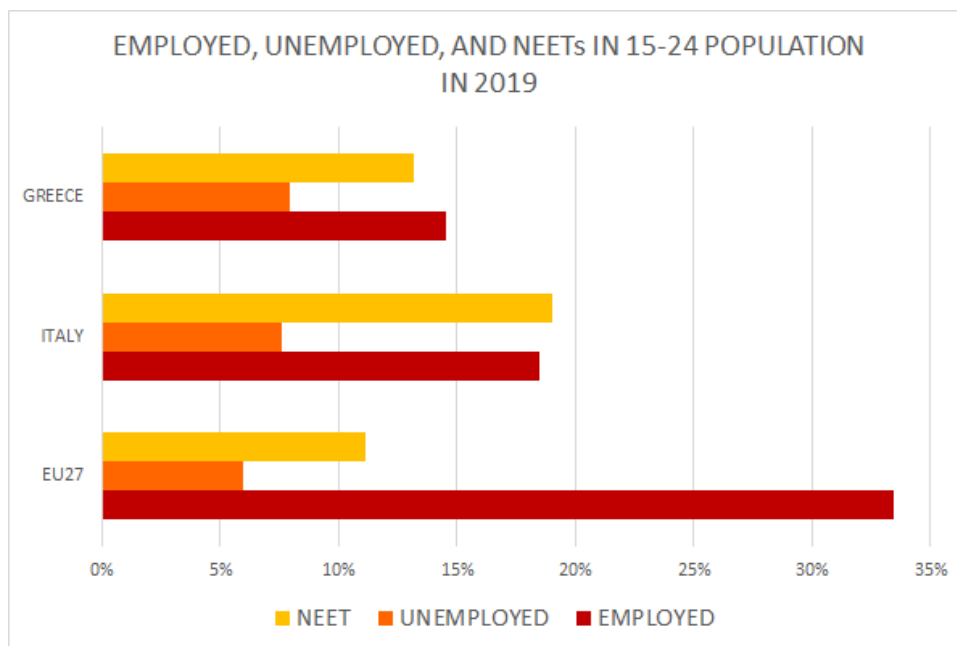


Over the last decade, the European Union has faced two major crises simultaneously: the debt crisis and more recently, the Covid-19 pandemic, which has eaten away the dreams and hopes of the youngest population. This is reflected by the dramatic increase in youth unemployment and [NEET rates](#) (Not in Education, Employment or Training) across the Continent, which reached 13.7% for people aged between 15 and 29 years old, with an increase of 0.9 percentage points compared to 2019. Contextually, Italy and Greece, two European countries with the most vulnerable job markets, experienced an increase in NEET rates after several years of continuous decreasing trends. The following graph offers a snapshot of the pre-pandemic situation of the European labour market for individuals aged 15-24.



(Source: our elaboration on Eurostat data)

In this context, the European Union implemented the Youth Guarantee Programme (YG) in 2014, as [a contribution to three of the Europe 2020 strategy targets](#) aimed at integrating the most disadvantaged young people into the labour market. A common policy framework was established to ensure that all people under 24 years of age received a good quality offer of employment, continued education, apprenticeship and traineeship.

In October 2021, through the [Council Recommendation "A Bridge to Job"](#), the Council aimed

at improving the capacity of the programme, building its effort on the [Commission Proposal](#). Currently, the recommendation is backed up by significant EU financing, both under NextGenerationEU and the long-term EU budget. The reinforced YG is meant to address all NEETs under 30 years of age, with a particular concern for the most vulnerable ones (e.g. those with disabilities or multidimensional problems).

This article focuses on Italy and Greece, two countries sharing several common features; both form part of the [Southern European Welfare regime](#) and of the [sub-protective regime for what concerns the Active Labour Market Policies](#) (ALMPs). Both countries have a long-standing tradition of extremely unfavourable macroeconomic conditions, especially related to youth. Furthermore, exactly because of these characteristics, they were both largely eligible to receive the European Social Fund and the Youth Employment Initiative funds from the European Union (i.e. the youth unemployment rate must be higher than 25% in the region of interest).

an initial level of misfit is a necessary prerequisite for a future convergence

By adopting the [“fit/misfit” analytical tool](#), this article analyses the reforms undertaken within these two national contexts, investigates the changes that occurred before and after the implementation of YG and assesses whether a certain degree of Europeanization can be detected. [Europeanization](#) can be defined as a process of sharing practices, know-how and “ways of doing things”. For this process to take place, an initial policy misfit is needed: this initial gap between national and European targets could potentially trigger “adaptational pressures” at the European level, eventually inducing a relevant policy change. Hence, if a process of Europeanization took place, we would expect to observe a change in the welfare paradigm in both countries and an alignment of national policies to European targets. Indeed, YG exhibits promising characteristics that could positively contribute to the development and strengthening of ALMPs, with a specific focus on young people. Moreover, as shown by the [literature](#), an initial level of misfit is a necessary prerequisite for a future convergence, but it is not a sufficient one: we expect the different consensus among domestic actors to determine the different levels of policy change in Italy and Greece.

The Youth Employment Policies in Italy and Greece before 2014

Between the 80s and 90s, Italy and Greece underwent a [process of flexibilization, deregulation and reduction of the employee protection](#); these reforms were intended to act as *stimuli* for the labour market, but being pursued typically “at the margin”, these reforms instead led towards a dualization of the labour market, widening the [“insider-outsider” gap](#) and further undermining the coverage of collective bargaining. In Italy in particular, despite numerous attempts, no well-structured project was implemented until 2014. In Greece, several interventions to promote employment were adopted starting from 2010.

In both countries, the existing ALMPs were not aligned with European targets: a monitoring system for ALMPs was missing in Italy, while in Greece these policies were [poorly coordinated and displayed an incoherent design and implementation](#).

New Policies and Institutions after YG Implementation

Both countries tried to reform their educational systems, improving their work-to-school programmes and their labour market. Additionally, their YG were built on a formal partnership-based approach. In general, both countries opted for a structural-designed policy in line with a “work-first” approach, thus prioritizing rapid labour market reintegration over qualifications and upskilling.

In Greece, a specific permanent diagnostic mechanism was introduced to tackle skill mismatches: the IT information system ERGANI was established through the Ministerial Decision (5072/6/25.2.2013), *inter alia*, to match skills demand and supply and to effectively respond to labour market needs. The main measures offered by YG included individual action planning, programmes to gain work experience, innovative outreach strategies and career guidance. The OAED offers additional vocational schools. The main flagship programme was the Voucher Scheme, which targeted different groups, to provide a more structured and shorter school-to-work transition, based on a novel “dual system” approach of combining training with on-the-job experience and practical work placements in the private sector.

In terms of policy design, both countries have implemented measures to pursue the targets set at the European level

Similarly, in Italy, a web portal was established to inform the population about the initiative, and standardized profiling methods were used to rank the registered people according to their skills and probable employability: higher profiling scores were associated with worse macroeconomic and geographical contexts. The government formulated nine standard actions addressed to the young population, including orientation, counselling activities, training, traineeships, civil service, self-employment service and occupational bonuses for firms. Finally, one last reform was introduced in 2019 (Nuova Garanzia Giovani) to improve the level of NEET outreach by trying to contact the basic income recipients and insert them into the YG circuit.

Toward Europeanization of Youth Employment Policy?

To assess whether a European convergence took place, an analysis based on two major dimensions – policy design and institutional structure – was carried out.

MONITORING AND EVALUATION PROCESS SYSTEM		
	ITALY	GREECE
Partnership based approach	<ul style="list-style-type: none"> Fragmented organized interest among regions Lack of private sector involvement at the national level 	<ul style="list-style-type: none"> Fragmented organized interest Inclusion of the National Youth Council
Electronic profiling	Yes	Yes
Monitoring system	Under the unique management of ANPAL	Delegated to external actor and/or agencies

(Source: our elaboration based on the following data: [Youth Guarantee country by country: Italy 2020](#); [Youth Guarantee country by country: Greece 2020](#); [Data collection for monitoring of Youth Guarantee schemes 2017](#).)

In terms of policy design, both countries have implemented measures to pursue the targets set at the European level: total outreach to the NEET population and offering of an intervention within 4 months at the start of their unemployment status or at the end of their

studies. Over time, they enacted several measures to improve their capacity to reach these goals. Both countries' Implementation Plans were built on a formal partnership-based approach, although the social dialogue was still informally characterized by fragmented organized interest. Overall, concerning these first two aspects, only a partial misfit can be observed.

To summarize, Italy and Greece have adopted, after the introduction of YG, a similar partnership-based approach despite internal weaknesses.

For the institutional dimension, two sub-measures were considered: the existence of a partnership-based approach and the overall capacity of the monitoring system. In Italy, despite some initial problems, a monitoring system has been in place since the introduction of the measure, and since mid-2017 it has been under the unique management of ANPAL, taking data directly from the Regions and PES. In Greece, an electronic profiling system is in place and is additionally supported by the Individual Action Plan tool used by the OAED to monitor and evaluate the PES actions. The monitoring system was, however, still at the design phase in 2020.

To summarize, Italy and Greece have adopted, after the introduction of YG, a similar partnership-based approach despite internal weaknesses. The main difference refers to the monitoring system, which considerably fits with European targets in the Italian case, but does so only partially in the Greek case. The combination of all these pieces of information may be used to show that, despite a similar starting point, the evolutionary pathways and degree of Europeanization of the two countries are different.

Italy exhibits a higher degree of Europeanization and greater convergence with European targets in the monitoring process dimension, whereas Greece is still lagging behind. As previously discussed, this could be explained by looking at the domestic preferences within the political arena, which in the Italian political supply side case, strongly favoured reforms of the labour market and especially the monitoring process, data collection and evaluation components. For example, within the Italian scenario, the [former Minister of Labour Giovannini can be depicted as the one who more likely acted as “facilitator” to promote the](#)

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[adoption of a “shared information and governance superstructure at the national level”](#) to manage the different implementations of YG at the regional levels.

On the other hand, in Greece, the weak policy changes related to YG developed following a [path-dependent logic](#). Despite a centrist government, the [unfavourable mix of structural fundamental “pathologies”](#) in conjunction with a [conflictive environment and very rare “constructive” social dialogues](#) may have partially hindered the Europeanization process.

Conclusions

What emerges from this analysis seems to suggest that a partial degree of Europeanization occurred after the implementation of YG. In particular, the formal partnership-based approach on which the policy was built, differs from other pre-existing policies typical of these southern European countries. Second, the introduction and reinforcement of a monitoring system, even if to different degrees, allowed both countries to further align with European requirements. The better strengthening of the system in Italy may be due to the stronger support coming from domestic actors. Based on a fit/misfit approach, this analysis appears to show that, after the introduction of YG, Italy and Greece fit more within the European framework, at least for labour concerns related to those aged 15–29; however, more in-depth investigations are required to further examine these dynamics.

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