

CULTURES OF UNEMPLOYMENT

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Cultures of Unemployment

A Comparative Look at
Long-Term Unemployment
and Urban Poverty

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CULTURES OF UNEMPLOYMENT REVISITED

At the end of 1980s a team of Dutch sociologists conducted a study on the daily life of unemployed in the Netherlands, inspired by the classical work *Marienthal: The Sociology of an Unemployed Community*, first published in 1933. The study was carried out in three urban neighborhoods with significant numbers of unemployed people in Amsterdam, Rotterdam and the textile city of Enschede. In the year of research (1988), the Netherlands had a substantial number of unemployed: 10 percent according to the OECD standard used at that time. The Dutch welfare state was called the 'sick man of Europe' because of the high number of long-term unemployed and disabled people. The unemployment study shed light on new categories of unemployed who have hardly, if ever, been described in the literature on long-term unemployment. The focus of the study was on the ways in which long-term unemployed deal with the problematic triad of unemployment: labor, money and time. Long-term unemployed have in general too little of two things (no work, little money) and too much of one thing, time. One salient result of the study was that substantial differences were found in the ways in which long-term unemployed react to their situation.

The results of this study were published in *Een tijd zonder werk (A Time without Work)* (Kroft et al. 1989) and in the English monograph *Cultures of Unemployment* (Engbersen, Schuyt et al. 1993) in which we also demonstrated that our theoretical framework is relevant for understanding the heterogeneity of urban marginality in the United States. Inspired by Merton's conceptual apparatus on individual adaptations to anomic situations we distinguished six types of long-term unemployed people. First of all, there are the *conformists*, who still look for work, then there are the *ritualists*, who look for work just for form's sake. The third type are the *retreatists*. They no longer search for work and have become very isolated. The fourth and fifth type consist of the *enterprising* who aim for a job and a higher consumption level but try to get them by working in the informal economy and the *calculating* unemployed who make strategic use of the welfare system. Both types gain extra income in addition to the social assistance benefit they receive, which makes it easier for them to participate in society at large. The sixth type are the *autonomous*, who see their social assistance benefit as a sort of basic income. They spend their time to develop themselves independently of the social pressure exerted by other social groups or the institutions of the working society.

The specific features of the unemployed provided an initial explanation for the plurality of the behavioral reactions to unemployment. Well-educated single people had social and bureaucratic skills that enabled them to gain access to the informal economy and to make strategic use of the welfare system. Enterprising and calculating behavior was thus more common among respondents with these features. Older, poorly educated respondents had less capabilities and opportunities to participate in either the official or informal labor market. Retreatism was an understandable reaction on their part.

However, the various individual reactions could not be understood without addressing another question: which institutional environments stimulated the development of the various behavioral reactions? In our study we paid attention to the social environment in two ways. First, we analyzed four local cultures of unemployment in which the jobless were embedded. Our use of the concept of culture stems from the work of the anthropologist Mary Douglas. By analyzing the social environments and cosmologies of the unemployed, their diverging reactions to unemployment can be explained. The conformists and the ritualists lived in traditional Fordist working class environments with a strong work ethic and a large extent of social control. This environment stimulated them to keep looking or pretend looking for work and to play by the welfare rules. The retreatists were socially isolated and were captured in a network of welfare agencies. Bureaucratic welfare rules dominated many aspects of their lives. In contrast, the calculating and enterprising unemployed were part of an urban social environment characterized by weak social ties and variable social networks. They had their own internal rules, which helped them to get around the rules of the welfare authorities. The social environment of the autonomous exhibited similarities with the environment of the hermit described by Mary Douglas. They managed to lead relatively autonomous lives centered on what Douglas called a withdraw cosmology.

Secondly, we demonstrated that the behavioral reactions of the unemployed were related to the Dutch welfare state regime, which had generous income benefits but no active labor market policy to reintegrate unemployed people into the labor market. The Dutch system produced two perverse effects: long-term dependency and calculating behavior. However, to understand patterns of dependency and strategic behavior among the unemployed a distinction has to be made between the 'traditional' unemployed types (conformists, ritualists and retreatists) and the 'modern' types (the enterprising and calculating unemployed, and the autonomous). The first three types felt dependent on the care of the state and were socially injured by this feeling. They were ashamed of being dependent on social assistance and tried to diminish their contacts with the welfare departments. In the modern types, other social processes were at work. They were not bothered by feelings of dependence. Instead, they viewed social assistance as a source of independence. They perceived their benefit as a right and were not ashamed of it. They redefined their rights and obligations linked to social assistance in such a way that they could function in a relatively independent manner. This category is interesting for two reasons. First, it does not fit the notion that dependence on social assistance always entails feelings of shame and failure. Second, some people in this category view and use social assistance as a basic income that enables them to live the life they want (the autonomous). It is no coincidence that this category has hardly, if ever, been described in the literature on unemployment.²⁵⁶ It is the product of an advanced welfare state with high rates of long-term unemployment, generous selective and universal welfare arrangements (social security, social housing, and health care) and no activating labor mar-

ket policy, so that people can remain dependent on social security benefits for lengthy periods of time. Only a limited number of European welfare states meet these conditions. Examples in case are Belgium, Germany and France.⁵¹²

However, since the Dutch publication of *Cultures of Unemployment* much has changed in the Netherlands. The 'sick man of Europe' has been able to perform a Dutch miracle.⁷⁶⁸ Especially in the second half of the 1990s, the economic development in the Netherlands was impressive. This economic development was achieved by wage moderation and industrial peace, social security reform and the creation of active labor market policies (including a more rigorous sanction regime). During these years the working population in the Netherlands increased from 5.5 million in 1990 to an ample 7 million in 2002. This large increase of the Dutch working population was mainly due to a sharp rise of the female labor market participation, particular in part-time work. Whereas the male labor market participation remained rather stable during the 1990s, the female labor market participation rose with some 40 percent. However, despite the large job growth during the 1990s, the number of long-term unemployed people decreased rather slowly. In 2002, the Dutch labor market participation was at its peak. Due to economic recession, the Dutch working population decreased between 2003 and 2005 and unemployment figures were on the rise again. In the same period new fundamental reforms of the social assistance system and the disability benefit system have been taken to improve the activating character of these schemes.

What has happened with the different types of unemployed in the last two decades? Dutch research on poverty and unemployment in the Dutch miracle years seem to indicate that the 70 to 30 ratio of the traditional tot the modern types has changed. The new activating policies and the stricter fraud polices have made it more difficult to develop the modern behavioral patterns. In addition, some groups of conformist unemployed have profited from the job growth in the 1990s, while very few miracles happened in the lives of the ritualists and retreatists. But apart from the changing ratio there are strong empirical indications that all the types are still there, especially in the large cities in the Netherlands (Amsterdam, Rotterdam and The Hague). These dual cities with their post-industrial labor markets and a rapidly growing population of non-western immigrants do not provide enough jobs for the low-skilled and for groups of higher-skilled. Furthermore, the local welfare departments still tolerate autonomous reactions from the unemployed. The results of *Cultures of Unemployment* are therefore still relevant. Hidden behind a univocal policy classification as 'long term unemployment' is a complex reality of different cultures of unemployed. It is important to understand that reality in order to develop more effective policies to combat unemployment, but also to rethink the limitations of past and current paradigms of 'passive' and 'active' labor market policies. Some of the behavioral reactions of the unemployed may call, for example, for the introduction of a basic income scheme or forms of civil labor.¹⁰²⁴ However, the main message *Cultures of Unemployment* is that there is no single solution for dealing with unemployment in a modern individualized work society.

- 1 See also M. Kronauer, B. Vogel and F. Gerlach (1993). *Im Schatten der Arbeitsgesellschaft*. Frankfurt/M., New York: Campus Verlag; L. Leisering and S. Leibfried (1999). *Time and Poverty in the Welfare State*. Cambridge: Cambridge University Press
- 2 See G. Esping-Andersen (1990). *The three worlds of welfare capitalism*. Cambridge: Polity Press; Bea Cantillon (ed.) (1999). *De welvaartstaat in de kering*. Kapellen: Uitgeverij Pelckmans; Neil Gilbert (2002). *The Transformation of the Welfare State. The Silent Surrender of Public Responsibility*. Oxford: Oxford University Press; Nick Ellison (2006). *The transformation of welfare states?* London and New York: Routledge.
- 3 See Jelle Visser and Anton Hemerijck (1997). *A Dutch miracle: Job growth, welfare reform and corporatism in the Netherlands*. Amsterdam: Amsterdam University Press
- 4 See Ulrich Beck (2002). *The brave new world of work*. Cambridge: Polity Press

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