

Arnstein Aassve*, Maria A. Davia Maria Iacovou, Stefano Mazzucco:

Leaving home and poverty among youth: A cross European analysis

A particular feature of poverty in Europe is the close connection between young people's living arrangement and economic disadvantage. Leaving home is generally associated with a higher degree of poverty and compared to other events, such as experiencing unemployment and having children, it is by far the most important driver behind youth poverty. There is however huge variations across countries. It is natural to assume that young people would delay leaving home if they consider this to jeopardise their level of wellbeing (i.e. entering poverty). However, assessing the causality issue between leaving home and poverty is difficult. In this paper we implement a statistical approach to analyse the causal effect of leaving home on entering poverty. We use data from the European Community Household Panel and propensity score estimation techniques, and find that the event of leaving home does have a particularly strong effect in entering poverty in Scandinavian countries, but rather weak effect among Mediterranean countries.