

A regional analysis of employment recovery in late-pandemic Europe

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ABSTRACT

This study aims to assess the socioeconomic, demographic, and space-based causes of the differences in employment recovery in European regions. We use data from Eurostat to explore the regional level factors that account for the differences in employment recovery across regions by using a Gradient Boosting Machine algorithm followed by a Shapley value analysis of feature effects, their sizes, and their interactions. We complement the findings by implementing an econometric estimation of a specification that is based on the machine learning results.

Key words: Employment recovery, machine learning, pandemic, Europe.

JEL Classifications: C81, J6, J40, J21, R11.
