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# Resilience of low income households in Germany and elsewhere: Findings and policy implications

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Istanbul/Turkey

1. What is resilience in poverty?
2. Consented case studies
3. Where does resilience come from?
4. How can we get more resilience?

# 1. What is resilience in poverty?

## The problem I:

- 13 mio people, 15,7% of total population, live at or below the poverty line, just 8 Mio actually receiving benefits.
- Welfare non-take-up ratio relatively high but declining in Germany: ratio between 1,0 and 0,6 *(Becker, Bruckmeyer/Wiemers)*
- Current explanations of welfare-non-take-up is incomplete. It is not only shame, lack of information or low willingness to comply.
- Case study evidence:
  - ... own, low but not heavily insufficient income,
  - ... low or marginal benefit achievable by claiming, in exchange for a loss in independence and other efforts required
  - ...bearable life situation and a certain life satisfaction
  - ...may as well keep potential claimants from claiming.

Welfare non-take-up comprises very different situations: The shameful, the underinformed, the self-excluded and non-compliants, the heavily excluded, and a few more or less self-sufficient poor, not wanting to trade in their independence, availability of time and austere but liveable life in favour a marginal increase in available monetary income.

# 1. What is resilience in poverty?

## The problem II:

After 15 years of activation policies: no dramatic progress in poverty reduction in Europe. Not so many new approaches how to reach this Lisbon goal.

## Solutions:

- *Neoliberal and neoconservative:*

Blame the victims, reduce poverty expenditures, reduce entitlement thresholds, redefine poverty, increase sanctions and labour market pressure.

- *Progressive:*

Spend more money, increase education, blame the state, demand an unconditioned minimum income. Reduce pressure on the poor.

- *Or:*

Look at what the few poor and resilient households do to get by better, and extend poverty alleviation politics to enhance such **resilience** where possible, in order to support more households becoming resilient.

# 1. What is resilience in poverty?

## **Definition:**

- Getting by better than others/expected/average under the respective conditions
- Socioeconomic understanding of resilience, not limited to personal traits
- Resilience as a process, gradualness, vulnerability, risks

## **Observables:**

- Lower transfer and support reciprocity, higher self-sufficiency
- Higher ,income', less ,spendings'
- Better quality of living, in terms of
  - nourishment
  - housing
  - clothing
  - social integration
  - psychological stability
  - health
  - family stability

...compared to others under same conditions/average poverty households

## 2. Condensed case studies

These cases stand for numerous others, they are kind of exemplary cases for certain types or patterns of resilience in poverty households.



### The Self-Reliant Oíkos



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## 2. Condensed case studies

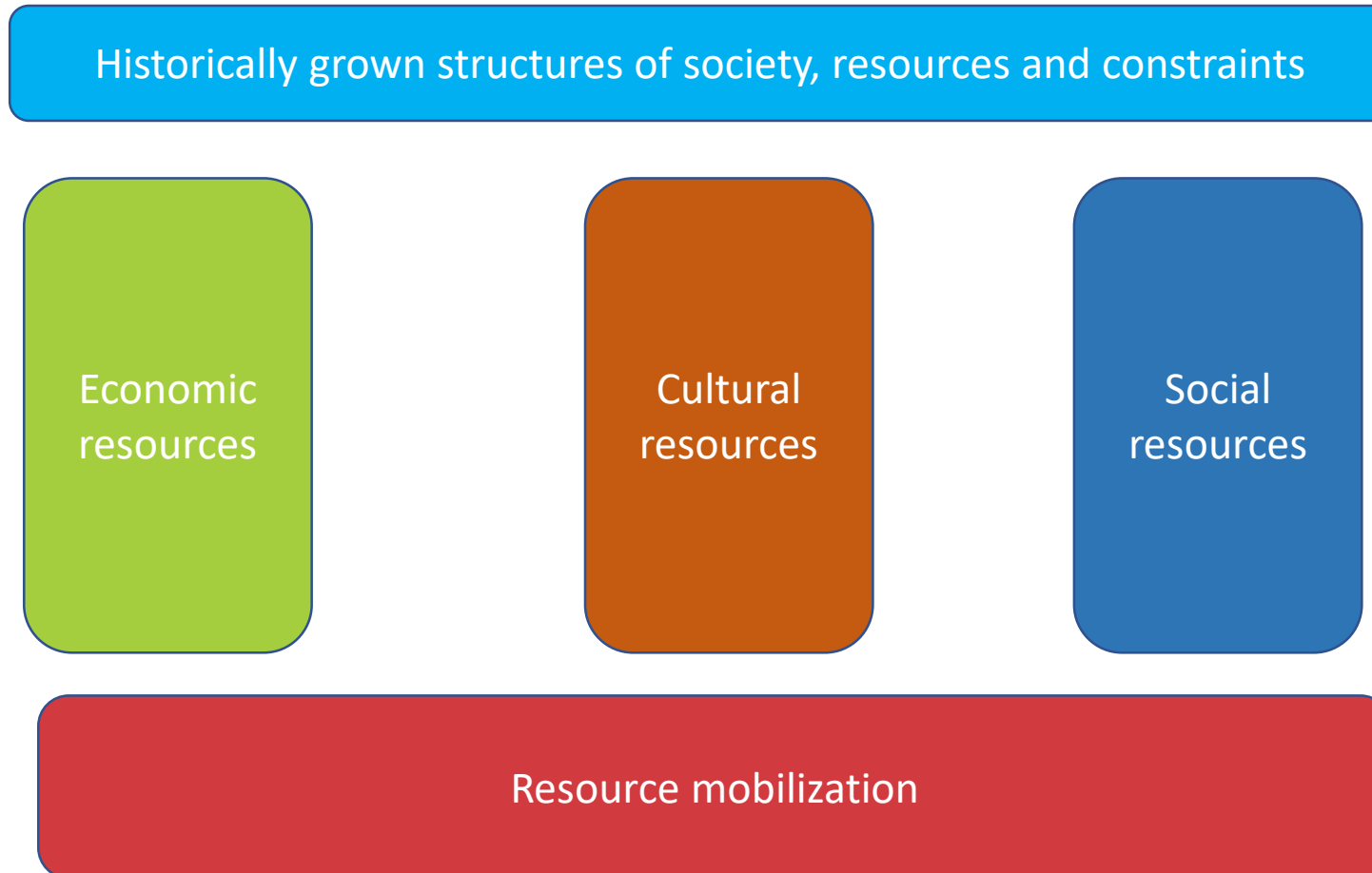
Typology of household resilience

- **Propertied bourgeoisie resilience**
- **Standard working class resilience**
- **Resilience in poverty...**
  - The self-reliant oíkos**
  - The entrepreneur-bricoleur**
  - The welfare entitlement expert**
  - Community plus**
  - Healing/biographical development**
  - The Ascetic**
- **Non-resilient**

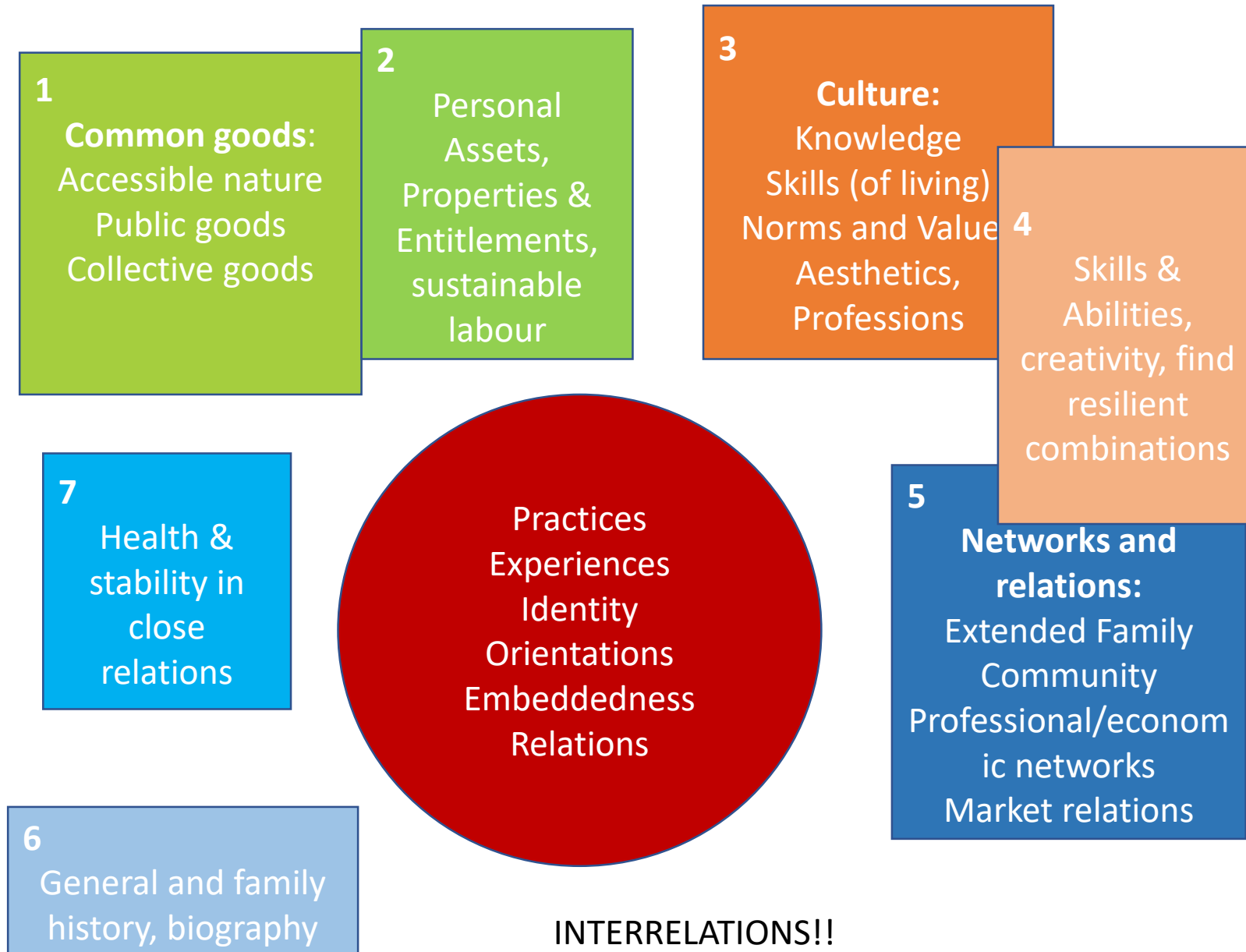


# Where does resilience come from?

Hypothesis: Resilient low-income households have and are able to mobilize resources which are hidden, seemingly obsolete or of no obvious economic relevance,



# Where does resilience of poor households come from?



### 3. Five exemplary results of importance:

1. The welfare state as we know it is/should be an important baseline for resilience. Either as a lender of the last resort or as a provider of common goods
2. Many economic resources and practices of resilient households are related to commons of different kinds
3. There is some reemergence of seemingly obsolete layers of economic behaviour
4. Knowledge, skills and alternative values are dimensions of culture playing an important role in being resilient
5. Personal social relations (family, networks, groups, communities) are highly relevant

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**Commons:**  
Accessible nature  
Public goods  
Collective goods,



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**Culture:**  
Knowledge  
Skills  
Norms and Values  
Aesthetics

Housekeeping

DIY

Healthy living

Everyday psychology on family, children  
friends and relations

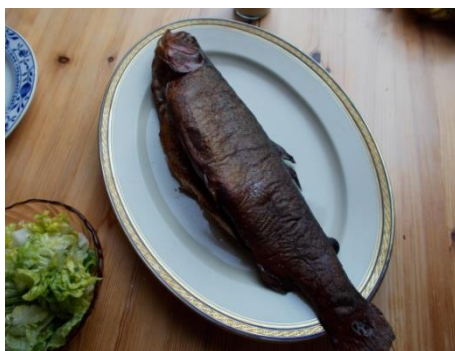


Skills and knowledge on  
Gardening, forageing, small  
agriculture

Creativity  
Aesthetics

Alternative  
values & norms

**Craftsman/trade/  
Professional skills**



**Experience  
and culture of  
transformability**

How to acquire knowledge

Sense of belonging to non-  
commodified culture and relations



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Networks and  
relations:  
Extended Family  
Community  
Professional/econo-  
mic networks  
Market relations

Extended genealogical family or social  
family in practice and perspective

Plot gardeners assoc.

Educational  
workers

Street musicians

Skilled craftsmen  
of related trades

Neighbourhood (associations)

Sports club

Church community

Carnival society

Informal workers network

Local informal networks  
(classmates, comrades,  
colleagues, company pensioners)

Customers, small  
entrepreneurs,  
ex-employers

Volunteers - scheme  
participants – social economy activists

Civil Society actors

Self help groups

Cooperatives

...Hetero-/homogeneous, local/translocal, formal/informal,  
Production/administration/distribution of resources, relations  
of sharing, support, gift exchange, barter, mutual help, market



#### ***4. Policy implications: How to get more resilience? Improve the cards and teach/learn how to play***

- Develop the welfare state and care for other commons
- Tolerate, or support non- or low- commodified cultures, values knowledge and practice outside standard expectations
- Leave the deficit approach and search for client's abilities below certificate level
- Create low threshold facilities to access social infrastructure, not only for people in transfer income or marginalised groups, but also for people at risk but not claiming benefits (declined middle classes?)
- Support network and community building in activation policies and by providing knots and crystallisation points
- Continuize and spread already existing approaches of that kind

Thank you for your attention!

# Risks of resilience

- Over-use or damage of common goods
- Individual or family resilience does not necessarily mean collective resilience
- Inequal intra-household distribution of costs, risks and benefits (gender)
- May involve deviant practices
- Side effects of resilience promotion: Free riders
- Resilience promotion policies will not make the welfare state cheaper, but may furtherly reduce poverty.