 and 5%).

Summarizing, among women we have a clear and unambiguous effect of parents' status in the US: high social status increases modern trajectories in family formation such as cohabitation and single living (positive effect in cluster 2 and 5), decreases early transition due to marriage (negative effect in cluster 1), decreases traditional gender roles within the couple (negative effect in cluster 3), and also decreases a postponed exit from parental home (negative effect in cluster 4). Among Italian women, the role of parental status is more complex and it emerges a sort of dual effect. On the one hand family status increases the propensity to experience modern and more heterogeneous trajectories (positive effect in cluster 2) reducing, at the same time, the probability to experience an early family formation (negative effect in cluster 1) and of being a not-working married women (negative effect in cluster 3). On the other hand, among those woman who did not experienced an early departure from parental home, mainly to form new union, coming from an advantaged family background "protects" Italian women and keep them into the

family nest for a longer time even if they found a job and completed education (positive effect in cluster 4).

4.6 Discussion

In our analysis we evaluated the role played by parental background in the transition to adulthood. The inherent complexity of the phenomenon under analysis – transition to adulthood consists of several events that mutually influence each other – has been captured by looking at the entire adulthood trajectory, i.e. considering at the same time the timing, the quantum, and the sequence of events. This allows us to evaluate the effect of social origins on the entire pattern leading to independence and family formation. This broader, if not properly "holistic", perspective has been possible applying a sequence analysis, followed by a cluster analysis and multinomial logistic regressions. Moreover, we considered a double comparative perspective taking into account differences by gender and two different countries, U.S. and Italy,

In general, we found large differences between countries that not always are accounted for differences in family social class. Descriptive findings show a more relevant postponement in the transition to adulthood in Italy and a higher heterogeneity of states and trajectories in the U.S. In particular, compared to U.S., Italy is characterized by a lower incidence of women entered in the labor market and a reduced occurrence of informal cohabitation. However, the relevance of social class cannot be neglected. In line with the existing literature, our results confirm that parental background influences the

transition to adulthood (Rijken and Liefbroer 2009; Blaauboer and Mulder 2010; Wiik 2008). In general, our analysis shows that the transition to adulthood is slower among higher classes. However, the more interesting results emerge looking at the interplay between social class, gender and country. For example, cohabitation is more widespread among higher classes in Italy, whereas in the U.S. social class is not relevant. On the contrary marriage is more common among lower classes in Italy whereas in the U.S. it is more widespread among higher classes.

Multivariate regressions estimates, based on cluster analysis, generally confirm the main findings showed in the descriptive analysis but add precious indications. The main result of the analysis is that the effect of parental background is different across countries and genders. In the U.S., we find that the role of social class is strong but similar for both genders: high status favors not only a higher education and an early entry in the labor market, but also an higher heterogeneity of states and the occurrence of new behaviors like single living and cohabitation. In Italy, the effect of social class is strongly gender-specific. Among men a higher social class tends to delay transitions (both in terms of independence and family formation patterns), more than leading towards modern behaviors in their living arrangement. Among women, we found two different effects. The first is the same observed in the U.S.: a higher social class tends to facilitate the experience of more modern and independent transition and to reduce the propensity to follow more standardized pattern, i.e. exit form parental home to marry and then parenthood. The second effect relates to the higher probability of postponing the exit from parental home, and then family formation, among higher class women that

completed education and found a job. Following a different point of view, results form multivariate analysis suggest that parents with lower resources put more pressure on their daughters to leave the parental home and start a family life irrespective of the fact that they have a job or not. The same result does not apply to men for whom, on the contrary, difficulties to find a job cause an automatic postponement of family formation.

Going back to the hypotheses made in Section 4.2, our analysis confirms that the lower the socio-economic status, the higher the probability of experiencing an early and fast transition to adulthood (H1). This result can be explained by two mechanism: on the one hand individuals with lower family resources have more constrains that lead to lower educational attainments and a more rapid entry into the labor market (Furstenberg 2008), on the other hand that children of lower classes are more prone to experience standard trajectories (Kohn, Slomczynski and Schoenbach 1986) with the result that the early exit from parental home corresponds to an early family formation. Our results also confirmed that the trajectories leading to independence and family formation are more rapid, more innovative and less standardized in the U.S. than in Italy (H2). This expected result is totally in line with the different stage of the two countries in the second demographic transition.

As far as H3 is concerned, the relationship between family background and life course trajectories is context specific but not in the expected direction. Actually, in the U.S. de-standardized and individualized trajectories, involving a job before the end of education, an independent period prior to family formation, informal cohabitation, and out-of-wedlock pregnancies, are more widespread among individuals with a higher

parental status. This contrasts with existing literature focusing on single events or without a global view on the transition to adulthood. In Italy, the relation is not as clear as in the U.S. In the South-European country the reliance on the family as a fundamental support during the first stages in the life course implies that among the higher classes the de-standardization of trajectories is less evident. This is expressed mainly in terms of a further postponement of family formation, due to a prolonged stay in the parental home, especially among men. Therefore, in Italy, a more affluent family of origin constitutes not only a protection factor in the presence of economic constraints, such as unemployment or unaffordable housing market, but also a golden cage (Castiglioni and Dalla Zuanna 1994) that children are not encouraged to leave even if they have already completed education and started a job. This result leads us to the conclusion that in Italy the familistic viewpoint (Dalla Zuanna and Micheli 2004), characterized by strong affective bonds between parents and children (Micheli 2000; Reher 1998) that are able to hinder the process leading to residential autonomy, expressed its full potential among wealthier families.

4.7 Appendix

Figure 3.A1. Survival curves for each event, by gender and family status, Italy

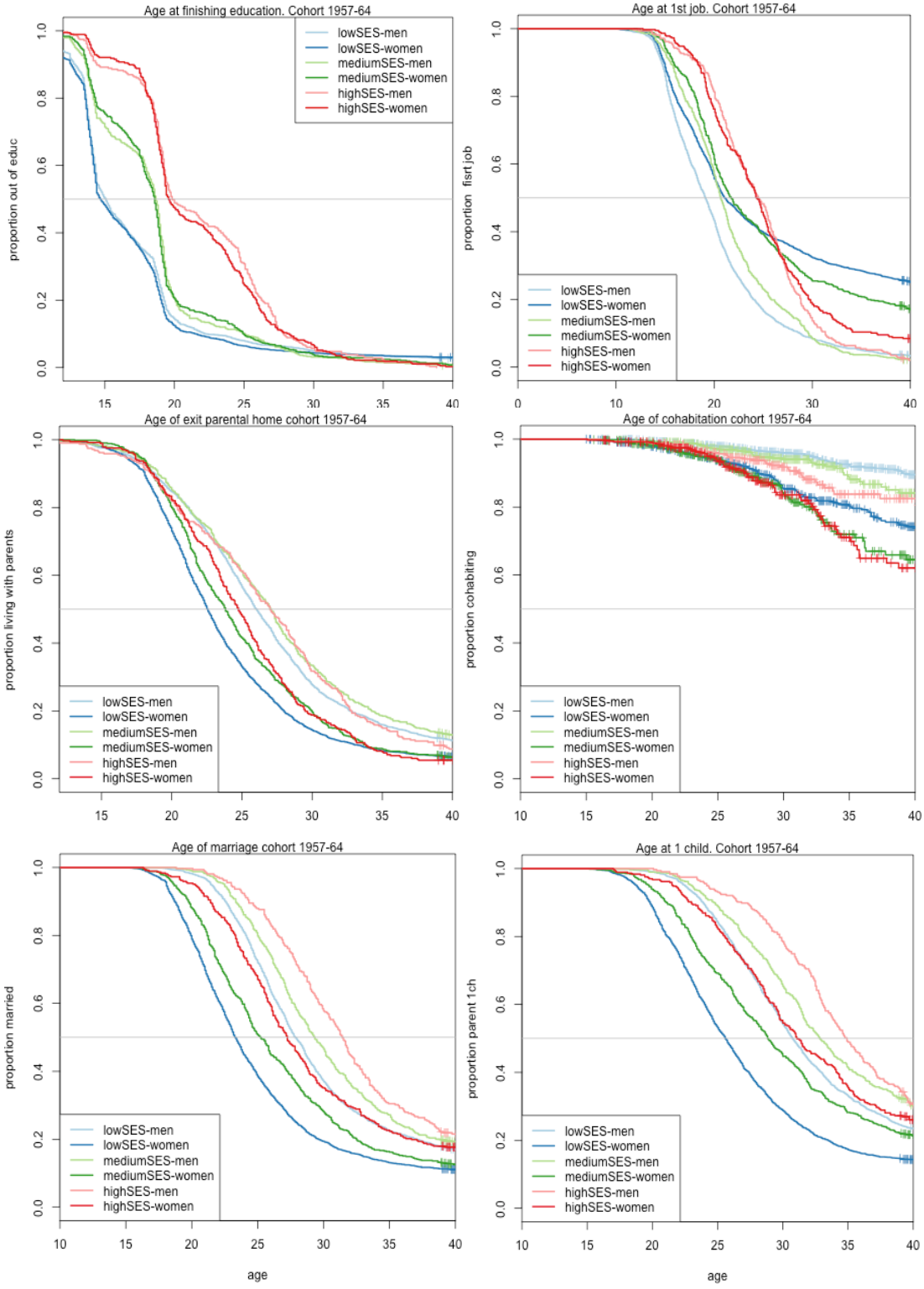


Figure 3.A2. Survival curves for each event, by gender and family status, U.S.

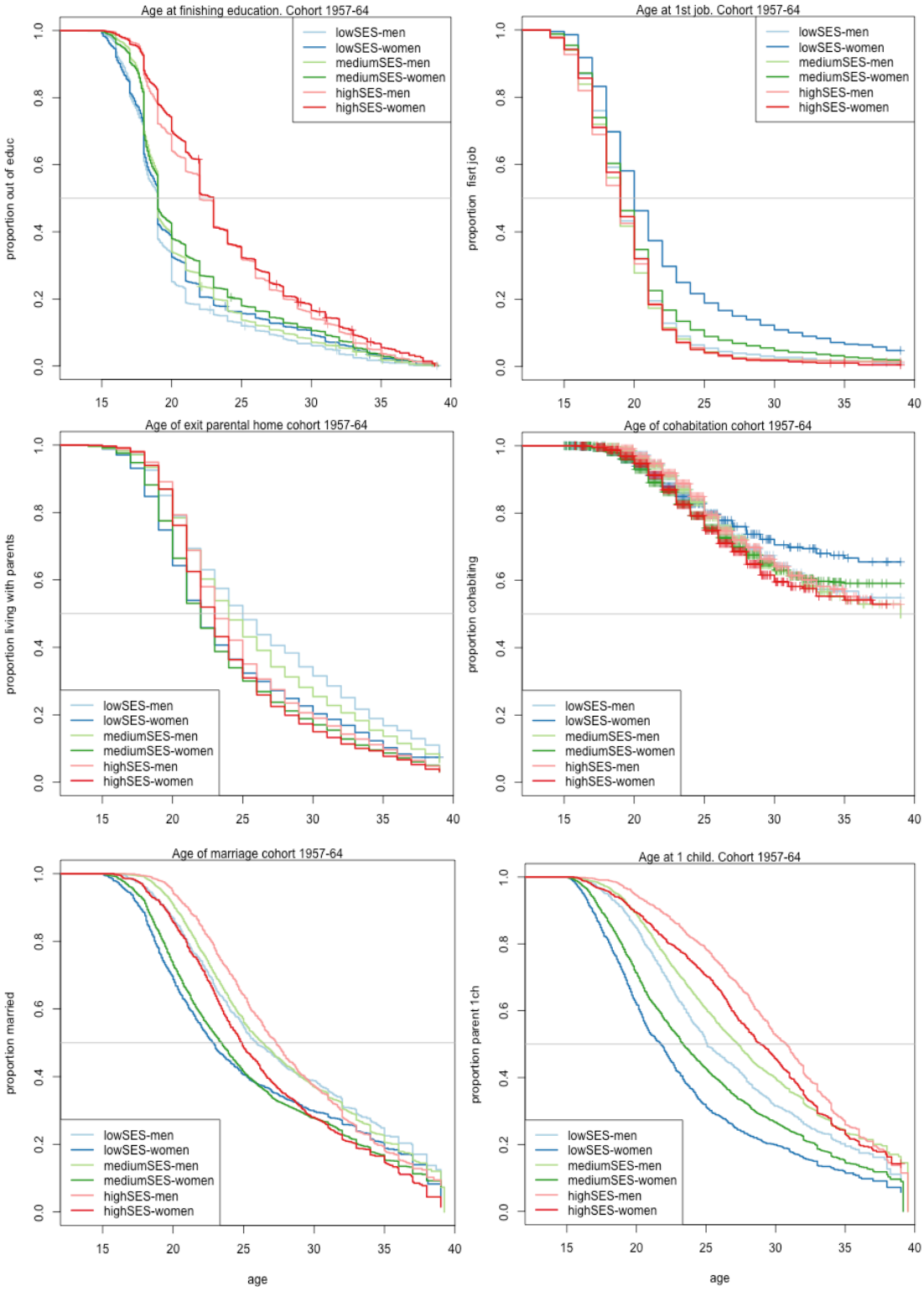


Table 3.A1. Multinomial Logistic Regression. Men, N=6,937

Base Outcome: Cluster 2 = Traditional and Early Transition	Cl1: Modern Transition	Cl3: Slow and Late Independence	Cl4: Late Home Leavers (with a job)	Cl5: Single living with high Education
Birth Cohort (Ref: 1957)				
1958	1.334*	1.094	1.203	1.219
	[0.193]	[0.218]	[0.184]	[0.175]
1959	1.486**	1.445	1.420*	1.097
	[0.212]	[0.273]	[0.213]	[0.161]
1960	1.770***	1.321	1.677***	1.169
	[0.242]	[0.249]	[0.240]	[0.166]
1961	2.189***	2.019***	1.961***	1.450*
	[0.308]	[0.375]	[0.290]	[0.211]
1962	2.174***	1.791**	2.050***	1.523**
	[0.302]	[0.335]	[0.299]	[0.218]
1963	2.662***	2.847***	2.154***	1.556**
	[0.375]	[0.514]	[0.323]	[0.230]
1964	3.345***	3.573***	2.961***	2.236***
	[0.490]	[0.658]	[0.454]	[0.337]
Number of Siblings	0.930***	0.926**	0.975	0.978
	[0.015]	[0.022]	[0.016]	[0.017]
Country (Ref: U.S.)				
Italy	1.205	1.795***	0.944	2.001***
	[0.157]	[0.318]	[0.121]	[0.293]
Parental SES (Ref: Low)				
Medium	1.241	0.764	0.811	1.233
	[0.148]	[0.134]	[0.094]	[0.171]
High	1.912***	1.658**	0.720*	3.153***
	[0.264]	[0.319]	[0.107]	[0.480]
Country*Parental SES (Ref: U.S., Low SES)				
Italy, Medium SES	0.844	1.728*	1.342	0.829
	[0.156]	[0.406]	[0.251]	[0.167]
Italy, High SES	0.775	2.115**	1.866*	0.678
	[0.194]	[0.592]	[0.497]	[0.171]
Constant	0.503***	0.206***	0.547***	0.336***
	[0.083]	[0.047]	[0.091]	[0.060]

***: p-value <=0.01; **: 0.01<p-value<=0.05; *: 0.05<p-value<=0.1

Table 3.A2. Multinomial Logistic Regression. Women, N=7,241

Base Outcome: Cluster 1 = Traditional and Early Transition	Cl2: Modern Transition	Cl3: Housewives	Cl4: Late Home Leavers (with a job)	Cl5: Higher Education
Birth Cohort (Ref: 1957)				
1958	1.025	1.163	1.444**	0.861
	[0.150]	[0.189]	[0.202]	[0.162]
1959	1.08	1.278	1.482**	0.83
	[0.156]	[0.204]	[0.205]	[0.157]
1960	1.142	1.069	1.616***	1.045
	[0.161]	[0.173]	[0.218]	[0.186]
1961	1.193	0.988	1.813***	1.681**
	[0.169]	[0.165]	[0.244]	[0.279]
1962	1.398*	1.033	2.156***	1.947***
	[0.196]	[0.173]	[0.287]	[0.322]
1963	1.589**	1.237	2.501***	2.595***
	[0.228]	[0.208]	[0.339]	[0.429]
1964	2.092***	1.691**	3.192***	2.883***
	[0.310]	[0.286]	[0.447]	[0.502]
Number fo Siblings	0.993	1.127***	0.984	0.949**
	[0.016]	[0.024]	[0.015]	[0.018]
Country (Ref: U.S.)				
Italy	0.464***	4.553***	0.734**	0.228***
	[0.066]	[0.783]	[0.086]	[0.042]
Parental SES (Ref: Low)				
Medium	1.073	0.556**	0.768*	1.088
	[0.129]	[0.101]	[0.082]	[0.150]
High	1.865***	0.174***	0.663**	2.762***
	[0.253]	[0.064]	[0.090]	[0.410]
Country*Parental SES (Ref: U.S., Low SES)				
Italy, Medium SES	1.698**	1.525	1.948***	0.935
	[0.329]	[0.338]	[0.307]	[0.284]
Italy, High SES	2.320***	3.913**	3.503***	1.053
	[0.502]	[1.638]	[0.701]	[0.319]
Constant	0.355***	0.088***	0.414***	0.259***
	[0.060]	[0.020]	[0.065]	[0.051]

***: p-value <=0.01; **: 0.01<p-value<=0.05; *: 0.05<p-value<=0.1

Latent Class Analysis

Table 3.A3. Latent Class Analysis Output

Men	# Clusters	LL	BIC(LL)	Npar	L^2	df	p-value
Model1	1-Cluster	-464653	930922.5836	182	804022	7009	3.6e-165856
Model2	2-Cluster	-407929	819098.7083	365	690573	6826	2.1e-141635
Model3	3-Cluster	-367045	738957.4058	548	608806	6643	8.9e-124246
Model4	**4-Cluster**	**-347087**	**700666.3207**	**731**	**568890**	**6460**	**2.9e-115853**
Model5	**5-Cluster**	**-333095**	**674306.4928**	**914**	**540905**	**6277**	**1.2e-110023**
Model6	6-Cluster	-322004	653750.9724	1097	518724	6094	2.9e-105440
Model7	7-Cluster	-312994	637355.1083	1280	500703	5911	1.3e-101749
Model8	8-Cluster	-304696	622384.0659	1463	484107	5728	9.4e-98365

Women	# Clusters	LL	BIC(LL)	Npar	L^2	df	p-value
Model1	1-Cluster	-518681	1038994	183	907477	7264	1.1e-187868
Model2	1-Cluster	-518681	1038994	183	907477	7264	1.1e-187868
Model3	2-Cluster	-458323	919918	367	786761	7080	3.0e-162068
Model4	3-Cluster	-412661	830234	551	695437	6896	6.0e-142611
Model5	**4-Cluster**	**-388315**	**783182**	**735**	**646744**	**6712**	**4.6e-132328**
Model6	**5-Cluster**	**-369394**	**746981**	**919**	**608902**	**6528**	**2.3e-124379**
Model7	6-Cluster	-355290	720413	1103	580694	6344	3.5e-118501
Model8	7-Cluster	-345821	703116	1287	561756	6160	3.0e-114614
Model9	8-Cluster	-336963	687041	1471	544041	5976	6.1e-110990
Model10	9-Cluster	-329826	674408	1655	529767	5792	9.7e-108105
Model11	10-Cluster	-322724	661843	1839	515562	5608	2.9e-105234
Model12	11-Cluster	-316531	651098	2023	503176	5424	1.1e-102754
Model13	12-Cluster	-310315	640306	2207	490744	5240	3.2e-100265
Model14	13-Cluster	-305581	632478	2391	481276	5056	9.8e-98413
Model15	14-Cluster	-301436	625830	2575	472987	4872	4.3e-96814
Model16	15-Cluster	-296493	617584	2759	463101	4688	2.3e-94872

Figure 3.A3. Clusters derived from the Latent Class Analysis (5 Clusters) - Men

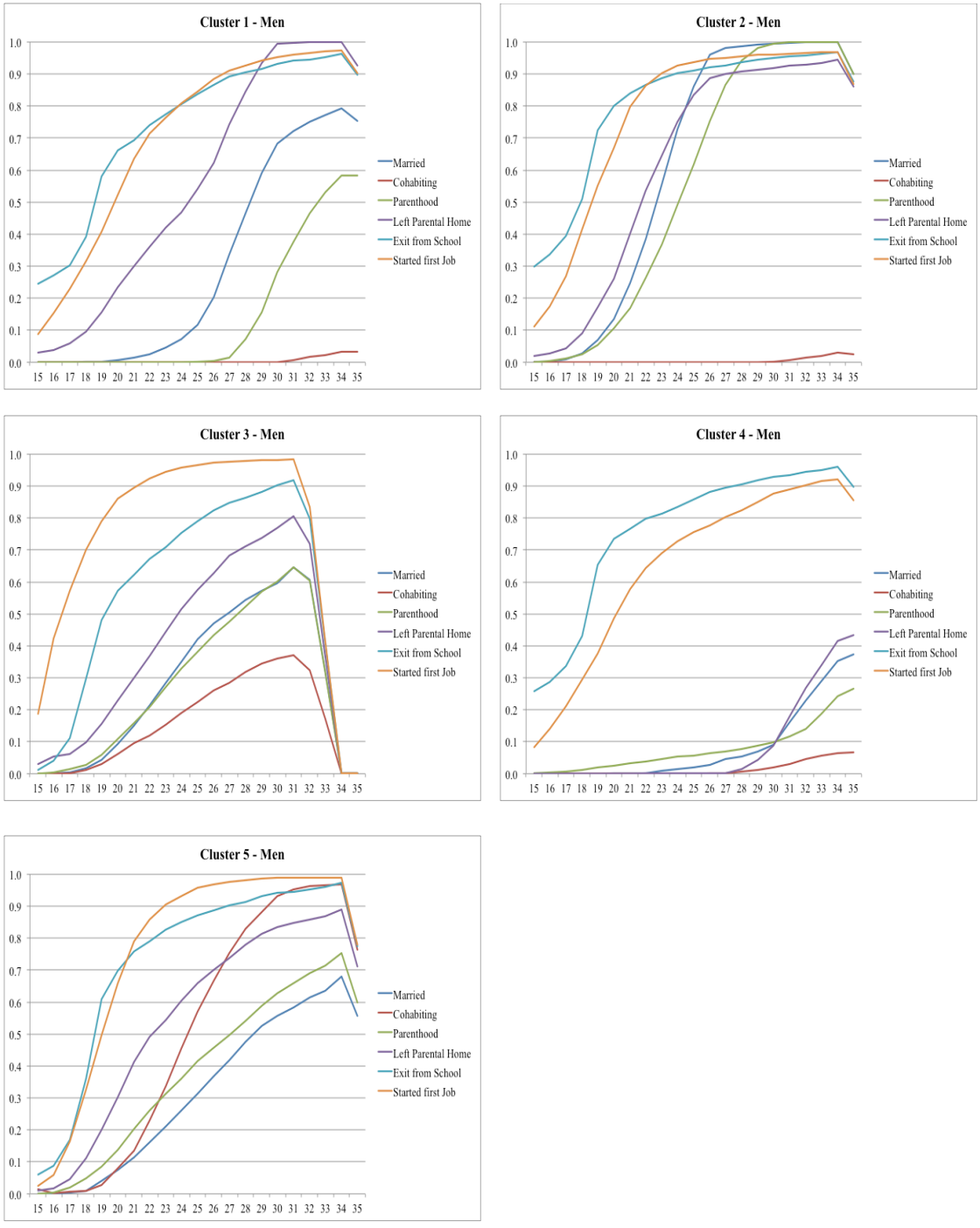
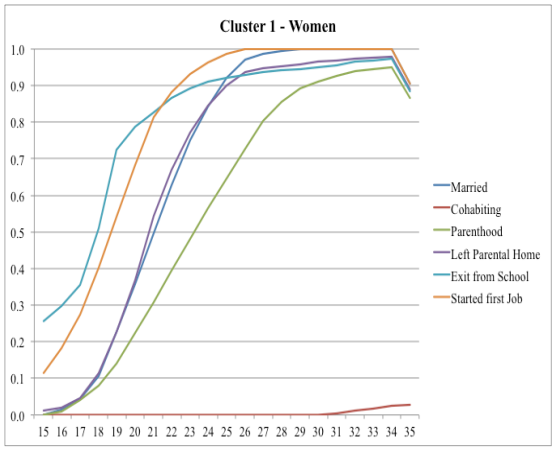
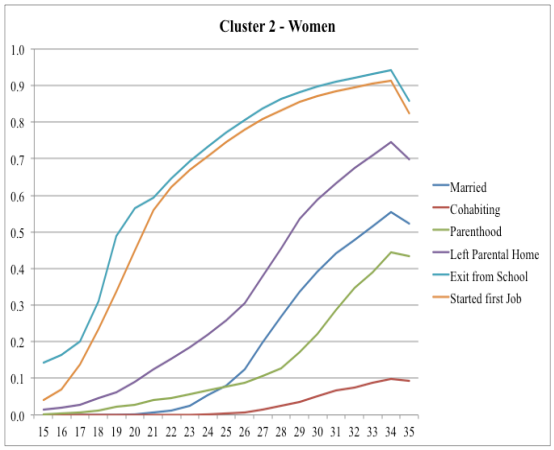
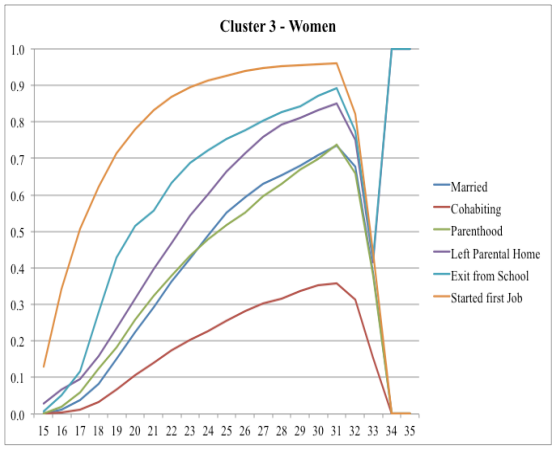
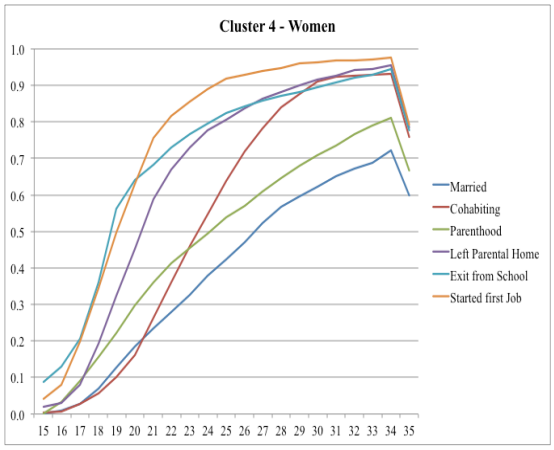


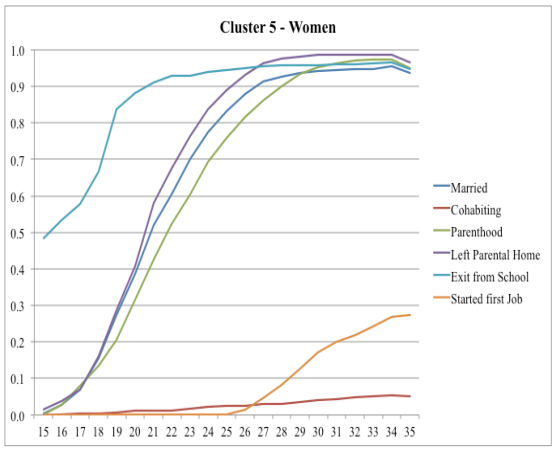
Figure 3.A4. Clusters derived from the Latent Class Analysis (5 Clusters) - Women











5. Conclusions

5.1 Introduction

The transition to adulthood is one of the demographic processes that have changed the most in the last fifty years in developed societies. All the events considered as markers of the transition – leaving home, finishing education, securing a job, marrying or cohabiting, and having children – have been postponed and the their sequence has become less standardized. This study aimed at gaining more insights in the changes in life course trajectories by examining the transformations over time in the transition to economic independence of young adults (Chapters 1 and 2), and the role of family background (Chapter 3). Several aspects of this demographic process that were not considered extensively in the literature were incorporated, such as the achievement of financial self-sufficiency of young individuals with labor earnings, and the relationship between parental social class and life course trajectories.

The research on how people attain independence from the family of origin based on their economic and employment conditions has been extended. This aspect has been investigated in different developed countries to consider the possible influence of different contexts, and its changes over time have been studied. Furthermore, I examined the effect of parental socioeconomic status on the possibility to experience a more traditional or a more modern transition to adulthood, taking into account the interdependence among events through a sequence analysis approach.

Analyses were carried out using survey data from the Luxemburg Income Study (LIS), the National Longitudinal Surveys (NLS, NLSY79, NLSY97), and the

Multipurpose ISTAT (Family and Social Subjects 2003).

In section 5.2 the main contributions to the literature of the thesis are highlighted. In section 5.3 major findings will be recapitulated and the research questions will be answered. Section 5.4 discusses the main conclusions. Finally section 5.5 concludes with some limitations of the present study and suggestions and directions for future research.

5.2 Contribution to the Literature

On the whole, an important merit of this dissertation is that it investigates in details aspects of the transition to adulthood that were not discussed before in the literature.

More specifically, this study contributes to the literature by testing new hypotheses. First, it considers one step in the transition to adulthood that has been investigated in very few studies (and without a systematic approach), that is the achievement of independence from the family of origin through financial self-sufficiency. When considering the first steps of young people towards adulthood the events that are taken into account are the completion of education, the entrance into the labor market and leaving the parental home. A comparative and comprehensive analysis of earnings conditions of young adults was missing, and in particular a study of the changes occurred in the last fifty years. The main sources of inspiration and motivation have been two articles in the sociological literature. In one work Smeeding and Phillips (2002) analyzed the economic sufficiency of young people's earnings in the 1990s in seven countries (France, Germany, Italy, Sweden, the United Kingdom, the United States, and the Netherlands) using the Luxemburg Income Study (Smeeding and Phillips 2002). In

another work Bell et al. (2007), on the other end, compare trends in six countries (United States, United Kingdom, Canada, Belgium, Italy, and Germany) in the household living arrangements, employment rates, and earnings levels as young adults rise in age from 18 to 34 years old, in the mid-1980s and late 1990s (Bell et al. 2007). However, the postponement process is strengthening over time so it is necessary to investigate changes occurred in the first decade of twenty first century and compare the current picture with the situation in the past. The cross-country comparative analysis in Chapter 1 updates to some extent the work by Bell et al. (2007) using more recent data of 2004. Chapter 2 gives a detailed description of the economic and employment conditions of young adults from 1973 until 2007.

Furthermore, both Chapter 1 and Chapter 2 devote particular attention to gender differences and to the possibility of convergence over time in life course trajectories. A lot has been said on the increase in female labor force participation rate, and expansion of education especially among women. Nonetheless, these studies have not investigated how the greater entrance of women into the labor market and increasing returns to education impact the level of earnings, and the fact that men and women are experiencing more similar steps in the first part of the transition to adulthood. Also, this convergence in life course trajectories has important implications for family formation.

The study on the role of family background on the transition to adulthood (Chapter 3) expands on the demographic and sociological literature that has focused on the effect of parental social class on timing or sequencing of events. Some studies analyzed the effect of parental resources on leaving the parental home (De Jong-

Gierveld, Liefbroer and Beekink 1991), others considered the relationship between social status and the decision to postpone the first union or childbirth (Rijken and Liefbroer 2009; Wiik 2009). Others studied the importance of high education and employment to commit to marriage and parenthood, and suggested that their role varies across social classes (Rajulton and Burch 2010; Rajulton, Ravanera and Beaujot 2007; Ravanera, Rajulton and Burch 2003; Ravanera, Rajulton and Burch 2006). Generally speaking, current literature, for the most part, focuses on single events in a single context. Chapter 3 of this dissertation applies a cross-national comparative perspective to evaluate the role of a specific context in the relationship between parental social class and the transition to adulthood. In fact, the effect of familial status on the propensity to experience more complex or innovative pattern of transition to adulthood may be context-specific. The classification and the characteristics of the different welfare states suggest that the de-standardization, turbulence and individualization in life course trajectories are more advanced in countries that can be classified as liberal or social-democratic compared to the southern European countries, where welfare support is very weak and we observe a reliance on the family as the locus of support (Ferrera 1996; Mayer 2001; Trifiletti 1999). In our analysis we compare North America and Southern Europe given the crucial differences suggested by the existing literature.

In addition the analysis takes into account the interdependence among all the events in the transition to adulthood. The life course paradigm assumes that individuals, as human agents, build their future on the basis of the constraints and opportunities experienced in the past (Elder 1994). The process is iterative and cumulative, since initial

advantages or disadvantages often are amplified with time (Giele and Elder 1998). Life courses are embedded in different time and location and are affected by the social context in which individuals live. In addition, different life domains are strongly interdependent. Rather than investigating the contemporaneous association between parental social class and a single event, life course analysis looks at the whole life trajectory. Under this perspective, characteristics such as type, number, duration and order of events may have been influenced by family background. Only a limited number of studies adopt a complete life course perspective. The implementation of sequence analysis allows to capture complexity, sequencing, and timing of life course trajectories, and study how they differ according to parental social class.

5.3 Summary of Findings

As mentioned in the previous section, the literature on the transition to adulthood has not yet achieved a consensus about why there has been a postponement of events and a de-standardization of life course trajectories. This dissertation aimed at investigate in further details how the transition is different now than five decades ago, and at shed some light on the possible reasons about these transformations. Hence the first research question addressed in this work analyzes trends over time in some salient events of the transition to adulthood:

> *1) How has the transition to adulthood changed in the last decades, in particular the first steps, i.e. entry into the labor market and the achievement of economic independence? Are these changes different across developed countries?*

This research question has been answered in Section 2 (Chapter 1). I used the Luxemburg

Income Study to perform a cross-national comparison of six countries: the United States, the United Kingdom, Germany, Italy, Norway, and the Netherlands. In particular I compared young adults between ages 22 and 30 from these countries in two points in time – the mid 1980s and 2004 – to detect common and divergent trends.

To investigate how the transition to adulthood has changed in the Western developed world I started from two fundamental steps in the process, entry into the labor market with a full-time job and attainment of satisfactory level of wages. The picture that is presented is not particularly reassuring. There is a general decreasing trend in the percentage working more than 35 hours per week and 40 weeks per year, and earning enough to be in good financial conditions. This happens mainly among men, and in some countries we observe a convergence when age increases (e.g. in UK, U.S. and Netherlands), but in some other countries the delay has not been recuperated by age 30. The situation is more positive for women, who are more active in the labor force in 2004 than in the mid-1980s. There are still places where the proportions are well below those of the 1980s, for example in Germany and Italy, but the general trend is positive. This has also a positive influence on their level of wages, given that in all countries, but Italy, by age 30 the proportion of females who achieved economic independence is higher in 2004 than in the 1980s. These two parallel but divergent processes occurring among men and among women start to close the gap and reduce the distance prevailing in the mid-1980s between sexes. Moreover, the postponement has been less drastic among those with high education.

Despite some general similarities across countries, substantial differences still remain and do not seem to reconcile over time. The delays in the transition towards economic self-sufficiency are limited in the United States, in the United Kingdom, and in the Netherlands. Norway is in an intermediate position with a delay that is more pronounced among men, and high variability across ages. Germany, and in particular Italy are the two countries with the most visible postponement and the lowest proportions of young adults who attained satisfactory levels of earnings. Hence, it is evident how contexts matter, and the results are to some extent linked to the structure of the labor market and welfare state systems.

Also Chapter 2 of this dissertation answers this first research question, analyzing in more details the United States situation and going back in time to 1970s. This chapter compared the life course of young adults between 22 and 30 years old in 1973, 1987, and 2007, using data from the National Longitudinal Surveys in 1966 (NLS Original Cohorts), the National Longitudinal Survey of Youth in 1979 (NLSY79) and 1997 (NLSY97). The main result, confirming findings of Chapter 1, is that it is more difficult for young adults to achieve economic independence in 2007 than it was 35 years before. A sizable difference exists between 1973, 1987 and 2007 in the percentages of young people able to live independently or to support a family of three people with their own earnings.

In both Chapter 1 and 2 I find to some extent a different picture for men and women, and this brings us to the second research question addressed here:

2) How do the trends differ between young men and women? Has there been

convergence between men and women in employment and financial independence over time?

Chapter 1 showed how males and females' careers – or the way they face the transition to adulthood – become more similar over time, and even if the gap is very similar in 2004 and 1980s at young ages, it decreases as age increases (with proportions for men that are still always higher). This is confirmed in Chapter 2. Among young men in the U.S. the differences grow with age, suggesting that postponement of economic independence is considerable and that over a six-year time span there is no recuperation. Among women there is an increase over time in the proportion working full-time, due mainly to a substantial expansion of education and an increase in the female labor force participation. Hence there are signs of convergence over time in the situation of men and women concerning the achievement of economic self-sufficiency.

The third and last research question is introduced in Chapter 2 and analyzed more carefully in Chapter 3:

3) How do changes in the transition to adulthood differ by social class and family background? Is the role of parents' socioeconomic status changing over time and context specific?

In Chapter 2, when the survival analysis looks at the role of family background, it is found that having parents with high education slightly increases the probability of achieving independence. This means that growing up in an "advantaged" family may have some beneficial effects in terms of economic independence during the transition to adulthood. However the positive role of parents' socio-economic status seems to change

over time, being strong and evident in 1987 but not in 1973 and in 2007. Also, the association between parental socioeconomic status and the "risk" of becoming self-sufficient is different between men and women. The beneficial effect that we may observe is stronger for women, suggesting that being from an advantaged family makes it easier to achieve economic independence for a woman than for a man – who is probably better off in terms of employment and earnings independently on the conditions of the family of origin.

This finding shows how the role of parental social class and family background is extremely important in the process of the transition to adulthood. Hence in Chapter 3, using the NLSY79 and the ISTAT Multipurpose Survey, the aim was to compare the role of parental status in shaping life courses of young adults in the United States and in Italy using a sequence analysis approach. In general, large differences between countries that not always are accounted for differences in family social class persist. Descriptive findings show a more relevant postponement in the transition to adulthood in Italy and a higher heterogeneity of states and trajectories in the U.S. independent of social class. In particular, compared to U.S., Italy is characterized by a lower incidence of women entered in the labour market and a reduced occurrence of informal cohabitation. However, the relevance of social class cannot be neglected. The analysis showed that the effect of parental background is different across countries and genders. In the U.S., the role of social class is strong but similar for both genders: high status favors not only a higher education and an early entry in the labor market, but also an higher heterogeneity of states and the occurrence of new behaviors like single living and cohabitation. In Italy,

the effect of social class is strongly gender-specific. Among men a higher social class tends to delay transitions (both in terms of independence and family formation patterns), more than leading towards modern behaviors in their living arrangement. Among women, two different effects are in place. The first is the same observed in the U.S.: a higher social class tends to facilitate the experience of more modern and independent transition and to reduce the propensity to follow more standardized pattern, i.e. exit form parental home to marry and then parenthood. The second effect relates to the higher probability of postponing the exit from parental home, and then family formation, among higher class women that completed education and found a job. Following a different point of view, results form multivariate analysis suggest that parents with lower resources put more pressure on their daughters to leave the parental home and start a family life irrespective of the fact that they have a job or not. The same result does not apply to men for whom, on the contrary, difficulties to find a job cause an automatic postponement of family formation.

5.4 Main Conclusions

A first main conclusion of this study is that also the transition to economic independence has been delayed together with all the other events of the transition to adulthood. This process has occurred in all developed Western countries even if with some differences. Financial independence is a complex concept, and it is hard to define exactly when and how young adults achieve it. For this reason we used several measures of economic self-sufficiency based on earnings, but results do not change substantially. The main common

trend taking place in all developed societies is a deterioration in economic and employment conditions among men, and an improvement in women's participation to the labor market with some positive influences on their attainment of financial self-sufficiency. This phenomenon, that started in the second half of twentieth century as part of the second demographic transition, is bringing to a convergence in life course trajectories across gender that may have important implications for the subsequent steps like family formation.

A second conclusion that can be drawn concerning the role of parental social class and family background is that these factors can explain some of the variation in life courses of young adults, that are becoming more diverse and de-standardized over time. It is important, however, to take an "holistc" approach and look at the entire adulthood trajectory, i.e. considering at the same time the timing, the quantum, and the sequence of events, given the inherent complexity of the phenomenon under analysis. Also, the impact of social class is different in different context. Given the nature of resources that are transferred from the family of origin to individuals (that may be economic and cultural), the role of social class differentiates based on welfare state regimes, institutions, and the strength of family ties. In the United States a higher social status is associated with a higher heterogeneity of states and the occurrence of new behaviors like single living and cohabitation. In Italy a more affluent family of origin constitutes not only a protection factor in the presence of economic constraints, such as unemployment or unaffordable housing market, but also a golden cage that children are not encouraged to leave even if they have already completed education and started a job.

5.5 Limitations and Suggestions for Future Research

The empirical analyses of this dissertation are not free of limitations. It is important to reflect on them given that usually being aware of limits makes it possible to suggest directions for future research.

The main constraint encountered when studying the transition to economic independence is the definition of economic independence it self. The concept of financial self-sufficiency can be defined in several ways, such as being able to live in a separate household, without any family members and without any financial support from the family of origin. It can also be defined as the ability to establish a partnership and have a child. In addition, the source of economic independence is also relevant. It can be earnings from work, welfare and social transfers in addition to wages, family income, or even loans. Young adults who decide to go to college or graduate studies after that will achieve financial self-sufficiency at an older age than those who do not go to college. However, investing in more education can pay off in the long run and can lead to a more secure job and a higher standard of living. Consequently it is unclear whether economic independence should be evaluated using current income, if any, or the discounted flow of future earnings. Furthermore, the meaning of self-sufficiency may have changed from 1970s. Both expectations about what it takes to live independently and the actual costs of living have changed. Ideally, to answer our research questions, it would be necessary to define economic independence taking into account all the issues discussed above. The measure used in Chapter 1 and Chapter 2 therefore could be biased, even though some robustness checks produce similar findings. Hence it is important in future analysis to

consider these possible biases, and to follow people over time in their transition to adulthood, to investigate how investments in higher education may delay the achievement of economic independence but also improve the subsequent standard of living.

In addition, the studies on economic independence show clearly a postponement over the past four decades, but the potential implications of the delay for family formation have not been examined directly. Men's lower proportion working full-time and their later economic self-sufficiency may have a "negative" impact on the timing of marriage (or cohabitation) and parenthood, transferring the delay also on these events (Blossfeld and Drobnič 2001; Blossfeld et al. 2005; Gibson-Davis 2009). The positive results obtained by women do not necessarily counterbalance the effects of men's delay of economic self-sufficiency in family formation (Harknett and Kuperberg 2009; Sweeney 2002). As a matter of fact, an increase in the proportion of women working full-time and able to support themselves may not translate into incentives for marriage and motherhood – as it might happen for men. Better education and career opportunities, with consequent higher wages, would enable women to forgo marriage. Gains from marriage and role specialization within marriage dissipate with women's growing investments in human capital and careers. The higher their level of education and the better their job opportunities, the more likely women are to postpone or even avoid marriage and motherhood (*independence effect*). An alternative hypothesis, with different implications, is that women's earnings contribute to a couple's higher standard of living, which encourages marriage (*income effect*). Which scenario dominates is not clear yet and appears to be dependent on other factors such as local and country context, birth cohort,

and educational attainment (Harknett and Kuperberg 2009; Sweeney 2002).

In future research it is necessary first to evaluate how economic conditions evolved over time and to follow individuals in their late 30s. As a matter of fact it is important to study whether the postponement of events observed between 20 and 30 years of age has been recuperated later in life or if the delay is transferred also to older ages. This would be enabled by the new waves of the NLSY79 that will be released in the next few years. Given the longitudinal nature of the data set, so far individuals (born between 1980 and 1984) are followed until age 31, but over time it will be possible to follow them in their late 30s. Secondly, the implications of a later independence achievement on family formation, mainly cohabitation, marriage, and parenthood can be investigated.

Finally, the relationship between parental social class and life course trajectories of young adults has been investigated for cohorts born between 1957 and 1964, to be able to study their behavior from adolescence to late 30s. However, future research should consider the role of family background among younger cohorts and compare the changes occurred over time. Also in this case, if we consider the comparison between Italy and the United States, the new waves of the NLSY97 would allow to replicate the analysis for young people born between 1980 and 1984. Also, it is necessary to extend this study to other context. In Chapter 3 the comparison between Italy and the United States has exemplified the contrast between North America and Southern Europe, located at very different stages of the second demographic transition. Nonetheless it is essential to consider how institutions, culture, and family ties interact in other countries to

disentangle the complex mechanisms behind the relationship between social class and differences in life course trajectories.

References

Aassve, A., F. C. Billari, and R. Piccarreta. 2007. "Strings of Adulthood: A Sequence Analysis of Young British Women's Work-Family Trajectories." *European Journal of Population/Revue européenne de Démographie* 23(3/4):369-88.

Aassve, A., M. Iacovou, and L. Mencarini. 2006. "Youth poverty and transition to adulthood in Europe." *Demographic Research* 15(2):21-50.

Aassve, Arnstein, Francesco C. Billari, Stefano Mazzucco, and Fausta Ongaro. 2002a. "Leaving home: a comparative analysis of ECHP data." *Journal of European social policy* 12(4):259-75.

Aassve, Arnstein, Simon Burgess, Andrew Chesher, and Carol Propper. 2002b. "Transitions from home to marriage of young Americans." *Journal of Applied Econometrics* 17(1):1-23.

Aassve, Arnstein, and Trude Lappegård. 2009. "Childcare Cash Benefits and Fertility Timing in Norway." *European Journal of Population* 25(1):67-88.

Abbott, Andrew. 1995. "Sequence Analysis: New Methods for Old Ideas." *Annual Review of Sociology* 21(1):93-113.

Abbott, Andrew, and Angela Tsay. 2000. "Sequence Analysis and Optimal Matching Methods in Sociology." *Sociological Methods & Research* 29(1):3-33.

Aisenbrey, Silke, and Anette E. Fasang. 2010. "New Life for Old Ideas: The "Second Wave" of Sequence Analysis Bringing the "Course" Back Into the Life Course." *Sociological Methods & Research* 38(3):420-62.

Arnett, J. J. 2000a. "Emerging adulthood. A theory of development from the late teens through the twenties." *The American psychologist* 55(5):469-80.

Arnett, Jeffrey J. 2000b. "Emerging adulthood: A theory of development from the late teens through the twenties." *The American Psychologist* 55(5):469-80.

Arts, Wil, and John Gelissen. 2002. "Three worlds of welfare capitalism or more? A state-of-the-art report." *Journal of European social policy* 12(2):137-58.

Avery, Roger, Frances Goldscheider, and Alden Speare. 1992. "Feathered nest/gilded cage: Parental income and leaving home in the transition to adulthood." *Demography* 29(3):375-88.

Barban, Nicola. 2011. "Family trajectories and health. A life course perspective." *Dondena Working Paper* No. 39.

Barban, Nicola, and Francesco C. Billari. 2012. "Classifying life course trajectories: a comparison of latent class and sequence analysis." *Journal of the Royal Statistical Society: Series C (Applied Statistics)* 61(5):765-84.

Becker, Gary S. 1965. "A Theory of the Allocation of Time." *The Economic Journal* 75(299):493-517.

—. 1981. *A Treatise on the Family*: National Bureau of Economic Research, Inc.

Bell, Lisa, Gary Burtless, Janet Gornick, and Timothy M. Smeeding. 2007. "Failure to Launch: Cross-National Trends in the Transition of Economic Independence." in *The Price of Independence: The Economics of Early Adulthood, Edited by Sheldon Danziger and Cecilia Elena Rouse. Russell Sage Press*.

Berlin, G., F. F. Furstenberg, and M. C. Waters. 2010a. "The Transition to Adulthood." in *Special Issue of the Future of Children*: Washington DC: Brookings Institution

and Princeton.
Berlin, Gordon, Frank F. Furstenberg, and Mary C. Waters. 2010b. "Introducing the Issue." Princeton University.
Bernardi, Fabrizio, Markus Gangl, and Herman G van de Werfhorst. 2004. "The from-school-to-work dynamics. Timing of work and quality of work in Italy, the Netherlands and the United States, 1980-1998." in *Work. Pap. 2004/201, Cent. Adv. Study Soc. Sci., Madrid, Spain*.
Billari, F. C. 2004. "Becoming an Adult in Europe: A Macro(/Micro)-Demographic Perspective." *Demographic Research Special Collections* 3(2):15-44.
—. 2005. "Life Course Analysis: Two (Complementary) Cultures? Some Reflections with Examples from the Analysis of the Transition to Adulthood." *Towards an Interdisciplinary Perspective on the Life Course. Advances in Life Course Research* 10:261-81.
Billari, F. C., D. Philipov, and P. Baizán. 2001. "Leaving Home in Europe: The Experience of Cohorts Born Around 1960." *International Journal of Population Geography* 7(5):339-56.
Billari, Francesco C. 2001. "Sequence Analysis in Demographic Research." *Canadian Studies in Population, Special Issue on Longitudinal Methodology* 28(2):439-58.
Billari, Francesco C., and Aart C. Liefbroer. 2010. "Towards a new pattern of transition to adulthood?" *Advances in Life Course Research* 15(2,Äì3):59-75.
Billari, Francesco C., and Chris Wilson. 2001. "Convergence towards diversity? Cohort dynamics in the transition to adulthood in contemporary Western Europe." *MPIDR Working Papers* Max Planck Institute for Demographic Research, Rostock, Germany(WP-2001-039).
Blaauboer, Marjolein, and Clara H. Mulder. 2010. "Gender differences in the impact of family background on leaving the parental home." *Journal of Housing and the Built Environment* 25(1):53-71.
Blanchflower, David A., and Richard B. Freeman. 2000a. "The declining economic status of young workers in OECD countries." Pp. 19-56 in *Youth Employment and Joblessness in Advanced Countries*, edited by RB Freeman DA Blanchflower. Chicago: Univ. Chicago Press.
Blanchflower, David G. , and Richard B. Freeman. 2000b. "The Declining Economic Status of Young Workers in OECD Countries." *NBER Chapters* National Bureau of Economic Research, Inc:19-56.
Blossfeld, Hans-Peter, and Sonja Drobnič. 2001. *Careers of couples in contemporary societies: from male breadwinner to dual-earner families*. Oxford: Oxford University Press.
Blossfeld, Hans-Peter, Erik Klijzing, Melinda Mills, and Karin Kurz. 2005. *Globalisation, Uncertainty, and Youth in Society*. London: Routledge.
—. 2012. *Globalization, uncertainty and youth in society: The losers in a globalizing world*: Routledge.
Breen, Richard. 2005. "Explaining Cross-national Variation in Youth Unemployment: Market and Institutional Factors." *European Sociological Review* 21(2):125-34.
Breen, Richard, and Marlis Buchmann. 2002. "Institutional variation and the position of young people: A comparative perspective." *The Annals of the American Academy*

of Political and Social Science 580(1):288-305.
Bruckner, Hannah, and Karl Ulrich Mayer. 2005. "De-Standardization of the Life Course: What it Might Mean? And if it Means Anything, Whether it Actually Took Place?" *Advances in Life Course Research* 9(0):27-53.
Brzinsky-Fay, Christian. 2007. "Lost in transition? Labour market entry sequences of school leavers in Europe." *European Sociological Review* 23(4):409-22.
—. 2008. "11. Get the Balance Right: Risk and Flexibility in School-to-Work Transition Sequences." *Innovating European Labour Markets: Dynamics and Perspectives*:275.
Buchmann, Marlis. 1989. *The script of life in modern society: Entry into adulthood in a changing world*: University of Chicago Press.
Buchmann, Marlis C., and Irene Kriesi. 2011. "Transition to Adulthood in Europe." *Annual Review of Sociology* 37(1):481-503.
Bynner, John. 2005. "Rethinking the youth phase of the life-course: the case for emerging adulthood?" *Journal of youth studies* 8(4):367-84.
Caldwell, John C., and Thomas Schindlmayr. 2003. "Explanations of the fertility crisis in modern societies: A search for commonalities." *Population Studies* 57(3):241-63.
Cavalli, Alessandro, Carlo Buzzi, and Antonio De Lillo. 1997. *Giovani verso il Duemila. Quarto rapporto Iard sulla condizione giovanile in Italia*. Bologna: Il Mulino.
Cherlin, Andrew J, Eugenia Scabini, and Giovanna Rossi. 1997. "Still in the Nest Delayed Home Leaving in Europe and the United States." *Journal of Family Issues* 18(6):572-75.
Collins, R. 1971. "Functional and Conflict Theories of Educational Stratification." *American Sociological Review* 36:1002-19.
Corijn, Martine, and Erik Klijzing. 2001. *Transitions to adulthood in Europe*: Springer.
Danziger, Sheldon, and David Ratner. 2010. "Labor market outcomes and the transition to adulthood." *The Future of children / Center for the Future of Children, the David and Lucile Packard Foundation* 20(1):133-58.
Danziger, Sheldon, and Cecilia E. Rouse. 2007. "Introduction." in *The Price of Independence: The Economics of Early Adulthood*, edited by Danziger and Rouse. New York: Russell Sage Foundation.
De Jong-Gierveld, Jenny, Aart Liefbroer, and Erik Beekink. 1991. "The effect of parental resources on patterns of leaving home among young adults in the Netherlands." *European Sociological Review* 7(1):55-71.
Duncan, Greg J., Johanne Boisjoly, and Timothy Smeeding. 1996. "Economic Mobility of Young Workers in the 1970s and 1980s." *Demography* 33(4):497-509.
Duncan, Otis D., David L. Featherman, and Beverly Duncan (Eds.). 1972. *Socioeconomic Background and Achievement*. New York: Seminar Press.
Elder, G. H. 1994. "Time, Human Agency, and Social Change: Perspectives on the Life Course." *Social Psychology Quarterly* 57(1):4-15.
Elzinga, Cees H. 2010. "Complexity of Categorical Time Series." *Sociological Methods & Research* 38(3):463-81.
Elzinga, Cees, and Aart Liefbroer. 2007. "De-standardization of Family-Life Trajectories of Young Adults: A Cross-National Comparison Using Sequence Analysis." *European Journal of Population/Revue européenne de Démographie* 23(3):225-

50.
Erickson, Frederick. 1984. "School Literacy, Reasoning, and Civility: An Anthropologist's Perspective." *Review of Educational Research* 54(4):525-46.
Ermisch, John, and Pamela Di Salvo. 1997. "The Economic Determinants of Young People's Household Formation." *Economica* 64(256):627-44.
Esping-Andersen, Gøsta. 1990. *The three worlds of welfare capitalism*. Princeton, N.J.: Princeton University Press.
Farber, Henry S. 2007. "Is the Company Man an Anachronism? Trends in Long Term Employment in the US, 1973–2005." in *The Price of Independence: The Economics of Early Adulthood*, edited by Danziger and Rouse. New York: Russell Sage Foundation.
Ferrera, Maurizio. 1996. "The 'Southern Model' of Welfare in Social Europe." *Journal of European social policy* 6(1):17-37.
Furstenberg, F. F., S. Kennedy, V. C. McCloyd, R. Rumbaut, and R. A. Settersten. 2003. "Between Adolescence and Adulthood: Expectations About the Timing of Adulthood." in *Available online:*
http://www.transad.pop.upenn.edu/downloads/between.pdf.
Furstenberg, Frank F. 2008. "The intersections of social class and the transition to adulthood." Pp. 1-10 in *Social class and transitions to adulthood. New Directions for Child and Adolescent Development*, edited by J. T. Mortimer (Ed.).
—. 2010. "On a new schedule: transitions to adulthood and family change." *The Future of children / Center for the Future of Children, the David and Lucile Packard Foundation* 20(1):67-87.
Galland, Olivier. 1995. "Une entree de plus tardive dans la vie adulte." *Economie et Statistique*:283-84.
—. 1997. "Leaving home and family relations in France." *Journal of Family Issues* 18(1).
Gangl, Markus. 2002. "Changing Labour Markets and Early Career Outcomes: Labour Market Entry in Europe Over the Past Decade." *Work, Employment & Society* 16(1):67-90.
Gauthier, Anne, and Frank F. Furstenberg. 2002. "The transition to adulthood: A time use perspective." *The Annals of the American Academy of Political and Social Sciences* 580:153-71.
Giannelli, G. C., and C. Monfardini. 2000. "A nest or a golden cage?: Family co-residence and human capital investment decisions of young adults." *International Journal of Manpower* 21(3/4):227-45.
Gibson-Davis, Christina M. 2009. "Money, Marriage, and Children: Testing the Financial Expectations and Family Formation Theory." *Journal of Marriage and Family* 71(1):146-60.
Gibson-Davis, Christina M., Kathryn Edin, and Sara McLanahan. 2005. "High Hopes but Even Higher Expectations: The Retreat From Marriage Among Low-Income Couples." *Journal of Marriage and Family* 67(5):1301-12.
Giele, J. Z., and G. H. Elder. 1998. *Methods of life course research: qualitative and quantitative approaches*. Los Angeles, CA: SAGE Publications.
Giuliano, Paola. 2007. "Living Arrangements in Western Europe: Does Cultural Origin Matter?" *Journal of the European Economic Association* 5(5):927-52.

Guldi, Melanie, Marianne E. Page, and Ann H. Stevens. 2007. "Family background and children's transitions to adulthood over time." in *The Price of Independence: The Economics of Early Adulthood*, edited by Danziger and Rouse. New York: Russell Sage Foundation.

Harknett, Kristen, and Arielle Kuperberg. 2009. "Education, Labor Markets, and the Retreat from Marriage." University of Pennsylvania.

Hill, Carolyn J., and Herry J. Holzer. 2006. "Labor Market Experiences and the Transition to Adulthood." *MacArthur Network on Transitions to Adulthood Research Network Working Paper*.

Hogan, Dennis P. 1981. *Transitionsand Social Change:TheEarlyLivesofAmericanMen*. New York: Academic.

Hogan, Dennis P., and Nan Marie Astone. 1986. "The Transition to Adulthood." *Annual Review of Sociology* 12(ArticleType: research-article / Full publication date: 1986 / Copyright © 1986 Annual Reviews):109-30.

Iacovou, Maria. 2002. "Regional Differences in the Transition to Adulthood." *The Annals of the American Academy of Political and Social Science* 580(1):40-69.

Jeon, Yongil, and Michael P. Shields. 2005. "The Easterlin hypothesis in the recent experience of higher-income OECD countries: A panel-data approach." *Journal of Population Economics* 18(1):1-13.

Johnson, RichardW, and Julie DaVanzo. 1998. "Economic and cultural influences on the decision to leave home in Peninsular Malaysia." *Demography* 35(1):97-114.

Katz, Lawrence F., and David H. Autor. 1999. "Changes in the wage structure and earnings inequality." Pp. 1463-555: Elsevier.

Kohler, Hans-Peter, Francesco C. Billari, and José Antonio Ortega. 2002. "The Emergence of Lowest-Low Fertility in Europe During the 1990s." *Population and Development Review* 28(4):641-80.

Kohli, Martin. 2007. "The institutionalization of the life course: Looking back to look ahead." *Research in Human Development* 4(3-4):253-71.

Kohn, Melvin L., Kazimierz M. Slomczynski, and Carrie Schoenbach. 1986. "Social stratification and the transmission of values in the family:A cross-national assessment." *Sociological Forum* 1:73-102.

Lancaster, Tony. 1979. "Econometric Methods for the Duration of Unemployment." *Econometrica* 47 No.4:939-56.

Lesthaeghe, R., and D. J. Van de Kaa. 1986. "Twee Demografische Transities." in *Bevolking: Groei en Krim*. Deventer: Van Loghum Slaterus.

Lesthaeghe, Ron J. 1995. *The second demographic transition in Western countries: an interpretation*. Oxford: Clarendon: ed. KO Mason, A-M Jensen.

Levy, Frank, and Richard J. Murnane. 1992. "U.S. Earnings Levels and Earnings Inequality: A Review of Recent Trends and Proposed Explanations." *Journal of Economic Literature* 30(3):1333-81.

Liefbroer, Aart, and F. Goldscheider. 2006. "Transitions to adulthood: How unique is Sweden the European context?" in *In E. M. Bernhardt, C. Goldscheider, F. Goldscheider, & G. Bjere´n (Eds.), Immigration, gender and family transitions to adulthood in Sweden*, edited by MD: University Press of America. Lanham.

Lino, Mark, and Andrea Carlson. 2009. "Expenditures on Children by Families, 2008."

U.S. Department of Agriculture, Center for Nutrition Policy and Promotion. Miscellaneous Publication.
Macunovich, Diane J. 2011. "Re-Visiting the Easterlin Hypothesis: Marriage in the U.S. 1968-2010." *IZA Discussion Papers* (5886).
Manacorda, Marco, and Enrico Moretti. 2002. "Intergenerational Transfers and Household Structure Why Do Most Italian Youths Live with Their Parents?". California Center for Population Research, online Working Paper Series.
Mandic, Srna. 2008. "Home-Leaving and its Structural Determinants in Western and Eastern Europe: An Exploratory Study." *Housing Studies* 23(4):615-37.
Marini, Margaret Mooney. 1978. "The Transition to Adulthood: Sex Differences in Educational Attainment and Age at Marriage." *American Sociological Review* 43(4):483-507.
—. 1984a. "Age and Sequencing Norms in the Transition to Adulthood." *Social Forces* 63(1):229-44.
—. 1984b. "The Order of Events in the Transition to Adulthood." *Sociology of Education* Vol. 57(No. 2):63-84.
Mayer, Karl Ulrich. 2001. "The paradox of global social change and national path dependencies : Life course patterns in advanced societies." Routledge.
Micheli, Giuseppe A. 2004. "Claiming for a demologic approach to demographic change." *Vienna Yearbook of Population Research 2004*:29-34.
Mills, Melinda, Hans-Peter Blossfeld, Sandra Buchholz, Dirk Hof√§cker, Fabrizio Bernardi, and Heather Hofmeister. 2008. "Converging Divergences?: An International Comparison of the Impact of Globalization on Industrial Relations and Employment Careers." *International Sociology* 23(4):561-95.
Mincer, Jacob. 1962. "On-the-Job Training: Costs, Returns, and Some Implications." *The Journal of Political Economy* 70(5):50-79.
Mulder, C. H., and W. A. V. Clark. 2000. "Leaving home and leaving the State: evidence from the United States." *International Journal of Population Geography* 6(6):423-37.
Mulder, Clara, William A. V. Clark, and Michael Wagner. 2002. "A comparative analysis of leaving home in the United States, the Netherlands and West Germany." *Demographic Research* 7(17):565-92.
Mulder, ClaraH, and Michael Wagner. 1993. "Migration and marriage in the life course: a method for studying synchronized events." *European Journal of Population / Revue europ√©enne de D√©mographie* 9(1):55-76.
Muller, Walter, and Yossi Shavit. 1998. "The institutional embeddedness of the stratification process: A comparative study of qualifications and occupations in thirteen countries."
Myrskyla, Mikko, Hans-Peter Kohler, and Francesco C. Billari. 2009. "Advances in development reverse fertility declines." *Nature* 460(7256):741-43.
Nickell, Stephen. 1979. "Estimating the Probability of Leaving Unemployment." *Econometrica* 47 No. 5:1249-66.
OECD. 2005. "Education at a Glance. OECD Indicators.". Paris: OECD.
—. 2009. "Education at a Glance. OECD Indicators.". Paris: OECD.
Oppenheimer, Valerie Kincade. 1988. "A Theory of Marriage Timing." *The American*

Journal of Sociology 94(3):563-91.
Pampel, Fred C. 1993. "Relative Cohort Size and Fertility: The Socio-Political Context of the Easterlin Effect." *American Sociological Review* 58 No. 4:496-514.
Pampel, Fred C., and Elizabeth H. Peters. 1995. "The Easterlin Effect." *Annual Review of Sociology* 21(1):163-94.
Pollock, Gary. 2007. "Holistic trajectories: a study of combined employment, housing and family careers by using multiple-sequence analysis." *Journal of the Royal Statistical Society: Series A (Statistics in Society)* 170(1):167-83.
Quintini, Glenda, John P Martin, and Sébastien Martin. 2007. "The Changing Nature of the School-to-Work Transition Process in OECD Countries." *WDA-HSG Discussion Paper No. 2007-2*.
Rajulton, F., and T. K. Burch. 2010. "The Influence of Social Class on Trajectories to Adulthood in Canada: A Multistate Analysis of Longitudinal Panel Data." in *IUSSP Seminar on Intergenerational Ties and Transitions to Adulthood*. Bocconi University, Milan, Italy.
Rajulton, F., Z. R. Ravanera, and R. Beaujot. 2007. "Measuring Social Cohesion: An Experiment using the Canadian National Survey of Giving, Volunteering, and Participating." *Social Indicators Research* 80(3):461-92.
Ravanera, Z. R., F. Rajulton, and T. K. Burch. 2003. "Early life transitions of Canadian youth: effects of family transformation and communitycharacteristics." Canadian Population Society.
—. 2006. "Inequality and the Life Course: Differentials in Trajectories and Timing of Transitions of Canadian Women." *PSC Discussion Papers Series* Vol. 20(Iss. 3, Article 1).
Reher, David. 2005. "Family Ties in Western Europe Strong Family and Low Fertility: A Paradox?" Pp. 45-76, edited by Gianpiero Zuanna and Giuseppe Micheli: Springer Netherlands.
Rijken, Arieke J., and Aart Liefbroer. 2009. "Influences of the family of origin on the timing and quantum of fertility in the Netherlands." *Population Studies* 63(1):71-85.
Ryan, Paul. 2001. "The School-to-Work Transition: A Cross-National Perspective." *Journal of Economic Literature* 39(1):34-92.
Scherer, Stefani. 2001. "Early career patterns: A comparison of Great Britain and West Germany." *European Sociological Review* 17(2):119-44.
—. 2005. "Patterns of labour market entry,Äìlong wait or career instability? An empirical comparison of Italy, Great Britain and West Germany." *European Sociological Review* 21(5):427-40.
Schizzerotto, Antonio , and Mario Lucchini. 2004. "Transition to adulthood." Pp. 46-68 in *Social Europe: Living Standards and Welfare States*, edited by M Iacovou R Berthoud. Cheltenham, UK: Edward Elgar.
Settersten, Richard A., Frank F. Furstenberg, and Ruben G. Rumbaut. 2006. "On the frontier of adulthood: theory, research, and public policy." University of Chicago Press.
Shanahan, Michael J. 2000. "Pathways to adulthood in changing societies: Variability and mechanisms in life course perspective." *Annual Review of Sociology*:667-92.

Sironi, Maria, and Frank F. Furstenberg. 2012. "Trends in Economic Independence of Young Adults in the United States: 1973-2007." *Population and Development Review* 38(4):609-30.

Smeeding, Timothy M., and Katherin Ross Phillips. 2002. "Cross-National Differences in Employment and Economic Sufficiency." *Annals of the American Academy of Political and Social Science* 580:103-33.

Sweeney, Megan M. 2002. "Two Decades of Family Change: The Shifting Economic Foundations of Marriage." *American Sociological Review* 67(1):132-47.

Trifiletti, Rossana. 1999. "Southern European Welfare Regimes and the Worsening Position of Women." *Journal of European social policy* 9(1):49-64.

Van de Kaa, D. J. 1987. "Europe's second demographic transition." *Journal of the United Nations fund for population activities* 14:48 - 57.

—. 2001. "Postmodern Fertility Preferences: From Changing Value Orientation to New Behavior." *Population and Development Review* 27:290-331.

Vogel, Joachim. 2002. "European Welfare regimes and the transition to adulthood: A comparative and longitudinal perspective." *Social Indicators Research* 59(3):275-99.

Wiik, Kenneth A. 2009. "You'd Better Wait!' Socio-economic Background and Timing of First Marriage versus First Cohabitation." *European Sociological Review* 25(2):139-53.

Yelowitz, Aaron. 2005. "They Just Won't Grow Up." in *Time magazine*.

—. 2007. "Young adults leaving the nest: The role of the cost of living." in *The Price of Independence: The Economics of Early Adulthood*, edited by Danziger and Rouse. New York: Russell Sage Foundation.