



# Facing the crisis

## The coping strategies of unemployed people in Europe

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## The coping strategies of unemployed people in Europe

**European Commission**

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# 1. Introduction: Spiralling breaks or compensation

The economic crisis plaguing Europe is impacting some countries more heavily than others, and within each country, certain population groups more than others. The purpose of this report is to better assess the strategies that are being used to cope with unemployment and poverty, against a backdrop of unavoidable deprivation, and to identify the conditions that make them possible and, consequently, the main reasons why. But what do we really mean when we talk about coping strategies?

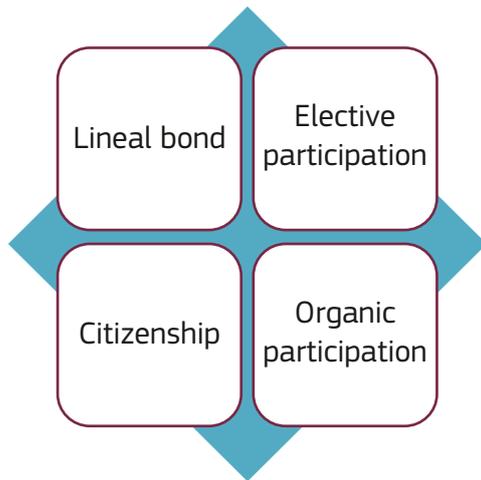
First of all, we need to examine what the experience of unemployment means in post-industrial societies. Post-industrial societies are characterised by production activity and the importance of work as well as the guarantee, which varies in different countries, of social protection for workers facing life's ups and downs. The compulsory social insurance system and the stable employment which spread throughout the main developed countries at the end of the Second World War helped to change the very meaning of occupational integration. To understand how unemployment is experienced by individuals, we need to consider not only the *relationship with work*, but also the *relationship with employment* which falls within the protection-oriented thinking of the welfare State. Labour market integration means not only developing at work, but also being bonded, beyond the work environment, to the basic level of protection which results from the

social struggles under what we can call *welfare capitalism*. Experiencing unemployment, especially when it lasts longer than the legal period for receiving allowances, threatens the *organic participation bond*<sup>(1)</sup> in post-industrial society as it raises questions, at least partially, about both the material and symbolic *recognition* of work and the social *protection* that stems from employment. The unemployed are therefore faced with the risk of social disqualification.

## **Four kinds of social bonds**

While the *organic participation bond* plays a fundamental role in the system where individuals are connected to groups and to society as a whole, it is not the only one. We in fact need to take into account three other types of bonds: the *lineal bond* (between parents and children), the *elective participation bond* (between couples or between people chosen based on affinities) and the *citizenship bond* (between individuals united by a core basis of rights and duties within a political community). With the *organic participation bond* (between complementary individuals within the work environment), there are thus a total of four types of bonds that ensure individuals are integrated into society.

(1) According to the concept of organic solidarity developed by Emile Durkheim in his 1893 thesis entitled *The Division of Labour in Society*. The concept of organic solidarity is defined by the complementarity of roles and individuals in the world of work and, more generally, in the social system.

**FIGURE 1: FOUR KINDS OF SOCIAL BONDS**

When referring to the theory of social bonds<sup>(2)</sup>, two analytical perspectives can be used to analyse the experience of unemployment. Each of the social bonds can be defined based on the two notions of protection and recognition. Protection refers to the body of support that the individual can call on when faced with life's surprises, while recognition refers to the social interaction that stimulates the individual by providing him/her with proof of their existence and their value in the eyes of the other or others. The expression 'count on' summarises rather well what the individual can hope for in his/her relationship with others and with institutions in terms of protection, while the expression 'count for' expresses the expectation, which is equally vital, of recognition.

### ***Spiralling breaks versus compensation***

Within this analytical framework, the question that concerns us is whether or not unemployment, reflecting as it does a breakdown of *organic participation* bonds, goes together with a breakdown of the other types of bonds. If it does, we have to support the **spiral hypothesis** (unemployment corresponds to a cumulative process of breaks in the four types of bond); if we look to the second, we are inclined to defend the **compensation** hypothesis (the break in the organic participation bond is compensated by the maintenance, even the strengthening, of the other types of bond).

Faced with varying periods of withdrawal from the labour market, do the unemployed find resources in the lineal bond by calling on the potential support of their extended family in terms of both material aspects and moral and psychological aspects? Do they find resources in networks

of elective relationships (couples, friends, circles or local communities)? Despite their remoteness vis-à-vis the professional world, do they maintain a bond with work by turning, for example, towards informal economy environments, some more underground than others? And finally, do they still have confidence in their countries' institutions and do they turn to them with the hope of being protected and recognised as citizens?

Adopting the analytical framework of compensation naturally leads us to look for the conditions making this possible in economic, social and political factors (including the characteristics of labour market and social protection institutions) and to base the reasoning on a comparison between the different experiences of unemployment and between the countries.

In other words, the different parts of this document contribute to solving a fundamental puzzle: is unemployment in a period of crisis really at the origin of a process of impoverishment and spiralling breaks in social bonds or can it also be at the origin of a process of coping, based on forms of compensation, with the break in the organic participation bond through strengthening the other types of social bonds, and, if so, to what extent?

### ***Qualitative and quantitative studies ran in seven EU Member States***

*This report draws on three studies. The first study is qualitative and is based on in-depth interviews conducted with unemployed people from seven European Union countries (France, Germany, Spain, Portugal, Greece, Romania and Ireland). About 15 people in each country were interviewed in two types of places: a large city (most often the country's capital) and a small city located far from a large metropolis, therefore a total of almost 110 people. The second study was conducted among target groups in the same countries as those in the qualitative study. Finally, the third study is based on a statistical analysis of the SILC surveys (Survey on Income and Living Conditions) aimed at evaluating not only the extent of the deprivation faced by households, but also how they prioritise their needs and tighten up on spending to cope with their reduced budgets.*

*The detailed reports of those studies can be found online: <http://ec.europa.eu/social>*

<sup>(2)</sup> For more on this, see Paugam, S., *Le lien social*, Paris, PUF, 2008.

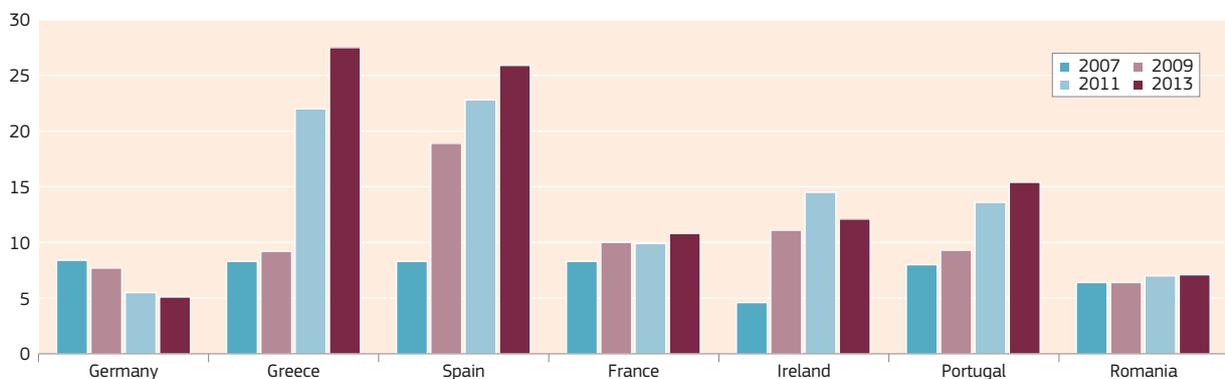


## 2. The extent of the crisis: differing national situations

There are striking differences between the seven countries covered in this project. At one end, Germany has an unemployment rate that not only is low, but also fell during the crisis period, while at the other end Greece and Spain saw their unemployment rate triple over the same period. Unemployment also rose markedly in Ireland and then fell slightly thereafter. Portugal saw a significant rise, as did

France, although the rate has stabilised since 2009. Romania holds a unique position in this list. Prior to the crisis, it in fact had always seen significant levels of emigration where poverty was already very high. It did however undergo a process of economic catch-up. The unemployment rate there is relatively low, the lowest after Germany. It did nonetheless see a slight increase between 2007 and 2013.

**CHART 1: UNEMPLOYMENT RATE IN THE SEVEN COUNTRIES, 2007–13**



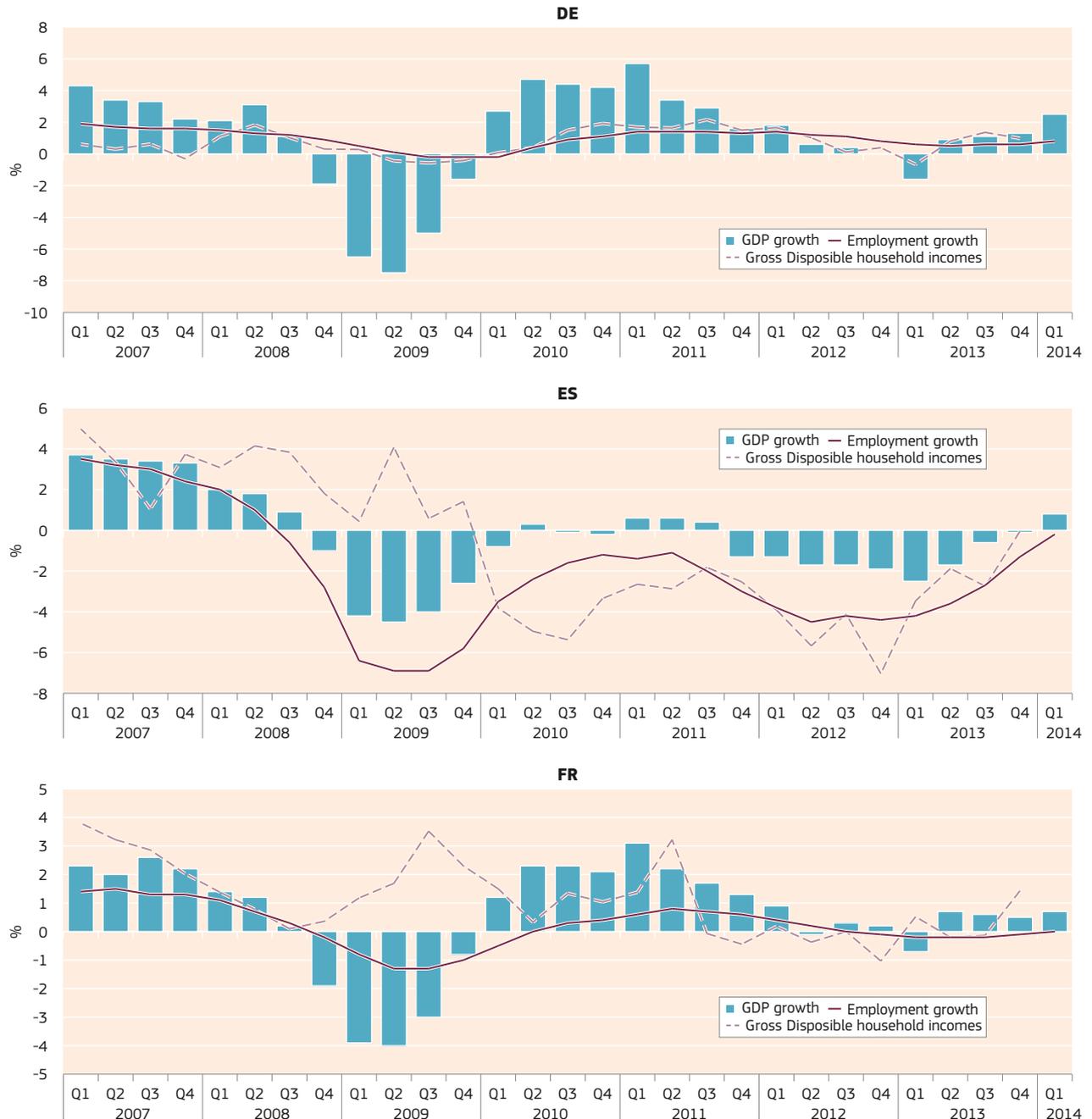
Source: Eurostat, Labour Force Survey.

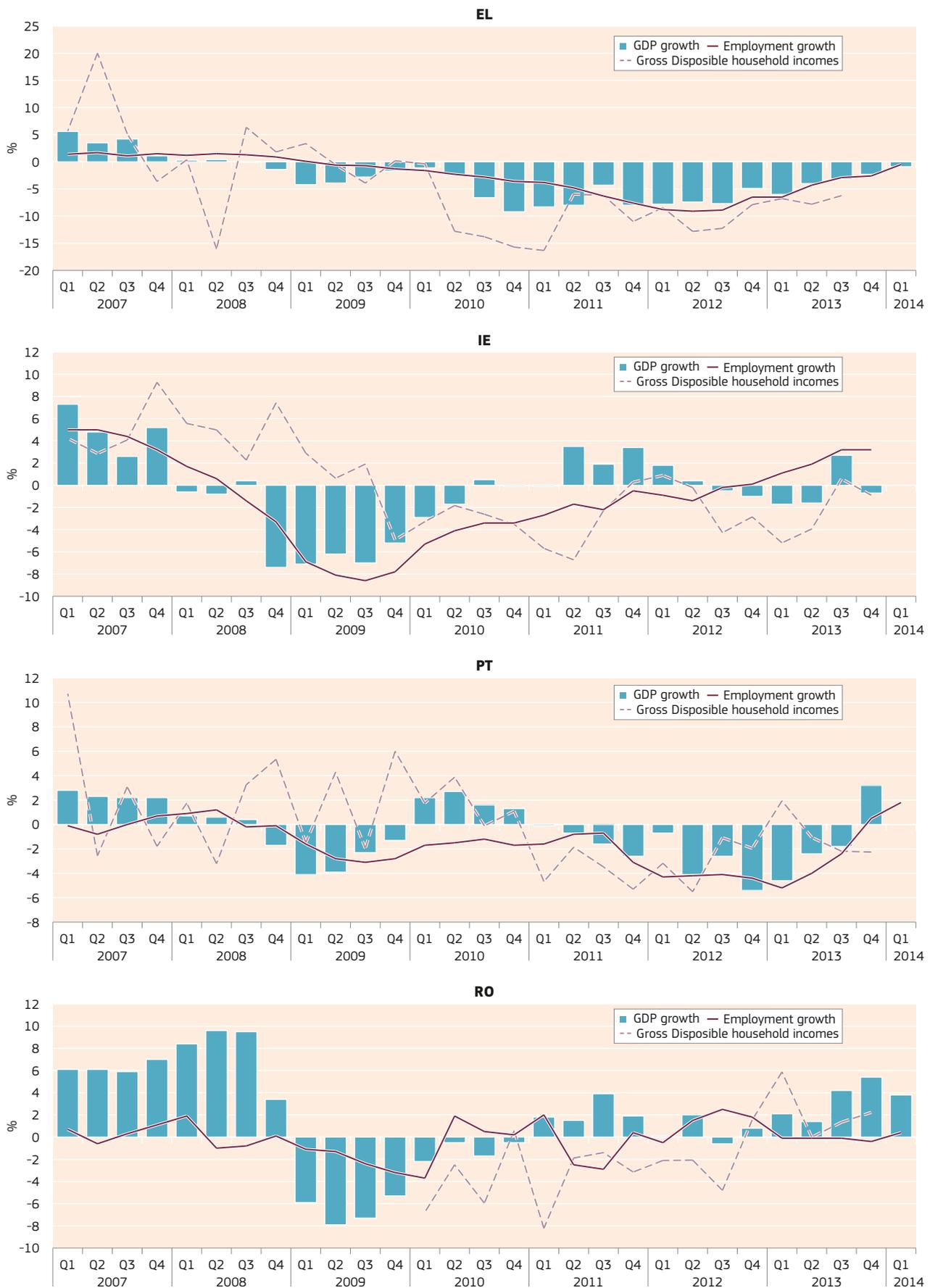
The social situation in the European Union since the last quarter of 2008 results in the following three trends: a fall in GDP growth, a reduction in job growth and an increase in the unemployment rate (Figure 1).

when confronted with the negative impacts of the crisis, since economic growth then saw a dramatic increase and the unemployment rate a noticeable fall. In contrast, Greece was plunged into deep recession with long-term negative economic growth alongside soaring unemployment.

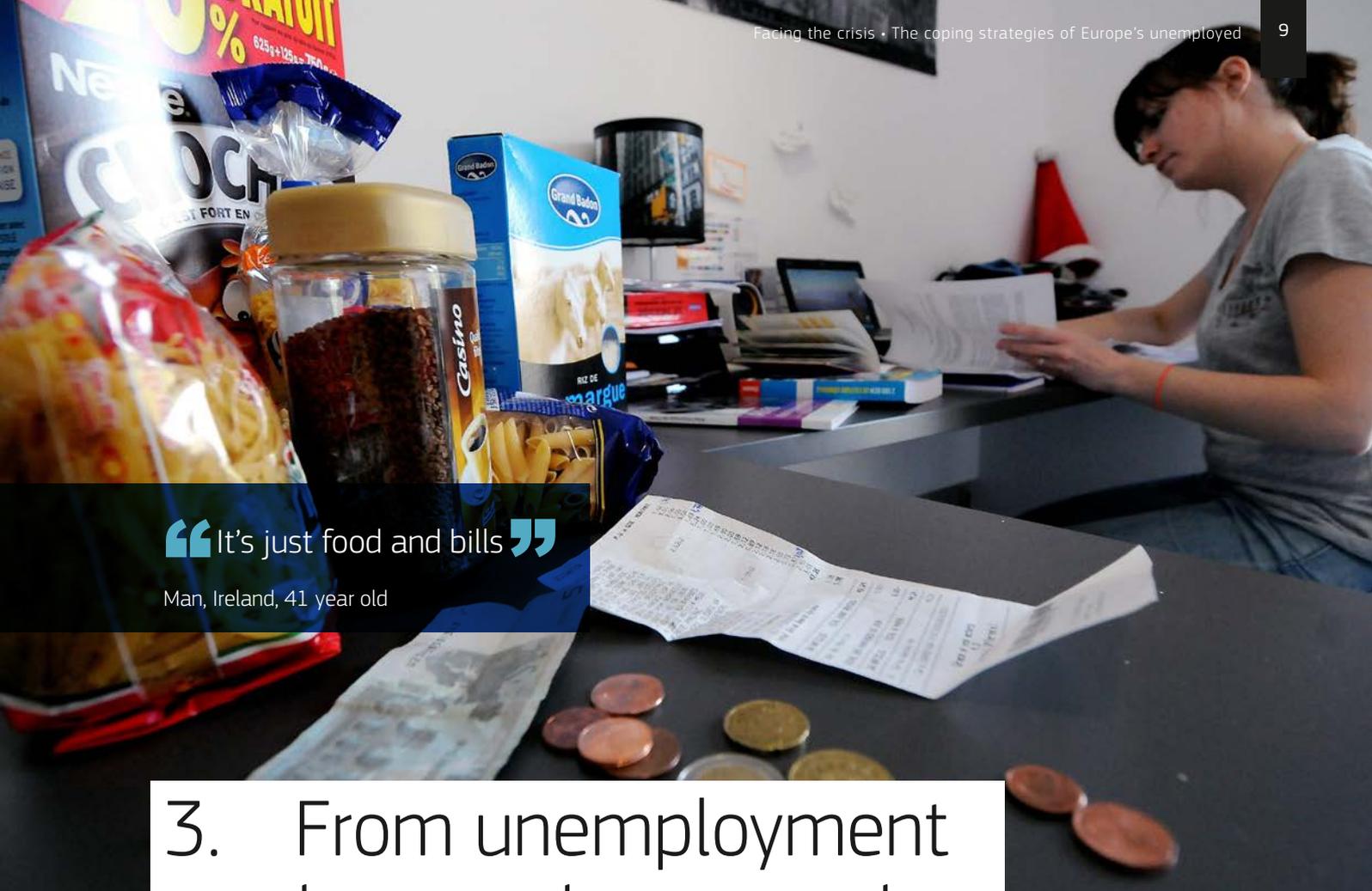
Germany, like the other European Union countries, was dealt an economic blow in 2008, but proved its ability to cope

**CHART 2: UNEMPLOYMENT RATE, GDP GROWTH AND EMPLOYMENT GROWTH**





Source: Eurostat (National Accounts, LFS).



“It’s just food and bills”

Man, Ireland, 41 year old

### 3. From unemployment to monetary poverty

The unemployed run a higher risk of experiencing a drop in their standard of living to the point of sometimes experiencing deprivation and even, in some cases, poverty in the sense of spiralling difficulties and barriers<sup>(3)</sup>.

However, national variations do exist. Despite the fact that the principles of unemployment insurance are difficult to compare from one country to another, they do explain, at least partially, national variations (see Table 5)<sup>(4)</sup>.

The conditions for being eligible to receive the unemployment benefit depend on the period of employment and/or contribution. With the countries studied, France appears to be the least restrictive, since it is enough to have contributed to the unemployment insurance system 4 months over the previous 28 months, or previous 36 months for those aged 50 or over. The most common formula is 12 months over 2 years, which is the case in Germany, Portugal and Romania. Account also needs to be taken of the benefit period. While this can be up to 2 years in Germany, Spain and France (and even 3 years in France for those aged 50 or

over), it is 18 months in Portugal, 12 months in Greece and Romania and 9 months in Ireland. The reference wage ceiling is highest in France at €12 516, compared to €5 950 in the former *länder*s of Germany and €5 000 in the new ones and €3 597 in Spain. In the other countries, the benefit is most often a lump sum. Finally, the replacement rate with respect to the reference salary is very low in Romania (24%) and Greece (27.1%), while it is 67% in Germany and even 70% in Spain in the first 6 months.

The effective coverage rate of unemployment insurance is markedly the highest in Germany (see Table 4). This high percentage is the consequence of the design of the unemployment benefit system, and also of the structure of the labour force which is generally within reasonable reach of the labour market and therefore more easily eligible for unemployment insurance. The coverage rate is lower in France even though the benefit system appears less restrictive. Among the general population of unemployed, we can see a larger group of long-term unemployed people who have exhausted their rights or have not gained maximum benefit from them due to not having contributed enough (young people for example). The lowest coverage rates can be found in Greece and Romania (21.8% and 16.3% respectively for 12 months or more). Spain and Portugal sit in the middle between France and Germany on one side, and Greece and Romania on the other.

<sup>(3)</sup> Gallie, Paugam, Jacobs, 2000.

<sup>(4)</sup> For more on this, see the European Commission report entitled *Employment and Social Developments in Europe 2013*, notably Chapter 2 ‘Working age poverty: what policies help people finding a job and getting out of poverty?’, pp. 129–171.

**TABLE 1: PRINCIPLES OF UNEMPLOYMENT INSURANCE AT 1 JANUARY 2014**

	Conditions of employment (E) and contribution (C)	Period of insurance-based benefit (in months)	Maximum reference salary	Replacement rate
<b>Germany</b>	E: 12 months C: 12 months over 2 years	Between 6 and 24	Former länders: € 5 950 New länders: € 5 000	60 or 67 % of the reference salary depending on the family situation
<b>Greece</b>	E+C: 125 days over 14 months or 200 days over 2 years	Maximum 12	-	27.1 % of the reference average salary
<b>Spain</b>	C: 360 days over 6 years	Between 4 and 24	€ 3 597	70 % of the reference salary during the first 6 months, 50 % from the 7 <sup>th</sup> month onwards
<b>France</b>	C: 4 months over the last 28 months or last 36 months for those aged 50 or over	Between 4 and 24 for those aged under 50 Between 4 and 36 for those aged 50 or over	€ 12 516	57.4 % of the reference daily salary (RDS) or 40.4 % + fixed part up to 75 % of the RDS
<b>Ireland</b>	C: 104 weeks since the activity started; 13 of these 104 weeks must have been paid during the reference tax year	Between 6 and 9	None (lump sum benefit)	Lump sum between € 84.50 and € 188 per week (additional money possible depending on the family situation and the reference salary)
<b>Portugal</b>	C: 360 days over the course of the last 2 years	Between 5 and 18	None (benefit has upper limit)	65 % of the reference salary during the first 6 months, 55 % from the 7 <sup>th</sup> month onwards
<b>Romania</b>	C: 12 months over 2 years	Maximum 12	-	24 % of the reference average salary + 10 % of profits

Source: Matsaganis, Ozdemir, Ward, The coverage rate of social benefits, Social Situation Monitor, Research note 9/2013.

**TABLE 2: EFFECTIVE COVERAGE RATE FOR THE UNEMPLOYED ACCORDING TO THE UNEMPLOYMENT PERIOD (2013)**

	Short-term unemployed	Long-term unemployed	All
<b>BG</b>	22	1	9
<b>DE</b>	82	87	84
<b>EL</b>	29	5	13
<b>ES</b>	41	27	34
<b>FR</b>	49	41	46
<b>PT</b>	41	29	34
<b>RO</b>	17	11	14
<b>EU</b>	<b>38</b>	<b>24</b>	<b>31</b>

Source: Labour Force Survey, calculation: DG EMPL.

Scope: Unemployed people aged 18 to 59 having experienced unemployment of at least 3 consecutive months.

Finally, the activation rate, meaning the proportion of the unemployed benefiting from active employment policies, also varies from country to country (see Table 7). Three groups of countries can be distinguished: Spain, France and Germany have the highest activation rates, Ireland and Portugal rank in the middle, while Greece and Romania are positioned low in the ranks.

**TABLE 3: ACTIVATION RATE**

DE	31.2
EL	12.4
ES	41.5
FR	39.9
IE	19.6
PT	18.8
RO	3.7

Source: Eurostat.

Note: Proportion of the unemployed benefiting from an active employment policy, latest figures available, generally 2011.

A feature of the unemployed Greeks is that not only are they poorly covered by the unemployment insurance system, but they are also very severely impacted by the financial crisis which is running rampant through their country. Active employment policies are also poorly developed there, which increases the probability of remaining unemployed even longer. Spain, Portugal and Ireland, also very severely affected by the crisis, have nonetheless over recent years markedly improved their unemployment benefit system. The benefit system in France and Germany traditionally offers more

advantages here, though is now more restrictive in Germany following the reforms introduced over the last decade.

However, poverty among the unemployed also depends on the type of household they live in, since the measure of poverty takes account of the resources of the entire household. If a young unemployed adult lives with his/her parents who are in paid work, the income will depend on not just an unemployment benefit, but on the entire resources of the household. This is why there is no simple relationship between the unemployment insurance system in place in a given country and the poverty rate of the unemployed registered there.

Furthermore, the poverty risk threshold – set at 60% of the national median income – varies considerably from one country to another. In terms of purchasing power standard, for example in 2011, this was €950 per month for a single person in Germany, €935 in France, €616 in Spain, €497 in Greece, €478 in Portugal and €180 in Romania.

The gap within each country between the risk of poverty among the unemployed and the risk of poverty among working people or even the risk of poverty among the entire population also varies considerably across Member States (Table 6).

**TABLE 4: POVERTY RATE AMONG THE WORKING POPULATION, AMONG THE UNEMPLOYED AND AMONG THE ENTIRE POPULATION IN 2012**

	Working population (W)	Unemployed (U)	Entire population (E)	Ratio W/E	Ratio U/E	Gap between U/E ratio and W/U ratio
<b>DE</b>	7.7	69.3	16.1	0.50	4.30	3.82
<b>EL</b>	15.1	45.8	23.1	0.61	1.98	1.33
<b>ES</b>	12.3	46.4	22.2	0.54	2.08	1.53
<b>FR</b>	8.0	36.2	14.1	0.58	2.56	1.99
<b>IE</b>	5.4	34.1	15.7	0.33	2.17	1.83
<b>PT</b>	9.9	38.5	17.9	0.58	2.15	1.60
<b>RO</b>	19.0	52.4	22.6	0.84	2.31	1.47

Source: EU-SILC (European Union-Statistics on Income & Living Conditions), 2012.

N.B.: The reference poverty threshold in this table is set at 60% of the median income of each country. The equivalence scale used is a modified version of the OECD one (1 for the first adult, 0.5 for the other adults and 0.3 for children under 14 years of age).

Working is a relatively weak guarantee of having a high standard of living in relation to the entire population in countries that are economically the poorest. These countries see many workers on low salaries and particularly exposed to job insecurity or underemployment. Romania and Greece have the highest rates of poverty among the employed (19% and 15.1% respectively). It is lower in Ireland, Germany and France.

The risk of experiencing social disqualification – i.e. both the material and symbolic *recognition* of work and the social *protection* that stems from employment – is therefore higher in countries like Romania and Greece where poverty among the unemployed is greater in absolute terms, but it is much less marked in relation to the entire population and to the employed in these countries.



“Anything that isn't essential on a day-to-day basis I've taken out”

Man, France, 37 year old

## 4. Living with less

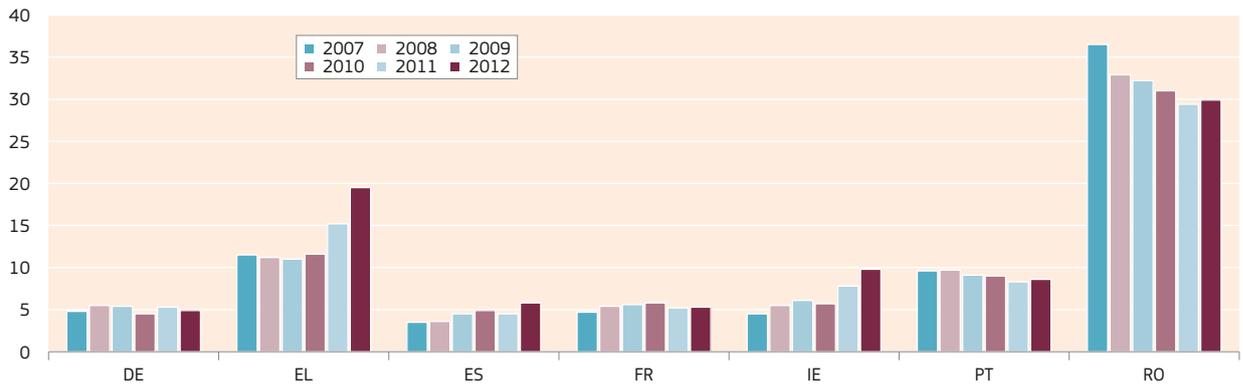
What has it been like for the unemployed during this crisis? The first aspect to take into account is the drop in the standard of living. Noticeable differences in material deprivation<sup>(5)</sup> appear between the 7 countries of the study, in terms of both level and change since 2007 (Table 7).

The countries most affected by material deprivation are Greece and Romania: 19% of Greeks and 30% of Romanians were affected in 2012, against 5% of Germans. However, the change over the period is also quite different. Three countries saw a significant increase: Ireland, Greece and Spain. In Germany and France, material deprivation remained at roughly the same level, while in Romania and Portugal it even reduced. Greece is the only country characterised by a structurally high level of material

deprivation and an increase which has also been significant since the beginning of the crisis.

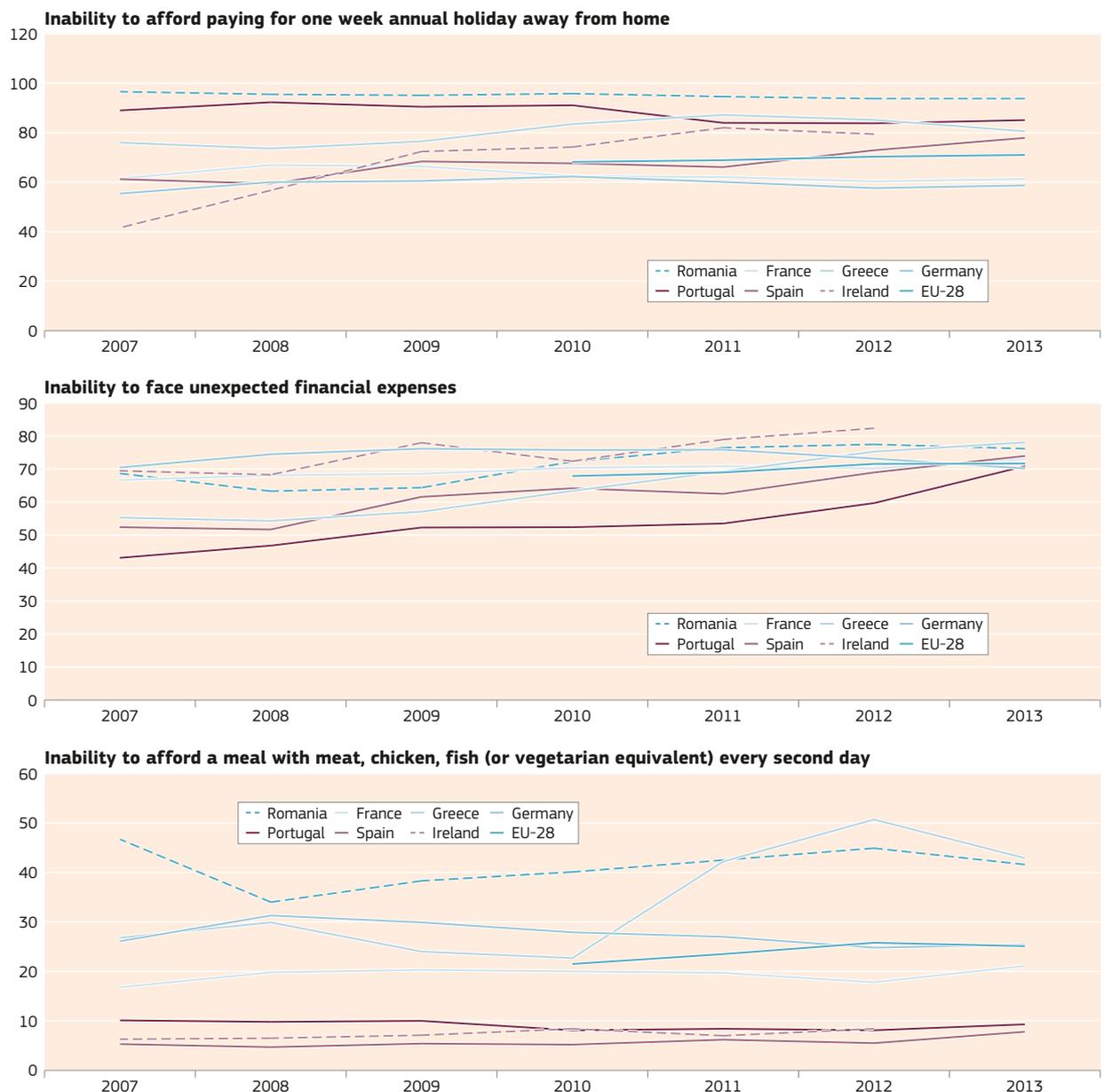
Material deprivation is of course even more significant for households living below the poverty threshold (Figure 3). The inability to pay for a week's holiday each year away from home is, as can be expected, particularly high in all countries. Difficulties paying for unexpected expenses increased in all countries for the poor element of the population. The inability to have a meal containing meat or fish every second day is, however, more mixed from one country to another. Two countries, Romania and Greece, are clearly more frequently faced with this problem. It affects less than 10% of the poor in Spain, Portugal and Ireland. The inability to keep one's home adequately warm also varies from one country to another in terms of extent and changing trends. The biggest increase was seen in Greece.

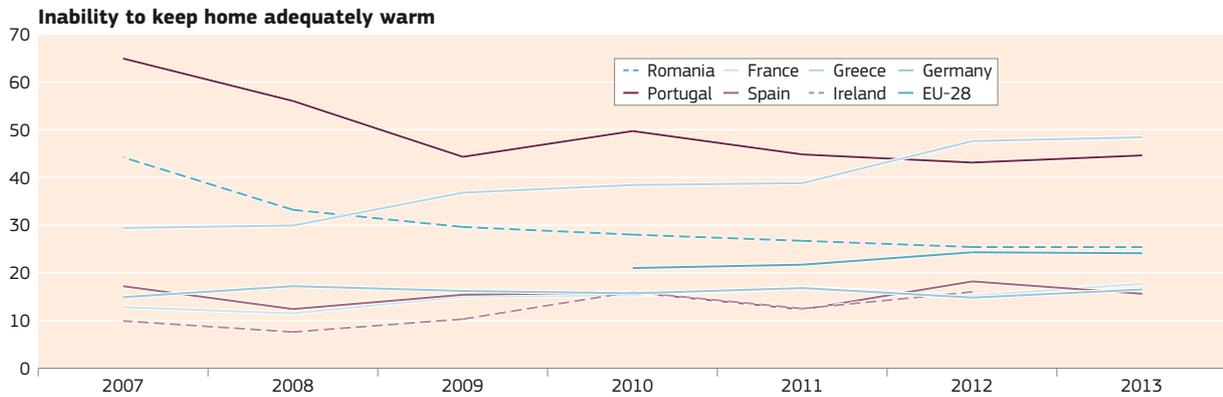
<sup>(5)</sup> Severely materially deprived persons have living conditions severely constrained by a lack of resources. They experience at least 4 out of 9 of the following deprivations: cannot afford i) to pay rent or utility bills, ii) to keep the home adequately warm, iii) to face unexpected expenses, iv) to eat meat, fish or a protein equivalent every second day, v) a week holiday away from home, vi) a car, vii) a washing machine, viii) a colour TV, or ix) a telephone.

**CHART 3: PERCENTAGE OF THE POPULATION SUFFERING FROM MATERIAL DEPRIVATION (\*), 2005–12**

Source: Eurostat (EU-SILC). No data available for RO in 2005 and 2006.

(\*) Cannot afford at least 4 items of the 'economic strain' and 'durables' dimension in the following list: 1) coping with unexpected expenses; 2) one week's annual holiday away from home; 3) avoiding arrears (in mortgage or rent, utility bills or hire purchase instalments); 4) a meal with meat, chicken, fish or vegetarian equivalent every second day; 5) keeping the home adequately warm; 6) a washing machine; 7) a colour TV; 8) a telephone; 9) a personal car.

**CHART 4: INABILITY OF PEOPLE AT RISK OF POVERTY (%)**



Source: EU-SILC.

Beyond these general trends, experiencing a fall in the standard of living also means redefining consumption habits. Which budget items do households sacrifice as a priority and which ones do they, on the contrary, attempt to hold on to? The statistical analysis conducted across the entire population reveals that the order of priorities is fairly similar from one country to another (Table 8). Apart from a few exceptions, households start

by removing expenses that they deem less essential: holidays, unexpected purchases and replacing worn-out items. Leisure activities are also very often regarded as being expenses that can be reduced. At the opposite end, the expenses that households sacrifice last are, again with a few exceptions, in order: pairs of properly-fitting shoes, telephone and computer and, finally, paying arrears and bills.

**TABLE 5: MOST FREQUENT ORDER OF CURTAILMENT AMONG BASIC ITEMS AS DEPRIVATION PROGRESSES**

	EU-27	DE	EL	ES	FR	IE	PT	RO
<b>Holidays (1)</b>	1	2	2	1	3	2	1	1
<b>Unexp. Expenses (2)</b>	2	1	3	3	2	1	8	7
<b>Furniture (3)</b>	3	6	1	2	1	3	2	2
<b>Leisure (4)</b>	5	4	6	5	5	7	5	4
<b>Pocket money (5)</b>	4	5	8	4	4	5	4	5
<b>Drink/meal out (6)</b>	6	3	9	6	8	6	6	3
<b>Clothes (7)</b>	7	8	7	8	7	13	7	8
<b>Meat/chicken/fish (8)</b>	8	7	10	13	9	11	12	9
<b>Home warm (9)</b>	9	9	5	9	11	9	3	10
<b>Car (10)</b>	11	12	12	12	12	8	10	6
<b>Arrears (11)</b>	10	10	4	7	6	4	13	11
<b>Computer Internet (12)</b>	12	13	11	10	13	10	11	12
<b>Shoes (13)</b>	13	11	13	11	10	12	9	13

Source: EU-SILC 2009 cross-sectional data, Users' database — August 2011, authors' computation.

1. To afford one week's annual holiday away from home;
2. to pay unexpected expenses;
3. to replace worn-out furniture (but would like to have);
4. to have regular leisure activities;
5. to spend a small amount of money each week on oneself without having to check with anyone (hereafter referred to as 'pocket money');
6. to get together with friends/family for a drink/meal at least monthly;
7. to replace worn-out clothes with some new (not second-hand) ones;
8. to afford a meal with meat, chicken, fish or vegetarian equivalent every second day;
9. to keep home adequately warm;
10. to afford/have access to a car/van for private use (but would like to have);
11. to avoid arrears (mortgage or rent, utility bills or hire purchase instalments);
12. to afford a computer and an internet connection (but would like to have);
13. to afford two pairs of properly fitting shoes, including a pair of all-weather shoes.

Irrespective of the country, being unemployed automatically goes hand-in-hand with deprivation through consumption restrictions. No unemployed person interviewed had an experience that would go against this trend. The discussion, at least on the face of it, is the same: once any savings they had were used up, the unemployed all say that they began by reducing budget items covering holidays, leisure, culture, restaurant meals and buying clothes, and then felt forced to better control all of their expenses, including food and health.

We can begin by examining the case of the unemployed Germans. Despite a drop in economic activity, the impact on the labour market and on unemployment was relatively moderate. Virtually all the people interviewed mentioned low wages as a problem when they talked about their job hunting and the situation in Germany's labour market. They often had low incomes when they were working, or were aware of the low incomes of their acquaintances who were working<sup>(6)</sup>. They often referred to the benefits of the German social protection system and to the unemployment benefit enabling them to pay their rent and cover their basic needs. However, virtually everyone surveyed had trouble 'making ends meet' and had to deal with different types of deprivation<sup>(7)</sup>.

Taking all the interviews into account, there are three items that are particularly affected when it comes to deprivation: holidays, socio-cultural involvement (going out with friends to restaurants, theatre, cinema, etc.) and, to a lesser degree, food and clothing<sup>(8)</sup>.

Another strategy for adapting to deprivation, and which was found among many of the people surveyed in Germany who have dependents, is what could be called the self-deprivation strategy. Many survey respondents said that they, as parents, went without many things they were in a habit of doing or buying so as to ensure that their children did not miss out on anything. This covered things like buying new clothes for themselves or going out with friends to restaurants or cafes.

*'For example, I might need clothes, outfits and shoes. These are the things I go without. [...] I put my daughter first, then think about how we can survive with the money we get to eat, drink, etc.'*

Man, 53 years of age, Germany, single with 1 child, unemployed since 2007

The interviews conducted in France reveal quite similar situations. The unemployed people interviewed have to deal with many financial difficulties and see their standard of living drastically restricted, but not to life-threatening levels. A common point in all the interviews conducted in France is that the unemployment experience is synonymous with restrictions. The budget items most affected are still, as in Germany, those related to leisure, culture and social life. Spending on items related to clothing purchases and food is also reduced. The unemployed buy less quantity, but also compromise on quality, the key being to pay less. In some cases, the reduced expenditure is enough to ensure they have a standard of living that is still acceptable, despite being precarious. But there are also cases where unemployment puts the financial situation out of balance, to the point of forcing them to go into debt; the difficulty of not being able to pay bills leads to insomnia and daily stress.

The excerpts below reflect the constraints faced by France's unemployed, yet what also emerges is a relative handle on the deprivation process. Above all, the experiences recounted show a daily restriction in all its forms:

*'Anything that isn't essential on a day-to-day basis I've taken out, the majority of leisure activities is one such thing... it's food that I look at closely, reducing any costs that can be reduced, monthly payments, reducing things, changing private health insurance, finding a cheaper one.'*

Man, France, 37 years of age, single, unemployed for more than 2 years, urban area

The people interviewed deprive themselves of many budget items yet point out at the same time that they have never

<sup>(6)</sup> At the start of 2012, 1.3 million employees were receiving additional support as they were not earning enough to live on. This number was 26% higher than in 2007. In Hand-Böckler-Stiftung, Mehr Frauen als Männer beziehen trotz Erwerbstätigkeit Arbeitslosengeld II – Alleinerziehende besonders betroffen. Pressemitteilung vom 21.06.2013, p. 1. [http://www.boeckler.de/pdf/pm\\_wsi\\_2013\\_06\\_21.pdf](http://www.boeckler.de/pdf/pm_wsi_2013_06_21.pdf)

<sup>(7)</sup> In the early 2000s, Germany introduced major reforms for its labour market and reformed its social protection system for unemployment. The Hartz IV benefit for the long-term unemployed gives them enough to remain above the poverty line, however, if there are 1 or more children, the financial situation is more difficult to manage.

<sup>(8)</sup> In a 1991 study, clothing was on the other hand placed at the top of the deprivation list, followed by holidays and food. Hess D., Hartenstein W. and Smid M., Auswirkungen von Arbeitslosigkeit auf die Familie. Mitteilungen aus der Arbeitsmarkt- und Berufsforschung (MittIAB) 24, 1991.

been reduced to depriving themselves of food. Throughout everything, spending on food consumption appears to be a priority for anyone wanting to maintain personal balance.

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*'The main thing first up is to pay the bills... rent, telephone, electricity, basically anything that has to be paid each month, eating,... heating, of course!'*

Woman, France, 59 years of age, lives alone, unemployed less than 6 months, urban area

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*'I pay attention to what I buy and I cook myself, it costs less and it's also better, but no, there are no sacrifices. Even eating a lot of rice, but at least eating, you know?'*

Man, France, 45 years of age, divorced, 4 children, unemployed for more than 2 years, urban area

The majority of people interviewed live day to day. Only one incident is needed for everything to start unravelling.

In rural areas, for example, it is important to have access to a car to do the shopping, and also to look for work. Some unemployed people live under a cloud of pending repairs to their cars, which are often old, or insurance bills to pay.

Generally speaking, both the French and the German unemployed appear to manage to get by and cope with their reduced standard of living. They don't get there without sacrifices and the efforts made test them both physically and psychologically, however despite everything they manage to keep themselves out of extreme poverty. This observation does not mean of course that extreme poverty does not exist in France and Germany. However, these extreme situations are found more often among people who are more disconnected from the labour market than among the unemployed who are still actively looking for work.



“I am just about surviving”

Man, Ireland, 41 year old

## 5. Surviving severe poverty

There are variations in each country relating to the personal situation of each individual with regard to material and relational support within their circle of friends and family as well as their housing situation and the local environment. In the interviews, we met in some countries individuals who had fallen to far deeper levels of deprivation and material hardship. They testified to an overall downward trend toward severe poverty.

In Spain, Portugal, Ireland, Greece or Romania, the unemployed say that, as in Germany and France, their spending on leisure activities and their access to cultural events and vacations have contracted sharply since the crisis. However, it seems little in comparison with other kinds of deprivation observed in these countries.

What is most striking is the deprivation that not only affects one's way of life, but cuts into the sheer minimum needed for survival<sup>(9)</sup>. In some cases we have seen nutritional deficiency. Several unemployed Spaniards admitted in the survey to having experienced hunger due to their inability to buy enough food. To avoid steep gas and electricity bills, other unemployed Spaniards have chosen to turn off the heating in their homes and stave off the cold by

wearing more clothing. And others have sold their electric appliances in order to consume less energy.

**'I had to sell televisions and everything. I had to sell a stereo that my mother bought me... I had to sell a TV... well, I sold a few things to eat and to pay something, if not, nothing.'**

Man, Spain, 49 years of age, married, 2 children, unemployed, as is his spouse, urban area

In numerous interviews we encountered individuals struggling to get by, and finding it difficult even to cover the basic cost of food for themselves and their families.

It is often a great challenge for young families to provide enough food for their children. Households are often forced to cut back on the amount they have to eat.

**Look, just in milk..., a carton of milk is almost 3 euros. Besides the pasta that you have to buy, rice... all that stuff, cereals, yoghurts... We do not buy it now, obviously, because we cannot, right?... we have help from the church, from time to time they send us yoghurts. Only that we have to freeze them because... Some are already out of the period of validity when they give them to us... But when I freeze them it isn't just for that, but because they... This one, mostly, the youngest [son], the smallest, he goes to the fridge and he eats everything! This kid is always eating, as long as he has food in front of him, he doesn't stop!**

Man, Portugal, 26 years of age, couple with children unemployed for more than 6 months, working partner, urban area

<sup>(9)</sup> For a deeper analysis of the impact of the crisis on the living conditions of households in Spain, see Martínez Virto, Lucía (2010). 'Estrategias de supervivencia y adaptación de los hogares a los nuevos bonddmpos' in *El primer impacto de la crisis en la cohesión social en España*. M. Laparra y B. Pérez Eransus. Madrid, Fundación Foessa.

The great majority of the unemployed we met in Ireland also described their situation as a 'matter of survival'. For these individuals, survival meant looking for ways to make ends meet in any while possible, while never being certain of their ability to do so. It is a state of deprivation that fills people with a sense of distress and extreme vulnerability.

Nevertheless, these survival skills are put to the challenge, and a segment of those who believed they were surviving also noted that their situation was deteriorating.

*'I'm just about surviving. I feel like I'm drowning at the moment... The little debts are becoming bigger debts and I really need to get a job, I really, really need to get a job, sort of desperately now looking for a job.'*

Man, Ireland, 41 years of age, in a couple with 3 children, unemployed since 2012, working partner, urban area

While the individual assessment as to whether one was living in poverty or in a state of survival varied, all reported deprivation that varied according to the makeup of the household and the level of available resources. The interviewees all expressed different levels of deprivation: those in the worst straits were those who had no outside support, along with households with children, as is illustrated in the excerpt below.

*'Well, it was quite tough. I mean myself and my wife mightn't eat for a day or two just to make sure the kids had food, that kind of thing. We've had no holidays in three or four years, maybe four or five years. The children wouldn't be very - they wouldn't be wearing top of the range, designer clothing. We've just cut everything back as much as we could. We don't put the lights on until necessary and the same with the heating and all that kind of stuff. So, the kids have been understanding and so has my wife, so we're still here and we're still healthy and we're still together. So, it's not all bad, you know.'*

Man, Ireland, 47 years of age, couple, 2 children, unemployed since 2010, working partner, urban area

Deprivation was found in every area of expenditure. In the transport area, for example, several people mentioned that to be employable, they needed to keep their automobile, but that this required sacrifices in other areas due to the cost of insurance, etc. Others said they watched fuel prices and tried to avoid driving.

While Dublin residents must endure the poor quality and high cost of public transport, the hardships involved with travel are exacerbated for those living in rural areas.

*For food-wise, getting the food and that, it's about 10 minutes down the road, but it's all just one big area, just smaller places in the area. You just have to get a taxi in and out...no buses, or nothing, just taxis. Each time we come in here, yeah, it's costs me at least €20 coming in and out.*

Woman, Ireland, 50 years of age, single, 2 children, unemployed since 2009, rural area

These various forms of deprivation reflect the areas in which each individual feels they can cut back. These areas vary from one household to another, but the two main priorities are generally the bills and groceries, as is illustrated in the following excerpt:

*'The holiday was out the window. We don't go out. We used to go out maybe on a Friday night or a Saturday night, or go out for a bit of lunch, we haven't done that for a long time. Any sort of anything it's just food and bills now literally just food and bills.'*

Man, Ireland, 41 years of age, in a couple with children, unemployed since 2012, working partner, urban area

Again, deprivation is the rule. It is not unusual to skip meals, and it is common to skimp on electricity and gas.

*'I will buy oil and I will buy €100 worth of oil to heat the house once a month and so therefore the heating kind of only stays on for 20 minutes because the oil has to last the month because I only get it once a month... Now I have to buy firelogs and use a fire, oh God I hate them but yeah I would approach every situation like that.'*

Woman, Ireland, 32 years of age, single, 3 children, unemployed since 2012, rural area

A correlation is also seen between deprivation and lower quality housing. This situation is illustrated by the following excerpt in particular. She has found that, although she lives with her parents, due to the crisis, her family can no longer keep up with the maintenance of their home.

*'My Mam only works three days a week, so she doesn't get much money at all, and my Dad's pay got cut as well, recently, so they really have no money to be going out spare; they're struggling themselves, everything in the house is breaking and they can't afford to buy anything new. So, they would really like, they are always at me to get a job but, look, I have been trying my hardest lately and there's nothing coming up for me.'*

Woman, Ireland, 22 years of age, single, 1 child, lives with her parents, unemployed since 2009, urban area

People living with their parents must then make one more concession: giving up on leaving the family home due to a lack of resources for decent housing.

Nevertheless, the people we met were generally better off when they owned their own home or resided with homeowners, or such was the case for the people with whom they resided. Ireland is in fact primarily a land of homeowners. But, the rental market is relatively limited in scale and is decidedly inadequate to meet growing demand, making it difficult for the unemployed to find decent housing; furthermore, many landlords state explicitly in their adverts that they do not accept persons receiving assistance. These individuals are therefore often forced to rent shared accommodations far from the city centre, with high rent, or of the poor quality.

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*'No...It's just what we could get for what we could afford...It's small... it wouldn't be the best kept house ever, you know, like I go in and clean it all, but it's just superficial stuff, that's all you can do, like... If I wanted to live somewhere decent, I'd have to pay more money.'*

Man, Ireland, 48 years of age, married, no children, spouse employed, unemployed since 2011, urban area

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This was not the case for everyone we met, however. The urban renewal programme in one of the urban areas in which some of the interviews were conducted provided access to quality, affordable housing since it was operated by social landlords.

The interviews conducted in Ireland demonstrate that the primary ways people deal with the crisis in terms of consumption is to cut back in multiple areas and to purchase goods and services of lower quality. But this does not hold true for all people in all cases, since household size and available financial resources are also important factors. For example, having an employed partner, owning one's home, and living with one's parents all offset these negative effects. What's more, for some, this form of 'forced degrowth' is providing the impetus for an improved diet incorporating more home cooking and particularly

more vegetables, which are less expensive than meat, fish or convenience foods.

We found similar approaches to the crisis in Romania. First, when people are subject to reduced incomes following the loss of a job, they tend to reduce their basic spending and their consumption. Spending cuts followed different patterns based on the family makeup: families with school-age children try to avoid letting children go hungry.

It also appears that having internet access is considered essential for school children: parents say that some homework cannot be done at home unless there is internet access, since children are now generally instructed to use on-line sources rather than the library. Obviously, holidays spent far from home were out of the question for the persons interviewed. For children, 'holidays' meant visits with grandparents in the country, since this was almost the only way to have a vacation away from home. Recreation is also severely restricted, first because individuals cannot afford to see a film or go to a restaurant, and, secondly, because the social aspect of leisure time (going out with friends, sharing meals) is also called into question when social bonds weaken.

Household expenses are closely monitored and spread out to ensure that the high costs of heating can be covered in the winter (the cost of utilities for a three-room apartment averages €50 in summer and €200 in winter). Some households receive heating subsidies. Fuel prices have also increased significantly in the past four years, preventing those interviewed from using a car, even when the household owns one. Many of the interviewees were receiving food aid from the European Union. Apart from this support, it was rare to find other subsidies from public institutions or charities.

Another strategy for surviving the crisis, particularly for single individuals, was to move back home with one's parents, either on a temporary or permanent basis. The parents almost always receive a pension, and even if it is modest, it is more stable than other forms of income that

are perceived as being very volatile during the current crisis. For some of the unemployed we interviewed in Romania, day-to-day survival is a struggle, as is portrayed in the following excerpt:

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**'We're wondering every day how we're going to put food on the table for our kids, you know, how are we going to do it, where are we going to find it. So sometimes I go and pick nuts. In a day or two, I'm going to take care of the vineyard – we sell wine grapes, so based on a price of €2 or €3 per kilo we get an average calculation... So, we are living from hand to mouth, trying to make some money every day.'**

Man, Romania, 29 years of age, in a couple with children, unemployed more than a year, partner not working, urban area

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In the interviews we conducted in Romania, we noted the same trends we had seen in other southern European countries and Ireland. It should be stressed, however, that the crisis has perhaps not increased the risk of poverty in Romania to the extent that it has in other countries. Romania was already structurally affected by poverty before the onset of the economic recession with the result that strategies to cope with poverty were already part and parcel of people's lives, at least among the lower end of the economic spectrum, to such an extent that the prospect of emigration was a tangible alternative for them. It may well be that the situation has changed in this respect: in a context of recession in Europe, leaving is becoming more difficult than before.

“You just have to do what you can do”

Man, Ireland, 38 year old

## 6. Searching out for cheap products

Faced with the crisis, two consumption practices have become more prominent. One, more urban, involves consuming the cheapest products, in most cases of lower quality, the other, more rural, involves getting back to the practices of self-sufficiency traditionally followed in farming communities.

Aside from sacrifices, the extent of which is variable, consumption methods adapt to scarcity in a transversal way<sup>(10)</sup>. This general trend emerged from all the interviews. Unemployed Europeans are forced to buy at the best price and, therefore, to look at cheap product ranges. They compare prices daily and are clearly forced to buy on the basis of spend less.

In Spain, as elsewhere, there are ways of adapting to the constraint of food deprivation. It is possible to buy food at low prices by going to shops offering cheap products, sometimes extremely cheap.

*'I eat a lot of frozen food, I go down here in the neighbourhood, to the frozen food stores,... and, well, with €25, I have for 2 weeks, vegetables, fish... I get by.'*

Woman, Spain, 53 years of age, lives alone, long-term unemployed and undeclared work, urban area

In Ireland, one third of those interviewed explained that they not only reduced their spending on clothes but also went to less fashionable chains of stores.

*'[before,] it wouldn't have bothered me to pay €50/€60 for a pair of jeans and now it's like I want 2 pairs for €50. So that's what it's like now, but even buying jeans, if I'm lucky I get a pair a year. So, you just have to do what you can do.'*

Man, Ireland, 38 years of age, couple, 1 child, unemployed since 2010, working partner, rural area

<sup>(10)</sup> Hohnen explains that the consumption of people on low incomes differs less from the consumption of the rest of the population in terms of taste or style than in terms of access to distinct consumption markets. Hohnen P., 'Having the wrong kind of money. A qualitative analysis of new forms of financial, social and moral exclusion, in consumerist Scandinavia', *The Sociological Review*, 55 (4), 2007, pp. 748–767.

Those interviewed explained that they now do their shopping in low cost shops and are always looking out for promotional offers or the cheapest products.

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*'I go for the cheapest option most of the time and my shopping list has remained the same for three years now because of the money situation and how tight it gets. The dinners would be listed out for the 7 days... You get used to it but it's not fun.'*

Female, Ireland, 32 years of age, single, 3 children, unemployed since 2012, rural area

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Being able to get to low cost shops, however, is a solution that remains out of reach for some people. Again, you need to live near these large hard-discount chains which are concentrated in urban areas, most often near working-class neighbourhoods. To benefit from this in rural areas, you often need to be able to travel dozens

of kilometres from home, which does not always make financial sense. The alternative, space permitting, is therefore to grow your own vegetables. In the rural areas where the survey was conducted, this self-consumption practice is widespread. An unemployed Greek man living in a farming area explains this subsistence strategy very clearly.

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*'It's happened to me as well, I want to go somewhere but have no money to pay for petrol so have to borrow money from my father. I'd never done that before. If people hadn't started growing vegetables, the food problem would have been much worse. To the point of no longer even having enough to buy bread. A lot of people started to provide for themselves. **As for me, before 2008, I had no interest in that at all, but now, I know how to grow potatoes.'***

Man, Greece, 35 years of age, married, 2 children, working partner

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“I don't know how I'm going to get myself out of it”

Man, Greece, 40 year old

## 7. The risk of debt and of bank exclusion

Living with less' or 'surviving in severe poverty' comes back to hardship levels of varying degrees, however in both cases, the people experiencing this are rarely protected from the anxiety surrounding not being able to make ends meet. The situation recurrently emerging from the interviews is that of not being able to pay an unexpected bill.

In some cases, when there is a build-up of several unpaid bills and it becomes impossible to pay them all at the same time, an evaluation needs to be conducted on what needs to be paid as a priority. This involves calculating the risk incurred in making one or other creditor wait.

*'I sometimes go through phases where I can actually wake up 3 times during the night, thinking "damn, what are we going to do?"... "how's it going to work?"... "how am I going to pay this bill?"...'*

Woman, France, 46 years of age, single, lives alone with an adult-age child, unemployed for more than 6 months, urban area

**I get really stressed about it as I don't know how I'm going to get myself out of it. I can't pay the tax**

*I owe. How can I pay? I've just gone over €5 000 into debt to the OGA (Agricultural Insurance Organisation in Greece) which is going to pass this on to the tax department and then they'll start seizing property. What are they going to take from me? Are they going to cancel my subsidies?'*

Man, Greece, 40 years of age, single, rural area

*'I had already borrowed a lot of money from friends, and with the bar, I went under. I owed everywhere, suppliers, customers, friends. I owed money to everyone I knew, and still owe them.... **I'm incredibly distressed because I owe money to my friends, my closest friends.** I feel really awful. Nobody says anything to me, but they need their money. They're not rich.'*

Woman, Greece, 51 years of age, single mother of a young adult child, urban area

*'It's really difficult. **I don't sleep at night, everything spins around in my head.** As soon as I lie down, it all starts, rents, electricity, taxes, everything. I haven't been to the tax office to settle my debts. I have loans with two banks. I tell them, don't expect me to pay you now that I've lost my job, do what you want. They haven't got on*

*my back yet about all this. I've no idea what's going to happen.'*

Man, Greece, 51 years of age, married, non-working partner, unemployed adult child, urban area

*'We are about 1 month behind. For example, we're almost 2 months behind with the gas, no, sorry, 1 month. Electricity was paid on time, as we had lower consumption. Because we paid it before we came here. We're only 2 months behind. We're heading into the third month now. And, the water bill was very high due to a leak... we don't know how to repair it, and it costs a lot, a tap like that is about 60 lei and with this amount we can pay the electricity or gas, this is how we do the calculations.'*

Man, Romania, 29 years of age, in a couple with children, unemployed more than a year, partner not working, urban area

To avoid such a debt process, some households have taken a survival management approach on a day-to-day basis, or almost. The interviews show us for example how in a couple, one receives his/her unemployment benefit on Monday, the other on Wednesday, which means they can cover their expenses until Friday. They spend the weekend doing without things. For those endeavouring to manage these particularly tight budgets, the approach is based on allocating money to food and bills as a priority.

*'Yeah, I kind of did a budget and roughly — except it is hard to keep to. As soon as I get my social welfare pay every week, the first thing I do is go and do a food shop and I keep money aside each week for rent and bills*

*and things like that. As I said I have been using a bit of savings up until now, so I am going to have to manage it better..'*

Woman, Ireland, 37 years of age, single with no children, unemployed since 2011, urban area

The Irish case is specific. Not one of the people interviewed continues to use a bank account, or does so but as little as necessary<sup>(11)</sup>. This bank exclusion can be explained by both the costs connected with the bank services and also the desire to retain control of this spending<sup>(12)</sup>. Cash is seen as offering greater control, as each expense is made more real, thus offering more certainty over the budget situation<sup>(13)</sup>.

Controlling all daily expenses after making heavy sacrifices, at the same time keeping away from banking institutions, enables people to cope with spiralling debt, something that almost always leads to mental distress. It is not always easy to avoid this spiral. Households with children are no doubt more affected than others in terms of consuming in a way that meets the pressing needs of social integration. The dilemma therefore comes back to choosing from two options: doing without things on a daily basis, which leads to a major risk of social isolation, or debt, which allows for safeguarding, at least in the short term, a minimum level of integration, but at the cost of a risk of social disqualification in the medium term or thereabouts. In reality, this dilemma is often determined by external resources that the household can tap into via its social networks, beginning with solidarity, something that we have not yet analysed.

<sup>(11)</sup> This situation was not mentioned in the interviews conducted in the other countries, which does not mean that it does not exist.

<sup>(12)</sup> Gloukoviezoff, G., *L'exclusion bancaire. Le lien social à l'épreuve de la rentabilité*, Paris, PUF, 'Le lien social', 2010.

<sup>(13)</sup> Corr, C., *Managing a low income within the electronic economy*, Communication at the ESRI conference, 8 March, Dublin, 2011.

## 8. Forgoing medical care

The effects of the crisis also reverberate throughout the health care system. Getting access to care is obviously more problematic in countries with inadequate or less developed health insurance systems, but this problem is all the more acute in times of crisis. Several unemployed Spaniards, for example, openly discussed the physical suffering caused by their health problems, and at the same time, the near necessity of forgoing palliative care.

The examples below are indicative of this quandary.

*'I have the molars here, this... Terrible mouth....Before, when you could, well, look, you had a bad tooth and you went for a filling, this, that, occasionally for cleaning the mouth, but now, nothing'*

Man, Spain, 50 years of age, married, 2 children, rural area

*I am missing many teeth and I cannot make it. In fact, I have several broken teeth. Doing root canals, that's worth a lot of money that I do not possess. And, for me, man, I understand that the mouth is essential for food and for all that but I still have a few teeth and with those I am still going forward.'*

Man, Spain, 43 years of age, separated, one child, lives with his brother, unemployed since 2008, rural area

**“Without money, you're dead”**

Man, Greece, 52 year old

In some cases, unable to afford the medicines critical to their health, the unemployed have been forced to stop their medical treatment due to their inability to pay.

*'I have cholesterol..... if I take pills... if I take the pill my wife and daughters end up without eating and no, I'd rather stay without it than... all I have is for them.'*

Man, Spain, 49 years of age, married, 2 children, unemployed, as is his spouse, urban area

The experience of unemployment causes stress over the inability to make ends meet.

*'There are ups and downs, periods when I know very well that some things are coming due, and it's very upsetting. When I have to pay my health insurance bill, it's true that I tell myself, I may have to cancel my annual policy which is coming due, I won't be able to renew it anymore because I can't afford that today.'*

Woman, France, 46 years of age, single, lives alone with an adult-age child, unemployed for more than 6 months, urban area

The interviews we conducted in Greece revealed such serious problems in accessing health care that the unemployed we spoke with had lost all confidence in the

health care system. Many have reached the distressing conclusion that only the rich can receive treatment. The excerpts below relate their disillusionment:

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*'We don't have any hospitals. Well, we have hospitals buildings, but not enough medical staff to make them fully functioning. **What this means is that unless you know someone at the hospital, no one will take care of you.** In health terms this means, unless you know someone, you die. Meaning that you need connections to get in. If you need an operation, where are you going to find the money? Health care, it's nonexistent. It only exists on paper. **Without money, you're dead.**'*

Man, Greece, 52 years of age, married, 2 children, non-working partner

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**'There is too much discrimination in the health care system. Forget it if you want to go to the dentist. You need a thousand euros for your teeth. If you need an emergency X-ray, you'll wait a month and a half. Even if you have very advanced cancer, without money, you can't get treatment.'**

Woman, Greece, 51 years of age, single mother

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The level of hardship is less severe in Ireland in terms of health care since the unemployed generally have a medical card providing free access to general practitioners. Nevertheless, medicines are not free. This problem is exacerbated by the fact that the cost of medicine in Ireland is among the highest in Europe (triple the cost of the neighbouring UK, for example)<sup>(14)</sup>.

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<sup>(14)</sup> Mr. Szekely, Director of Economic and Financial Affairs of the European Commission, mentioned this point in the beginning of November 2013, during his meeting with the Irish government.



“Your status changes and you find yourself alone”

Man, France, 45 year old

## 9. Social lives on hold

The parent-child relationship is the front line of defence in a financial crisis. But what about social bonds beyond the family? Socialization has many facets: neighbourhoods, groups of friends, local communities, religious, sporting, and cultural organisations, etc. Friendship is a perfect example of this type of connection. But with the collapse of living standards, the elective bonds of participation are weakened by the unemployment experience. Nevertheless, the deepest friendships remain solid, particularly in the southern European countries where the unemployed generally remain connected to local networks of neighbourhood solidarity, which often have bonds with the family.

**Our series of interviews confirm that one immediate consequence of unemployment is a drop-off in one's social life.** This is not to say that friends vanish overnight and that the unemployed all end up facing a social vacuum. Friends may remain supportive. Many unemployed individuals told us that they had enduring friendships on which they could still rely. But in all of

the countries we looked at, the unemployed nearly universally observed a dramatic ebb in their social life. This can be explained both the high cost of maintaining social relationships (drinks, rounds at the pub) and by feeling stigmatised.

*'...I went as far as the pub and looked in the window, I saw them, but I didn't have a [expletive] fiver to buy the first pint, so I looked in and I knew if I got in, if I went in, you know it would happen, you know, so I drove all the way in, I got in went to the pub and looked in, I seen everybody and I went [expletive] home.'*

Man, Ireland, 50 years of age, couple, unemployed since 2008, unemployed spouse, urban area

Some look for strategies which will not only prevent them from slipping into relationships of dependence toward their acquaintances (or families), but also allow them to withhold the real reason for passing up certain activities:

*'So I often say I don't feel like it. But it isn't true that I don't feel like it, it's just that I don't have the money.'*

Woman, Germany, 42 years of age, single with 1 child, unemployed since 2012, urban area

*'Before, we mingled with people who both made a good living, but now we've distanced ourselves a bit. Not because we don't like them or because they splash their money around, but because we can't keep up with them. Impromptu things like going out to dinner or seeing a show. You cannot do it, you always have to back out and say something like 'No, we can't do it'. **And after a while it becomes uncomfortable and we kind of fall out of those circles.***

Woman, Germany, 52 years of age, couple, with children, working partner, unemployed since 2010, rural area

However, the subject of costs does not generally seem taboo since friends who may or may not be working also face challenges that can easily be explained by the crisis and austerity policies.

*'But then again most of our friends would be in pretty much the same position there's nobody really going out for extravagant nights out because even people who are still working at this stage they're struggling with all the austerity measures.'*

Man, Ireland, 55 years of age, married, 2 children, unemployed since 2010, disabled partner, rural area

The status of being unemployed is also an issue. Some of the unemployed have described in great detail the increasing isolation they have experienced. This arises in part from the contempt-tinged glances they often receive, but also from the tendency of the unemployed to avoid contact with others for fear of rejection or belittlement. This behaviour appears more frequently to be the **act of withdrawing** than of being excluded by others.

*'I was making good money at my first company, I mean really good, and had a lot of friends, it's true, and then when things went south, many of them disappeared.'*

**Your status changes and you find yourself alone.'**

Man, France, 45 years of age, divorced, 4 children, unemployed for more than 2 years, urban area

In the southern European countries, which have had massive unemployment for several years, the economic crisis also seems to have profoundly affected elective networks. As we have seen, without money, the ability to go out, enjoy entertainment and meet friends in restaurants and cafes is sharply curtailed. But while it's almost a given that the time spent socialising dissipates, the unemployed distinguish between true friends on whom they can rely, who remain friends, and the rest, with whom they only had superficial relationships which were sorely tested and ultimately faded. **This scenario plays out in Portugal, Spain, Greece, and even in Romania.**

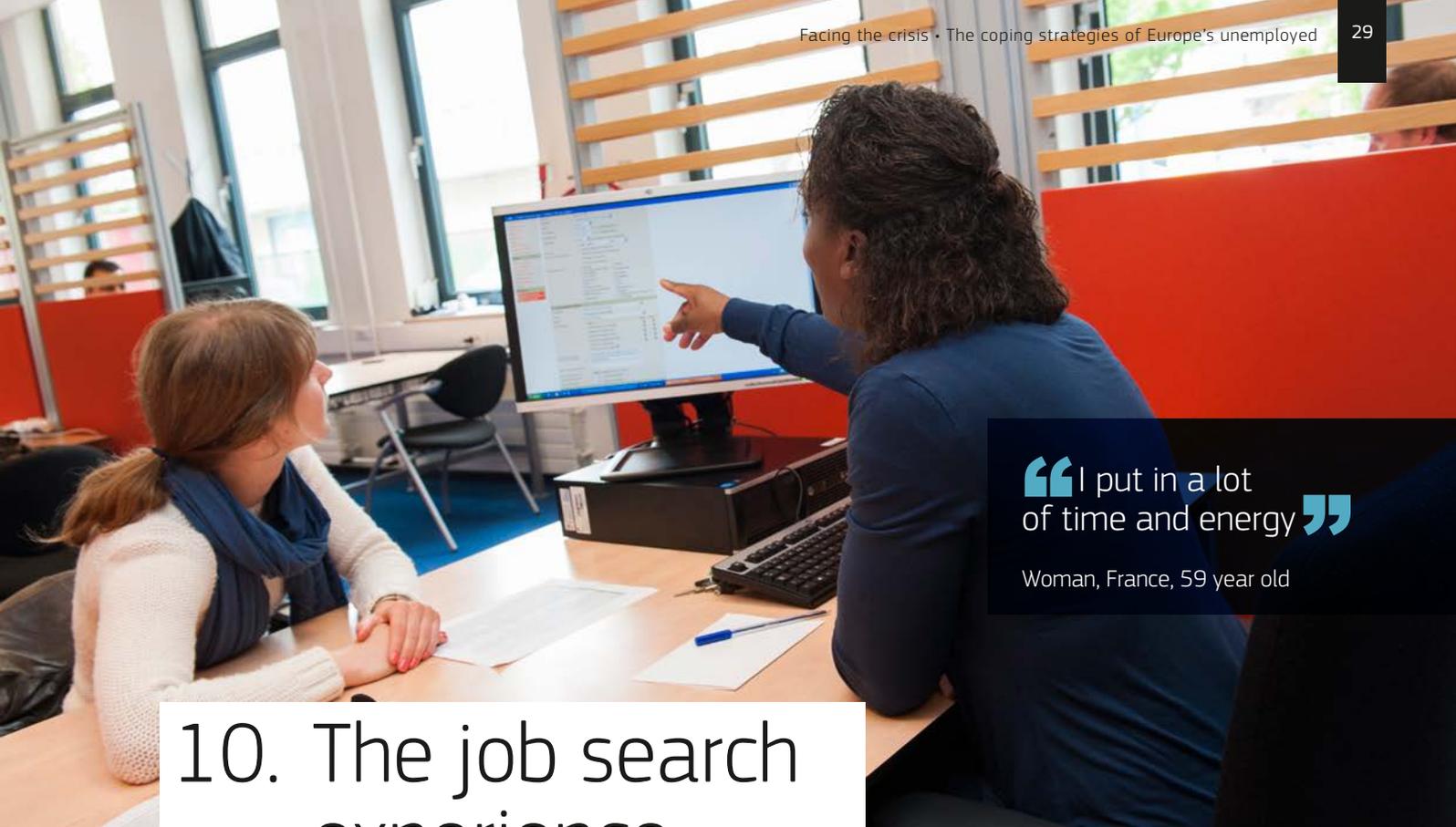
*'It's different now – some [friends] have become closer and others have disappeared. The crisis really caused havoc. Casual acquaintances who just wanted to meet up for a drink have disappeared... Now that you have no money, you don't go out. People nearby who you like come around to visit. A few superficial relationships are eliminated. But you become even closer to your true friends. **So you separate the wheat from the chaff.***

Woman, Greece, 51 years of age, single mother, urban area

Withdrawal from the working world also results in an erosion of social relationships, since the opportunity to meet friends from work both inside and outside the workplace is lost. **Only one interviewee saw her inability to find employment as having a positive impact on her social relationships.**

*'When I was raising [my son] and looking after my nieces, my world got very small. It was mostly family, maybe one or two outside friends. But when I went to VTOS [training programme], I made some fantastic friends who were in exactly the same boat as me and, actually, they're coming to my house tonight just for a chat. But I made fantastic friends and all in the same boat and we still – we're keeping in contact.'*

Woman, Ireland, 59 years of age, single with no children, unemployed since 2008, rural area



“I put in a lot of time and energy”

Woman, France, 59 year old

## 10. The job search experience

The difficulty of finding work would seem to challenge the notion of self-fulfilment through work, but this is not the case – paradoxically it seems to strengthen it.

In the European countries, the social norms underpinning professional life took shape throughout the 20<sup>th</sup> century and form the basis of what is termed the wage society. Participation in the workforce not only suggests fulfilment through work, it also means connecting beyond the work world to the underlying bedrock of basic protections that came out of the social movements surrounding the issue of welfare. For an employee, ‘having a job’ means the opportunity to be successful at a productive activity and at the same time, to be assured of certain future guarantees. We can therefore define the ideal form of workforce integration as one that provides both material and symbolic rewards for labour and the social protections afforded by employment.

This model, which reached its zenith during ‘The Thirty Glorious Years’, has been cast in doubt, at least partially. But paradoxically, the model of the steady wage-earner, which is the basis for social integration and which therefore defines professional success, is still the standard of

reference. Since it is impossible, or nearly impossible, for the unemployed to conform to this dominant model, they have a strong likelihood of suffering **social disqualification**.

We can nevertheless postulate that this ordeal is harshest in the countries that have experienced an integrated wage society in the past. The southern European countries, and particularly the poorest regions, have recently experienced rapid economic development<sup>(15)</sup>. The wage society arrived late and unevenly in these regions. **The crisis dealt a harsh setback to the progress the South was making in catching up with the North.** Therefore, as we will show below, the standards of professional integration are still strongly influenced by the underground economy and the search for ways to eke out a living on the margins of the labour market.

In France, the unemployed we interviewed had strongly internalised the norm of stable employment as the foundation of integration into society, and holding this view can lead to discouragement. Still, on the whole we found the persons we interviewed to be very diligent in their job search. Some rigorously plan out their time so as to organise their job search as a job in itself; this commitment is illustrated in the excerpts below.

<sup>(15)</sup> As an example, the employment rate was very high in Portugal in the early 2000s in Portugal, fully 5 % higher than in France.

*'I don't want to live off the system, all that, and to just say: Why bother working?' I really don't! **Work is important morally – you need to feel useful, (...) It's so important to get on with your life, like everyone else, go to work in the morning, come back in the evening, etc., have weekends like everyone else...** because when you're not working, your weekdays and weekends are totally out of whack.'*

Man, France, 37 years of age, single, unemployed for more than 2 years, urban area

*'I put in a lot of time and energy, and since I have a large network, it's true that I have connections everywhere, but I also check the sites, but once again, they're always posting listings with qualifications that don't pertain to me. Or for example, they offer you things... like I was offered a job as a mail carrier for the disabled, I didn't even understand what they were looking for...'*

Woman, France, 59 years of age, lives alone, separated, unemployed less than 6 months, urban area

*'I feel as if I'm always struggling, although I have a degree, I'm educated, I have a lot of things, but I feel like I'm always living on the edge.'*

Woman, France, 44 years of age, single, no children, graphic designer, unemployed for less than 6 months, urban area

While the unemployed French we interviewed were generally proactive in their job search, they were critical of the usefulness of the Job Centre, which they unanimously viewed as a structure that does not help. Some of the interviewees even admitted to losing their temper with the agents who were supposed to be helping them in their search.

The unemployed Germans we interviewed were also very active in their job search, although some had given up due to the lack of job offers, or they felt discouraged by rejection. Some try to broaden their search and investigate other fields, or consider a career transition when they realise there aren't enough opportunities in their field. But this requires a certain strength of character and self-confidence in approaching the adviser with this request. Assistance in transitioning to a new field depends on many factors: age, initial training, the health of the applicant and the number of subsidies already received for professional retraining.

Most of those surveyed complained about not receiving enough help from the Job Centres. Those who had used the federal employment agency the first year they were

unemployed noted the difference between these two institutions, both in terms of how they were received and in terms of the level of assistance provided in the job search:

*'They are so much kinder at the employment agency. They'll say, "Oh my God, we're really sorry to hear that" and are so much more human, but at the Job Centre they're like, "It's your fault, why are you unemployed [...]" Plus they have such high security it's hard to get in anymore.'*

Man, Germany, 37 years of age, couple, 1 child, working partner, unemployed since 2010, rural area

Going to the Job Centre was a painful experience for many of the respondents. One spoke of *anger*, another of *feeling naked*. Feared that their benefits would be cut or that they would be placed in training that, according to some, didn't amount to much. The problem does not lie with the advisors on staff, the problem instead lies mainly with the institution, which metes out controls and sanctions but does not fulfil its role of assisting with the return to employment.

*'Well, two months after an interview of that sort, in terms of my morale, I didn't even feel human. [...] Well, she sent me to this project I really had no interest in. [...]*

Woman, Germany, 54 years of age, single, unemployed since 2005, urban area

An important factor mentioned by respondents is the issue of wages. Germany has no general minimum wage: only certain industries have established minimum wages. Numerous surveys cite the issue of low wages in Germany to explain the lack of motivation to seek employment. While most of the respondents expressed a desire to work, they had trouble coming to grips with the idea of taking a job, when they would still need benefits just to get by:

*'Financially I can't afford to go to work. There is no other way to put it. And I believe that things are absolutely going in the wrong direction. For example, I am totally in support of the minimum wage.'*

Woman, Germany, 31 years of age, couple, no children, working partner, unemployed since 2012, rural area

*'I am aware of the fact that if I work full time, I still won't have much more money than I do now. But that's why I still want to go to work.'*

Man, Germany, 48 years of age, couple, with 3 children, working partner, unemployed since 2012, rural area

The unemployed in Ireland also expressed in emotional terms what work meant to them. There were four stand-out characteristics – the first was the **salary**. One unemployed individual stated that he would accept anything as long as it enabled him to pay his bills, and only then would he worry about what type of work it was. The second characteristic is that work **gives structure to life** – a reason to get out of bed in the morning. This is of particular significance since long-term unemployment can shatter the framework of daily living, leaving many without motivation. The third characteristic of work is that it confers **status**, which takes two possible forms. First, it provides a sense of belonging to the group one joins at work.

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*'So if I go back to work, it's the whole sense of being part of something, it's great. And that's why I'm doing the acting now. It's good to be part of... if you're on the dole, if you're unemployed and you're not involved with something it's hard. **You have to get yourself involved** and if getting involved with something is working – I've ran social clubs and jobs and all so if I can get back into work it would be great, the best thing ever, won't know myself.'*

Man, Ireland, 38 years of age, couple, 1 child, unemployed since 2010,  
working partner, rural area

Second it makes people feel they are **viewed by others more highly**. Being unemployed is seen as degrading, yet a 50-year-old woman described the glances that people gave her for the work she carried out under a Community Employment scheme, which were just as harsh.

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*You mean fulltime work. Like I call it working here but it's actually not. My daughter she works in the community as well. She is a youth worker. **She keeps saying 'Mam it's not a job' but I consider it a job because I'm up here every day and I'm in here doing what I'm doing. Yeah it is training. I call it a job but I mean unemployed or not doing anything is sitting at home, you know, so to me it's getting up every morning and you are doing something, you are improving your own skills and trying to help, you know, people in the area and that'***

Woman, Ireland, 50 years of age, single, 2 children, unemployed since  
2009, rural area

And finally, the fourth characteristic associated with work is that it offers the **chance to accomplish something, to succeed**. This was often missing from the jobs many people held before they became unemployed. So this has provided an opportunity to question their previous daily lives and to make new life decisions that lead in sometimes radically different directions. Someone might no longer wish to work in computer science, but would like to work with the public. Another person might want to transition to

a job helping people rather than managing a mini-market. Someone else would like to leave the kitchen to become a counsellor.

With the exception of two individuals who were not seeking work – the first because she didn't feel confident in her ability to work and instead preferred to devote herself to raising her daughter, and the second because she was in was training – nearly all the unemployed people we met described the same daily reality: searching internet sites for postings and sending CVs and covering letters.

**Through the use of the internet**, the job search can be carried out at home several hours per day. For some, the combination of information accessibility and the need to find a job can turn this into harmful behaviour, as is seen in the following excerpts:

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*'Most of my checking for work is online and then I'd send off a CV and send the letter. Like I've done the training courses here, I've done training courses in the college about how to write a letter, how to present myself. So that's what I do. **Not most mornings, but a lot of mornings. Obviously Saturday and Sundays I don't, just don't bother my arse, excuse me, I don't mean to be cursing, but I don't care. I don't care on a Saturday and Sunday.'***

Man, Ireland, 38 years of age, couple, 1 child, unemployed since 2010,  
working partner, rural area

**Not receiving replies from employers** is what makes the time spent looking for a job the most painful. The great majority of the people we talked with emphasised how demoralising this silence could be. However, the individuals who did manage to get interviews did not necessarily find the experience any more gratifying.

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*'I get very down. There's days I'll just be sick of it. **I've sent out about 500 or 600 CVs** and sent them all over the place and in fairness though I got a few interviews, but you go to the interviews and it's just like I've done interview techniques so it's not a case of I don't know what I'm doing when I'm in there, it's just the case that you go for the job and then you go through the spec of the job and then they tell you and then OK and then it's the whole jumping through hoops that just gets you really down. I went for two interviews for a company and I was told if you get the second interview you more or less had the job. And I went for the second interview, did everything and then he told me by email, even though they rang me four times, **they told me by email I didn't get the job. They didn't even bother ringing me.'***

Man, Ireland, 38 years of age, couple, 1 child, unemployed since 2010,  
working partner, rural area

A well-qualified and experienced woman of 37 was invited to interview numerous times. She hastened to point out that the costs entailed in the job search were not only emotional but were also financial.

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*'I've had a good few interviews, I been shortlisted a couple of times as well and nothing yet. I was actually really annoyed last year. I applied for a job. It was only for four months and their designer wanted a long holiday or something and I drove from Dublin, it's like 4 and a half hours of a drive, had my interview, it went really, really well, had to do a skills test as well... they rang me the day after and said, a guy, a late applicant who was more local got the job. Basically because he was local he got the job, like over me. And I would have moved from Dublin for the four months because it was in pharmaceuticals. Generally pharmaceuticals will only hire a designer if you have a previous experience in a pharmaceutical. So, although it would have been a lot of hassle, moving and all that and back, it could have been worth it like. But that was a bit annoying, because I spent at least €150 on fuel between up and back, 9 hours driving twice back.'*

Woman, Ireland, 37 years of age, single with no children, unemployed since 2011, urban area

We may conclude that part of the problem with these individuals is their background – they are the long-term unemployed – but the vast majority also have the sense that despite their experience and diverse skills, there is simply not enough work for everyone, themselves included. A 48-year-old man believes he will probably never find another stable job. A disheartened woman notes that for each job for which she has applied, there were a hundred other candidates.

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**There's just no work out there.** *Because I was only earning €300 a week from the job doing 3 days a week, I thought 'ah I'll get another job, surely I can get another job doing that'. But as it tucks up, I haven't been able to get another job and I have tried, I have applied for quite a few different jobs, I've applied for McDonalds... because I don't have... Since then I just haven't been able to get another job that's the truth of the matter so that's where I'm at.'*

Man, Ireland, 41 years of age, in a couple with children, unemployed since 2012, working partner, urban area

In France, Germany and Ireland, the unemployed we interviewed expressed a sense of urgency to quickly find a job and said that they invested a great deal of time and energy in doing so. The challenge for many was to be successful in their work and to thus secure their status and usefulness in society.

**In the three countries of southern Europe, due to the severity of the economic situation, the chances are even lower that the unemployed will find work. The people we interviewed were well aware of this.** Particularly in working class communities, work is often valued for the social protection it affords. For men in particular, a job is an assurance of being valued as a provider for the family, regardless of the nature of the job.

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*What does work mean to you?*

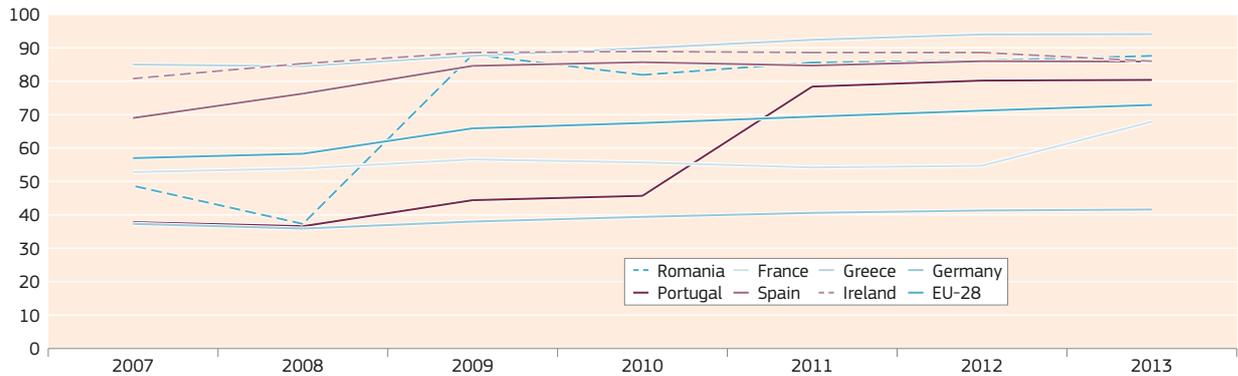
*'Work? Work is all I have! If I don't work, I have nothing! This is what's happening to me now, I don't work, I have nothing! But I have something very important, which they still didn't take away from me, which is my dignity. That, that, the politicians of Portugal still haven't managed to get this from me. It is my dignity and my family.'*

Man, Portugal, 52 years of age, couple with children, unemployed for more than 2 years, working partner, rural area

**In southern European countries, the loss of a job not only calls into doubt one's identity as a worker but also one's identity as a 'protector',** which forms the very basis of one's social status. For those unable to work in the formal sector of the economy, turning to the informal sector is seen as legitimate, if only to protect one's honorary role as the family provider.

Interestingly, the Greek and Spanish unemployed, as well as the Irish, are more likely to call on friends, relatives and trade unions to find a job than are the French and German unemployed (Figure 5). The tendency to tap one's personal network has increased during the crisis, particularly in Portugal and Romania.

**CHART 5: METHODS USED TO FIND A JOB: PERCENT OF UNEMPLOYED WHO APPROACH THEIR CLOSE NETWORK OF FRIENDS, RELATIVES AND TRADE UNIONS**



Source: Eurostat, Labour Force Survey.

“I've been able to hold my own”

Woman, Romania, 53 year old

## 11. The temptation of the informal economy

The informal economy is one avenue that may be considered to bring in some income. By definition, it is difficult to reliably measure this underground segment of the economy through ordinary surveys of the general population. Table 8 below presents two types of estimates for the countries in our survey. The first is an estimate of the underground economy as a percentage of GDP and the second is an estimate of the proportion of informal workers in the overall labour force. From this data we are able to observe the difference between the southern European countries, where

the informal economy is widespread and the northern countries, including France and Germany, where it is less common and is cracked down on more severely. Ireland and Romania undoubtedly fall in the middle range. The available indicators do not converge. While in Ireland, the underground economy is measured at 12.2% of GDP, a figure close to Germany, the percentage of informal workers is very high, at 33%. The situation is reversed in Romania: here the underground economy represents 28.4% of GDP, while the percentage of informal workers remains low, at 11.8%.

**TABLE 6: ESTIMATES OF THE INFORMAL ECONOMY AND INFORMAL WORKERS IN THE COUNTRIES SURVEYED**

Country	Size of the underground economy (% of GDP)*	Informal workers as percent of the total workforce, 2008–09**
DE	13	11.9
EL	23.6	46.7
ES	18.6	18.8
FR	9.9	10.3
IE	12.2	33.0
PT	19	22.4
RO	28.4	11.8

\* This is based on the so-called MIMIC (Multiple Indicators Multiple Causes) model, which assumes a relationship between the undeclared underground economy and a series of observable variables, such as electricity usage and cash transfers.

\*\* Estimate calculated by the World Bank on the basis of national social surveys.

Source: European Commission, Employment and Social Developments in Europe 2013, see Chapter 4, 'Undeclared work: recent developments'.

The qualitative survey fills in the data with supplementary information to explain informal work as a response to the crisis. **In the southern European countries, undeclared employment is widespread.** Particularly in the working class, this has always been seen as a way to round out one's income. Men work under the table in various industries, such as construction and restaurant work, while women provide household services such as cleaning and ironing, and often agree to be paid in an informal manner. In numerous interviews carried out in the southern European countries, the unemployed freely admitted to working this way on a regular basis with no apparent sense of misgiving. It is such a common occurrence that they didn't even worry about speaking about it openly. This approach to unemployment seems somewhat unavoidable. With unemployment benefits scraping the bottom of the barrel, particularly in Greece, one wonders how households would survive without these contributions. In a context in which solidarity and sharing are centred around the family, there are rarely enough resources to sustain a basic standard of living (secure accommodations, food and heating). Both women and men mention under-the-table work as a way to get by. Romania was no exception as this excerpt from our interviews shows:

*'I'll tell you. I work under the table as a housekeeper: I clean, give private English and German lessons, I do pedicures, manicures, massages, whatever you like. I've been able to hold my own.'*

Woman, Romania, 53 years of age, couple without children, unemployed for more than 2 years, working partner (part-time), urban area

This doesn't mean that the income from the informal economy represents a certain and inexhaustible windfall. Usually these are small and poorly paid jobs that will never guarantee a secure existence. There are also cases

where undeclared work causes serious problems such as workplace accidents and delayed payment.

*'Last month I had an accident at work. If you saw my leg – my kneecaps, and these iron blades. It did some damage. I'm trying to avoid having an operation. After 25 days, I'd reached the point where the doctor told me I could walk again, so I returned to work, because if I didn't, they would have found someone else to take my place.'*

Woman, Greece, 43 years of age, married, 1 child, working partner, rural area

The unemployed in the northern countries are also tempted to resort to undeclared work<sup>(16)</sup>. Nevertheless, the interviewees were deliberately vague about these practices. Many feared they would be reported and would lose their unemployment benefits.

For some in Germany, becoming involved in undeclared work is an adaptive strategy. The income from these activities is used largely to pay for non-essentials, such as large purchases and unexpected expenses that are not affordable when government benefits are one's only source of income.

*'I really couldn't get by if I went by the letter of the law and only lived on the money from the employment agency.'*

Man, Germany, 42 years of age, couple, with 2 children, working partner, unemployed since 2010, rural area

Faced with a shortage of jobs, undeclared work was a temporary solution to which several interviewees in France had resorted. It is striking to note that this solution is

<sup>(16)</sup> Florence Weber discusses this point in *Le travail au noir: une fraude parfois vitale ?* Paris, Editions Rue d'Ulm, 2008.

far from marginal even in a country that fairly consistently cracks down on undeclared work.

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*'It isn't permanent, and it isn't a very good situation in terms of insurance, etc. It isn't... well, it isn't something you can do on a daily basis, I don't think. And you have to worry about later on, when you retire, it's a drag, but you still have to think about it. Who knows how that will turn out, but...'*

Man, France, 37 years of age, single, unemployed for more than 2 years,  
urban area

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*'I taught English and gave lessons on using the computer [...] It was important, I had free time, and they were all private lessons, there weren't any contracts, and they won't declare it, so, no doubt, the English lessons and computer lessons helped with the shopping! **It serves a purpose, so if you're in the unfortunate position of having to scramble just to get by, well if the government is hunting down people working under the table, too bad... we still need to do it!***

Woman, France, 59 years of age, lives alone, unemployed less than  
6 months, urban area

Moreover, since the crisis, even opportunities to earn money in the informal economy have dried up. Several interviewees mentioned the contraction in the amount of work available on the informal labour market. Business activity is in a slump, so there is even less informal work available. Under these conditions, it's difficult even to find undeclared work.

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*'In the past I have and I have done it because needs must really. I worked two years in a row on a chip van on [place] beach for the whole summer. I think I was only on €30 or €40 a day but it paid for the kids to go back to school every single year so I had to do it. I didn't have a choice, well I did have a choice, I could have not done it but I didn't.'*

Woman, Ireland, 32 years of age, single, 3 children, unemployed since  
2012, rural area



“People need to look out for themselves”

Man, France, 59 year old

## 12. ‘Everyone has to get on by themselves’: autonomy as a norm

One way of surviving unemployment and job insecurity is through family solidarity. But this form of support is only possible under certain conditions and there are certain preconditions for family solidarity coming into play: 1) a steady relationship with one’s family, 2) the availability of family resources to distribute or exchange, 3) the acceptance of a relationship of dependency toward one’s family and the family’s willingness to help. These factors vary significantly amongst the countries in our survey, depending on the beliefs surrounding autonomy within the family.

What does the ‘norm of autonomy’ mean? What are its historical cultural underpinnings? The countries of southern Europe are characterised by a traditional structure of commitment (in the sense of the normative interweaving of social connections) that can be described as *familialist*. The stability of familial bonds determines solidarity within the family and plays an overall regulatory role in society. In the familialist structure, individuals maintain interdependent relationships in their families, both in the sense of their birth/adoptive families and in their families of procreation. They provide mutual support to one another in accordance with the absolute principle of filial respect towards one’s elders and the duty of unflinching protection and care of children.

In countries such as France and Germany, the **norm of autonomy** takes on a different meaning, as does the structure of attachment. At least partial detachment toward the birth/adoptive family is considered a condition of social integration, which dictates that one must make a true commitment to the working world and seek authentic organic complementarity with those in one’s professional life. The organic participation bond thus ensures a connection with a socio-professional status and itself regulates the system, which may then be referred to as an *organicist* structure. In this kind of system, autonomy from one’s parents is synonymous with success in terms of social integration. As such, it is pursued as a desirable arrangement. At the same time, being dependent on one’s parents at an age when social norms dictate that this is no longer acceptable can lead to a feeling of social failure.

The proportion of young people between 25 and 34 living with at least one of their parents is one indicator of the norm of autonomy (Table 9). This is not to pass judgment on the ability of these individuals to become independent of their families, or to claim that they cannot be termed independent adults if they still live with their parents, but simply to make note of the striking contrasts observed amongst the countries studied.

The proportion of young adults living with at least one parent in 2013 was noticeably lower in France and Germany (9.8%

and 13.1% respectively) than in other countries (51.3% in Greece, 46.6% in Romania, 41.5% in Portugal, 39.3% in Spain and 21.7% in Ireland). How have these figures evolved since 2007, i.e., since one year before the beginning of the crisis, particularly for the unemployed and other non-working individuals in this age group (excluding students)? The greatest increases were observed in Greece, Spain and Ireland where there were respectively 1.40, 1.39 and

1.35 times more unemployed/non-working individuals in the 25 to 34-year-old age bracket living with at least one of their parents in 2013 than in 2007. Among these three countries hard hit by the crisis, the increase for all individuals in this age bracket was much lower, and in Ireland, it was even negative. So it can be said that in these countries the family served as a particularly significant buffer during the crisis, particularly vis-à-vis those not in the labour market.

**TABLE 7: PERCENTAGE OF 25 TO 34-YEAR-OLDS LIVING WITH AT LEAST ONE PARENT**

	2007	2008	2009	2010	2011	2012	2013	2013/2007
<b>DE</b>								
Total	12.6	12.9	13.5	13.0	13.7	12.9	13.1	1.03
Unemployed/non-working*	8.6	8.6	11.6	10.0	11.5	10.3	10.8	1.25
<b>EL</b>								
Total	47.0	47.9	46.3	45.6	47.5	49.2	51.3	1.09
Unemployed/non-working*	39.5	38.7	39.4	43.0	49.4	52.6	55.2	1.40
<b>ES</b>								
Total	37.3	36.5	35.2	35.7	35.8	37.6	39.3	1.05
Unemployed/non-working*	31.6	33.3	33.5	36.3	38.3	41.7	43.9	1.39
<b>FR</b>								
Total	10.6	10.7	10.2	10.9	11.4	10.9	9.8	0.92
Unemployed/non-working*	15.4	15.8	14.1	17.6	17.3	16.7	15.8	1.02
<b>IE</b>								
Total	27.3	21.6	19.1	19.2	21.3	20.2	21.7	0.93
Unemployed/non-working*	20.8	22.5	24.5	24.8	27.3	26.0	28.2	1.35
<b>PT</b>								
Total	39.9	40.4	40.1	40.1	38.9	40.9	41.5	1.04
Unemployed/non-working*	44.7	45.1	43.1	43.1	44.6	49.1	50.5	1.13
<b>RO</b>								
Total	38.1	38.5	39.2	41.7	43.8	45.8	46.6	1.22
Unemployed/non-working*	42.1	44.2	44.9	43.7	45.2	46.4	46.1	1.09

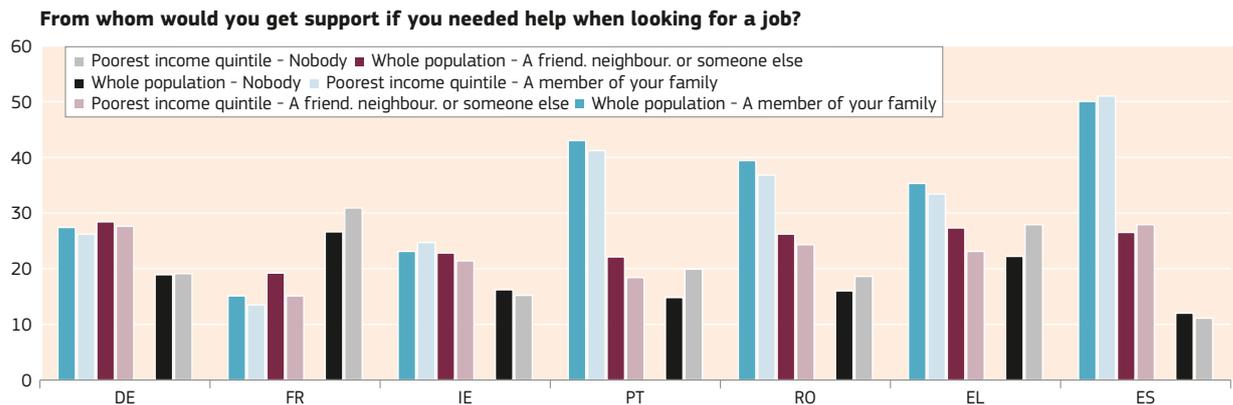
\*Not including students.

Source: Eurostat, EU-SILC.

Another way to understand national differences in the ways people turn to their family for assistance is to consider the responses to a question dealing with the kind of support the person is likely to ask for in finding a job. There are three possible answers to this question: 1) a family member; 2) a friend, neighbour or someone else; 3) a work centre, institution or organisation. In Spain, Portugal, Greece and Romania, the poorest people are significantly more likely to turn to a family member, while in Ireland and France, they look primarily to work

centres, institutions and organisations. The results for Germany slightly favour support from a personal circle of friends and neighbours (Figure 6). This striking contrast can only be explained by an analysis of the norms of attachment that prevail in each country. The poor in the southern European countries turn primarily to their families, in large part because they lack confidence in the institutions of their country, and also because, under these conditions, they hope for better results by mobilising their family network.

## CHART 6: SUPPORT FROM SPECIFIC GROUPS WHEN LOOKING FOR A JOB



Source: Eurofound, European Quality of life survey.

As expected, the interviews conducted for our survey clearly confirmed the differences between the *familialist* structure of the southern European countries and the *organicist* structures of France and Germany.

The interviews carried out in France and Germany were very similar in terms of family solidarity and diverged quite strongly from those carried out in other countries. The French and German unemployed are clearly more likely to report that they are unwilling to seek assistance from their families, including financial assistance. They feel uncomfortable asking for this kind of help as they view it as a form of failure and social humiliation.

For family solidarity to come into play, one must first have an ongoing relationship with one's family. In the French interviews, this condition was not always fulfilled (3 out of 15). Clearly, bonds are sometimes broken or there is conflict in the family.

The familial bonds on which family solidarity is based are fragile and indeed, can break. Even so, the existence of these bonds and of being on good terms with one's parents or the members of one's extended family is not in itself sufficient to bring about family solidarity. Indeed, a number of unemployed persons mentioned the embarrassment they would feel if they were to ask for assistance. The expressions they used communicated how deeply they had internalised the norm of autonomy vis-à-vis one's family. Being an adult means not being dependent on one's family. Asking for help from one's family would mean giving up and facing disgrace. The following excerpts reflect this sentiment:

*'I have my children, so... but I don't want to bother them either, especially not in that way. People need to look out for themselves. Anyway, I still see them a lot.'*

Man, France, 59 years of age, lives alone, unemployed for 6 years, rural area

*'I'm lucky to have a family, absolutely. But my family isn't a money faucet, either, and I'm not their child, they have children, you know what I mean? There are also limits, you can't become a burden to your brothers and sisters or your relatives, it isn't right, it goes against nature – or even of my child! I'm going to say now that you have your degree, you've studied well, now you're going to take care of your mother! That's totally ridiculous!'*

Woman, France, 46 years of age, single, lives alone with an adult-age child, unemployed for more than 6 months, urban area

Conforming to this norm of autonomy vis-à-vis the family is clearly a matter of social honour and was widely mentioned in the interviews. There is some variation, however, with a bit more leeway in rural areas. With family nearby, there is more give-and-take about daily life experiences. The form that family solidarity takes depends largely on this kind of cross-sharing. For the mechanisms of family solidarity to operate without interfering with the norm of autonomy, they must be interwoven with a shared sense of living in a quasi-community.

In Germany, using family solidarity as a strategy happens primarily in households with children. People who live alone seem to rarely call on this type of assistance, either because they no longer have contact with their family, or because their family is unable to help, or because they do not wish to seek outside help. It is clearly important for some individuals not to become a burden on their families and friends, to retain a sense of pride, and to show that they can make it through under their own steam. There is perhaps also the fear of piling up debts.

When people do ask for financial help, it is usually within the family (parents and siblings) rather than with friends and, on the whole, even asking one's close family is something those surveyed found difficult and unpleasant. It made them feel that they weren't able to demonstrate to their parents and extended family that they were capable

of being responsible adults. It is, however, easier to ask for help when there are children.

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*'My family also comes to my rescue, that's for certain... But I'm someone who really doesn't enjoy receiving help from others [...] okay, I do prefer to save up longer for something that I really want to do or to have, so, yes, my family also buys lots of things for my child because they realise they are expensive and that if I pay for all of it, it's really tough.'*

Woman, Germany, 27 years of age, single with 1 child, unemployed since 2008, urban area

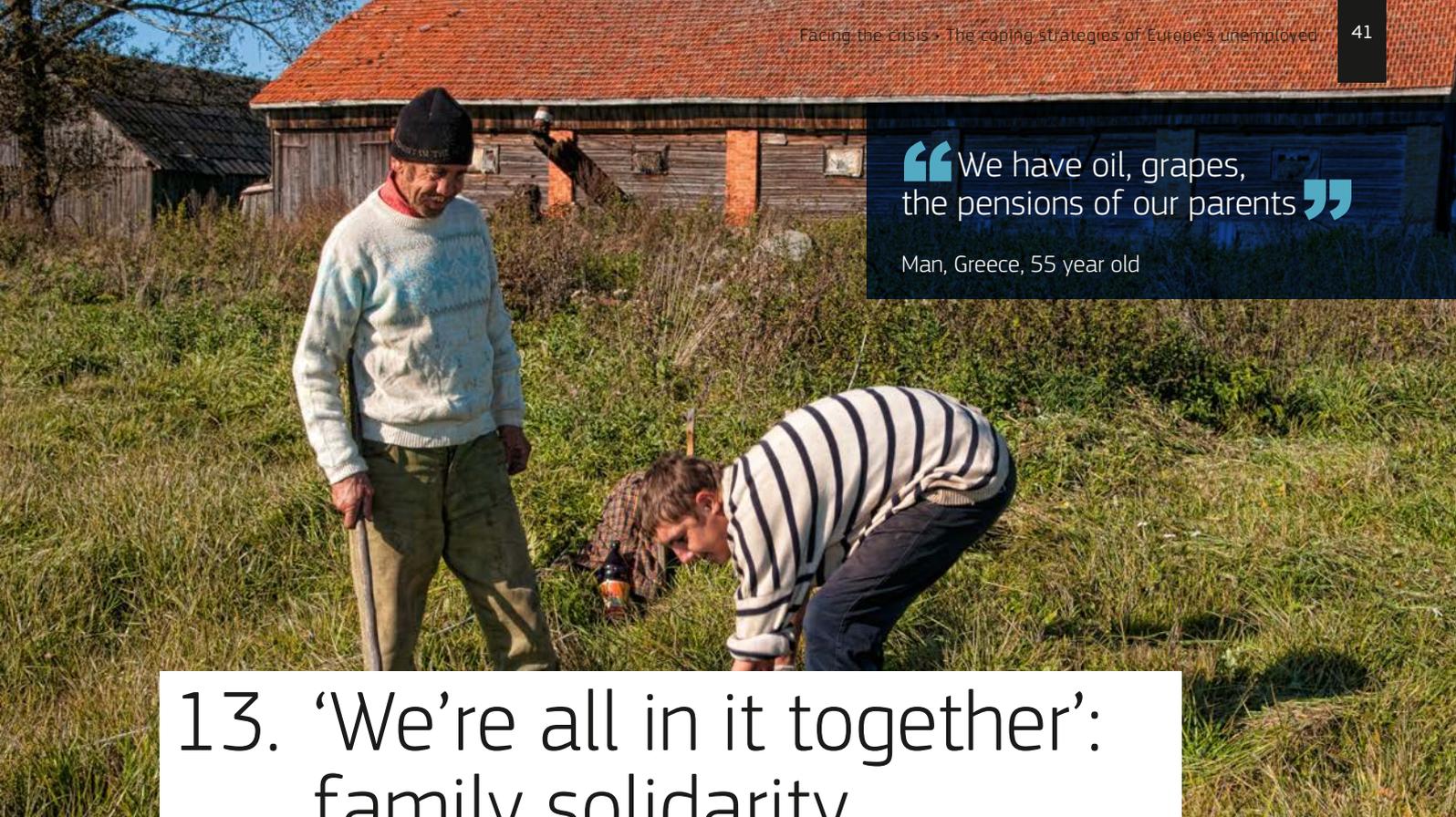
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So even though many of those surveyed in the sample said they could count on their local network or their family to make ends meet or to help pay for special purchases, others refused to accept. There are several possible reasons for refusing: **first, the sometimes challenging circumstances of members of the extended family, such as unemployment and limited resources.** The second reason is the personal position of the individual interviewed, who in certain cases simply did not wish to be 'kept'.

For some, family solidarity also takes the form of **emotional** support. Simply knowing that help is

available is in itself of great help. The decision to resort to financial assistance from the family thus depends on many factors, such as the stability of family bonds, the socioeconomic status of the family, the family view on unemployment, the existence of children and psychological factors.

In a more general sense, the embarrassment the unemployed feel at asking for help from one's family must be understood as the same expression of a strong normative pressure as it is for anyone likely to experience difficult times. In reality this pressure reflects the power of the norm of autonomy that exists both in Germany and in France. In these two countries, more than in any of the other five in which the survey was conducted, admitting dependence on one's family is equivalent to saying one is incapable of living as an adult. Living apart from one's family does not mean the absence of bonds, it simply means one is not dependent on their family to cover daily expenses. The norm of autonomy has been so strongly internalised that the inability to conform to it is anxiety-provoking. That is why the unemployed we spoke with were overwhelmingly in agreement. But what we observed in France and Germany was much less common in the other countries.



“We have oil, grapes, the pensions of our parents”

Man, Greece, 55 year old

## 13. ‘We’re all in it together’: family solidarity as a principle

In the southern European countries, it is common for the unemployed to stay with their families until they can get their own home, a model that can be referred to as long-term familial cohabitation. We saw striking regional differences across these countries.

The level of economic development is an important determinant of the structure of unemployment, but it also impacts family structures. In the poorest areas, family solidarism is more developed. Autonomy vis-à-vis the family increases with the level of economic development, and also with the level of social protection. When there are limited employment opportunities, the risk of poverty is higher, and it is essential to maintain relationships with family members to cope with the difficulties of life<sup>(17)</sup>. But we cannot attribute these phenomena solely to constraining factors – otherwise, why wouldn’t all young unemployed Europeans be living with their parents?

We must take two additional factors into account. First, the tradition of family solidarity is more widespread in the southern European countries than it is in other countries. The obligation of family solidarity falls in particular to the parents and is reinforced in the household through an extensive division of labour. In these models, the head

of the family is most often the man, whose primary role is to ensure the financial autonomy of the household by providing resources earned in his professional occupation, while the woman devotes herself to the organization of domestic life and the children, even after they have reached adulthood (the traditional ‘male breadwinner’ model). However, this model varies across countries. In Portugal, women have made up over 60% of the workforce since the early 2000s, compared with 46% in Greece and 48% in Spain<sup>(18)</sup>.

**As a rule, in southern European countries, the normative obligation of prolonged cohabitation applies to both parents and children.** Adult children cannot afford to live independently as a couple until they are assured of a job or stable employment. So it seems normal for them to stay with their parents, and they participate fully in household life<sup>(19)</sup>.

Our qualitative survey confirmed that the unemployed in southern Europe look to their extended family for the protections they need. Many grown children live in their

<sup>(17)</sup> See the concept of integrated poverty in Serge Paugam, *The Elementary Forms of Poverty*, op. cit.

<sup>(18)</sup> In Romania and Ireland, this rate is also nearly 60% and for the 25-54 age bracket, the rates averaged 74% in Portugal, 67% in Romania, 65% in Ireland, 55% in Greece and 63% in Spain during the period studied.

<sup>(19)</sup> This model has been well studied in Italy, notably in E. Reyneri’s ‘Italie: Longue attente à l’abri de la famille et des garanbondonds publiques’, Arles, Actes Sud, 1992, p. 125-142.

parents' home, including those of an advanced age. In certain cases, the entire household may be sustained by a grandfather or grandmother's pension. The interviews we conducted in Greece were very clear on this point. A 55-year-old farmer in difficult straits due to the collapse of agricultural product sales along with increased expenses and taxes admitted that he, his non-working wife, and their two children were living on the pension of their retired parents, who also lived with them.

*'There are plenty of problems, but here in X the jobs haven't disappeared, so more or less everyone has something to do. There is invisible aid – we have oil, grapes, the pensions of our parents who live with us, it's not like in Athens, where a couple that has lost their jobs is done for.'*

Man, Greece, 55 years of age, married with 2 children, non-working partner

**I have my parents who receive a € 700 pension, and by scrimping, together we manage.** *My sister is also at home, but she has been blind since she had an accident ten years ago. We tried to get her a disability pension, but still haven't been able to, and she owes taxes, too. How can you pay when you have health problems? We get by with my parents' retirement and whatever money I manage to make. But if I run into trouble we're all sunk. There's no way out.*

Man, Greece, 40 years of age, farmer, single, rural area

The pensions received by people over 60 represent a larger share of the income in the households of the poor and unemployed in Spain and Portugal than in France and Germany, but it is even higher in Greece, at times representing the most significant source of income. It is therefore clear that in the southern European countries, and particularly in Greece, there is still a tendency for resources to be shared in households where several generations live together. This represents a sort of family solidarism in the face of poverty.

Only two unemployed persons we interviewed in **Spain** were under 35, the age bracket at which support from the family is greatest. Both cases dealt with young people who felt that their aspirations had been stymied by the crisis. They suffered a profound feeling of frustration, particularly since their parents were also directly or indirectly affected by unemployment. **This prolonged situation is seen as a very negative experience since it delays the process of setting out on one's own.** For example, young people in romantic relationships cannot begin a life together. Yet in both instances, the family's support was essential.

*'My grandmother, yes. She lives in San Sebastian and she does give us, like, three hundred (euros) per month or, for example, to help me pay hairdressing school tuition... I always can rely on family, or should be able to.'*

Woman, Spain, 25 years of age, single with no children, unemployed since 2009, urban area

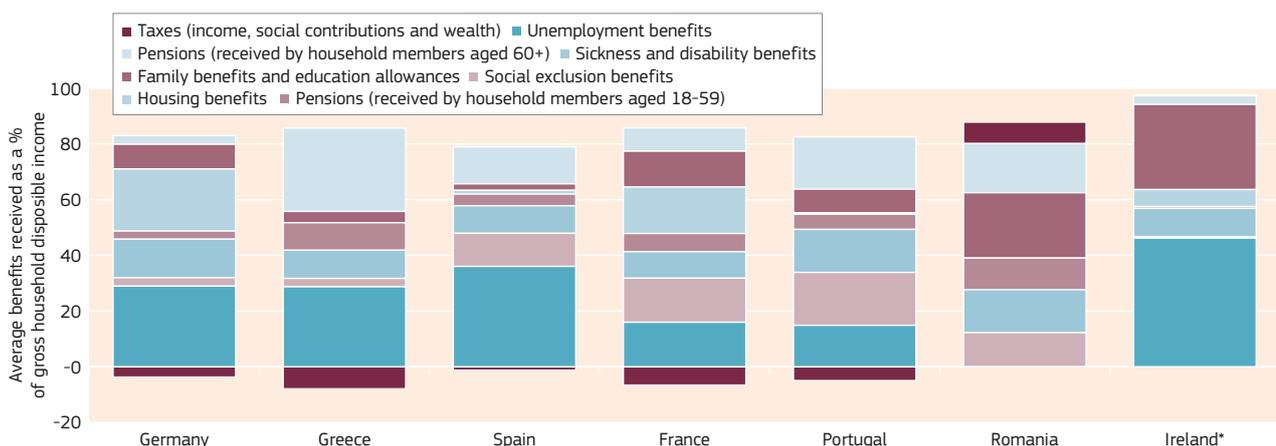
The norm of familialist solidarity does not only pertain to youth. It is also found with older people, such as this 53-year-old woman who has been unemployed for several years and works illegally in the informal economy.

**'Well, there's always someone who gives you a hand (...)** *For everything, multiple things, whether it is having dinner, then you are not charged, everyone pays yours, which is also a way of helping, or 'I bought something', and they give you a Tupperware, so, things like that...'*

Woman, Spain, 53 years of age, lives alone, long-term unemployed and undeclared work, urban area

Note, however, that family solidarity has its challenges and is subject to strain. In order to benefit from extended assistance from one's family, one must have parents who are well-situated enough to respond to those needs. But in a crisis context, the social strata that were once insulated from poverty and were in a position to help out their

**CHART 7: BREAKDOWN OF SOCIAL BENEFITS RECEIVED BY WORKING-AGE ADULTS BASED ON POVERTY AND EMPLOYMENT STATUS**



unemployed children can suddenly find themselves in dire financial straits. Under these conditions, intergenerational redistribution is no longer a given. This does not necessarily mean that the parent-child relationship is broken, but that family solidarity is not robust enough to effectively avoid poverty.

The familialist model of the southern countries has traditionally been based on the pivotal role of the 'male breadwinner', who through his stable position in the working world was able to uphold the standard of living for his wife and family, including his grown children and even his dependent parents. The crisis has often had the immediate effect of disturbing this balance. In many cases, it is the male breadwinner who has lost his job and so himself has become dependent on his family.

*'My children, I want them to live their lives... I don't want... no, no. I don't like it. I just don't like to disturb anybody, not even 'name of friend with whom he lives.'*

Man, Spain, 57 years of age, separated, due to unemployment, 2 children, urban area

This example is highly significant. It shows that family solidarity is much easier to accept when it is the child, even an older child, who asks for help, while it reaches its limit in the other direction, i.e., when the person requiring help is the parent. This is not because children don't care about their parents, but rather because parents are uncomfortable becoming dependent on their adult children, particularly when they are still of working age. Asking for help under these circumstances goes against the norm whereby those who are established in the working world should help those who are not yet steady. The experience of unemployment for these individuals causes suffering with an even deeper meaning, since it means they cannot live up to the norm of familialist solidarity.

In our interviews conducted in Portugal as well, it also became clear that the family formed the bedrock of material and emotional solidarity<sup>(20)</sup>. In the excerpts below, the pre-eminence of the concept of family solidarism is clear:

*'And I had to tell my mother 'For 2 or 3 weeks I won't have money to eat...'; and she 'Oh, don't worry, we'll work something out'...'*

Woman, Portugal, 26 years of age, couple with children, unemployed more than 1 year, working partner, urban area

*'I'll tell you, for example, the meat we eat is mostly paid for by my mother-in-law. We go to the butcher, we order it, my mother-in-law goes there, pays, we don't even know how much it is.'*

Man, Portugal, 59 years of age, couple with children, unemployed for more than 2 years, working partner, urban area

Parents perceive assistance to their children as a moral duty, even when these children have become adults, for example when adult children are still at home with their parents. When children work and have their own budget but continue to live in their parents' home, they can undertake certain expenses, such as the rent or utilities. When they set up their own households, they rarely contribute to their parents' expenses. And when the parents are in need, they disguise their problems and are reluctant to accept relief from their children, as we see in the following examples:

*'He [the son] wanted to [contribute financially]; I told him, 'If I need it, I'll ask you'. So, I didn't want him to. (...) [Question: It could be out of necessity, it was not in the sense that...]. Yes, I also told him that 'If I need it, I'll tell you', but, for now, I still have some money in the bank, I'll keep trying to find some odd jobs, I'm holding up.'*

Woman, Portugal, 54 years of age, single-parent family, unemployed for more than 2 years, urban area

*'I know that they are not satisfied with the situation that I have, but I also don't want to have..., I don't want to be a ... a charity case for my daughters, is out of the question; I'd rather walk around with 20 cents in my wallet, because I don't want that, I want to get a job and...'*

Woman, Portugal, 62 years of age, lives alone, unemployed more than 1 year, rural area

While in the interviews conducted in Portugal, the unemployed stated that it was possible to receive assistance from their family members, it is not without challenges that unemployed individuals in difficulty return to the home of their parents, when previously they were employed and had independent lives. Indeed, this entails relearning how to live together. The obvious advantage is the reduction in housing costs, but the trade-off is resignation to the cohabitation of multiple economic units in one household and the potential of incompatible lifestyles. Several excerpts from the interview mention the issues that arose from this involuntary cohabitation.

*'I am not independent, I am not autonomous; if I think about it coldly, I am not..., I have to live.... basically, with others' support.'*

Woman, Portugal, 47 years of age, couple with children, unemployed for more than 2 years, working partner, urban area

Finally, we note how familial solidarity is firmly rooted in local networks. The unemployed we spoke with rarely lived isolated from their family. Most of the time, there was at least one member of the extended family they could call upon: a parent, brother, or sister, sometimes

<sup>(20)</sup> This confirms the results of the survey by Laurence Loison, *L'expérience vécue du chômage au Portugal*, Paris, L'Harmattan, 2006.

a cousin. The unemployed man we just mentioned who lives with and cares for his parents also has a brother in his immediate circle. He acknowledges that both his brother and sister-in-law see him as a member of their family.

While family solidarity in the southern European countries plays an important role in reducing the risk that unemployment will lead to poverty, this does not imply that the aid provided in northern countries in the name of national solidarity leads to a weakening of family support. This must be seen above all as the effect of a social system<sup>(21)</sup>. When a large segment of the population is equally disadvantaged, family solidarity is the logical collective response needed to stave off poverty. Reciprocal exchanges serve an important purpose. Each individual gives and reaches

out, since everyone else is doing the same in order to make it through hard times. This is why in areas with severe unemployment and poverty, there is a greater likelihood of finding long-term familial solidarity based on a reciprocity which has been imposed by the need to confront hardship collectively<sup>(22)</sup>.

While family solidarity may not have entirely disappeared in the most economically developed regions, it nevertheless no longer serves this vital function. The individual desire for autonomy and the reduced homogeneity of families leads overall to a more flexible, more informal, and also more fragile form of family solidarity. When the exchanges within the family become strongly skewed in one direction, they may prevent recipients from giving and from reaching out in their turn, which ultimately can only serve to disqualify them.

<sup>(21)</sup> François-Charles Wolff and Claudine Attias-Donfut, 'Les comportements de transferts intergénérationnels en Europe', *Economie et Statistique*, 403-404, 2007, p. 117-141. On the same topic, Axel Börsch-Supan, Martina Brandt, Howard Litwin, Guglielmo Weber (eds), *Active ageing and solidarity between generations in Europe. First results from SHARE after the economic crisis*, Berlin, Walter de Gruyter, 2013.

<sup>(22)</sup> This observation draws on Mauss's theory on gift giving, which is particularly salient in the analysis of familial solidarity. On this point, see also: Serge Paugam et Jean-Paul Zoyem, 'Le soubordn financier de la famille: une forme essenbondlle de la solidarité', *Economie et Statistique*, n°308-309-310, 1997, 8/9/10, p. 187-210.

“It's every man for himself in life”

Woman, Greece, 43 year old

## 14. Distrust of institutions

In democratic societies, citizens are equal under the law. This does not imply that economic and social inequalities have disappeared, but rather that a national effort must be made to ensure that all citizens are treated equally. We can distinguish between two different attitudes. The first involves a nuanced critique of national institutions which differentiates between them and seeks solutions, while the second is far more radical, suggesting that the institutions are systematically disintegrating.

The citizens' trust in their institutions is a condition for the exercise of democracy and for the observance of principles of civility in the public arena. Nevertheless, trust is gradually weakening in the collective consciousness.

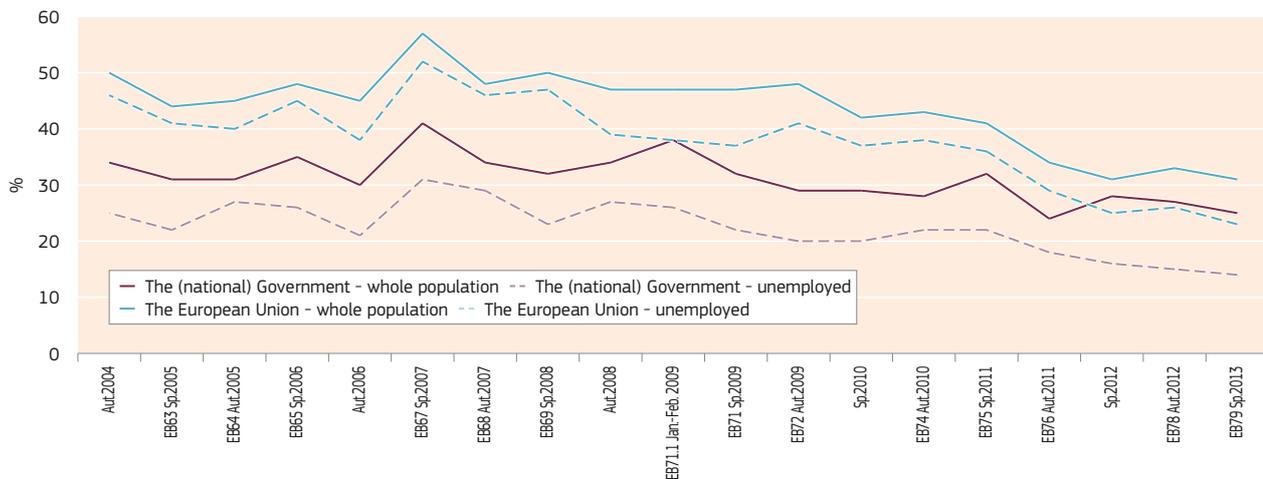
This phenomenon can be seen throughout the European Union countries (see Table 9 below). Between September 2007 and September 2013, Europeans' confidence in the European Union fell from 57% to 31%. Europeans' confidence in their national parliaments and national governments declined over the same period. The confidence of the unemployed in these institutions was even lower and had fallen even more sharply.

*Could you tell me whether on the whole you generally do or do not have confidence in each of the following institutions?*

*In many of the interviews, the unemployed expressed their disillusionment with their country's institutions, and the crisis has only exacerbated their distrust. Nevertheless, we can distinguish between two different attitudes. The first involves a nuanced critique of national institutions which differentiates amongst them and seeks solutions, while the second is far more radical, suggesting that the institutions are systematically disintegrating.*

**A nuanced confidence was expressed in three countries: France, Germany and Ireland.** In France, the unemployed interviewees shifted between bitterness and protest. The view of a France in decline was voiced in the interviews. At times, various forms of racism against foreigners was mixed in to this position. Above all, the interviewees were aware of the powerlessness of those in government to reverse the current situation. As we saw, the view toward the employment centres was emblematic of this disillusionment. Most of the

**CHART 8: RATES OF CONFIDENCE IN THE EUROPEAN UNION AND NATIONAL GOVERNMENTS BETWEEN 2007 AND 2013 IN ALL OF THE COUNTRIES OF THE EUROPEAN UNION AMONG THE UNEMPLOYED AND ALL RESPONDENTS**



Source: Eurobarometer (during the spring of each year).

unemployed felt sacrificed and abandoned by their country's institutions.

*'I think it's a basic mistake to have trust in companies. Companies only have one goal and that's to make a profit. The common good is not one of their goals. And this is really a problem today, because we give power to the banks, to companies and to lobbyists, and politics is stuck in between, and that is the mess we're in today. The only thing we have left of value is the schools, but I think they are also in very bad shape, because there as well...'*

Woman, France, 44 years of age, single, no children, graphic designer, unemployed for less than 6 months, urban area

But while there was concern among those we interviewed in France, the criticism of institutions was not systematic. In spite of everything, many unemployed French people still recognise that some public services continue to function well. The health system, for example, is viewed positively overall. In short, while there is real distrust of institutions, it is the pervasive sense of decline that the crisis situation has exacerbated.

Neither is there widespread distrust toward institutions among the **German** unemployed. As we saw earlier, while

unemployed Germans may criticise the functioning of Job Centres, they recognise that employment services for the recently unemployed are now noticeably more welcoming and efficient. While unemployed Germans' comments on their institutions may generally seem fairly nuanced, it is in large part because the impact of the crisis on their economic and social situation has seemed milder. However, the issue of low wages is often mentioned.

*'Germany is not getting sorted out. I don't think it is. Who is doing well in Germany? The people working for peanuts? No one is doing well, having to work 8 hours a day and only bringing home €600, you can't call that "doing fine".'*

Man, Germany, 53 years of age, single with 1 child, unemployed since 2007, urban area

In Ireland, successive governments were judged particularly severely. The main criticism shared by the people we met was how the measures implemented hurt those who already had so little, and the fact that the justification for this suffering did not seem valid. This criticism was also accompanied by the fact that the politicians did not comprehend the reality of people with low incomes and, even worse, they didn't care because the only thing that mattered to them was their own interests.

The criticism of successive governments also led to a judgement of Europe's role in the eruption of the crisis, particularly because of the control of the Troika on Irish politics. For some, Europe is partly responsible since it provided easy access to credit, which led to the abuses that occurred in Ireland. This description of events is presented widely in the Irish media. Politicians are also accused of favouring the expectations of Europe over those of their fellow citizens. A number of people lamented the many obligations to Europe, which is seen as a creditor, and this was also expressed as a loss of sovereignty.

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*'I think an awful lot went wrong with this country when the government decided that they needed to look good in Europe rather than look good to their own population I suppose.'*

Woman, Ireland, 32 years of age, single, 3 children, unemployed since 2012, rural area

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*'Some of the European things that come in are good, with the farmers, grants for farmers and things like that but, it seems like we have given control away from Ireland, they have borrowed all this money and then like it's just getting ridiculous, like if we also if we had maybe our own currency again like we used to have probably would be better, because England seem to be doing better and their own currency and they don't have as much European control over them.'*

Woman, Ireland, 22 years of age, single with no children, lives with her parents, unemployed since 2012, rural area

Nevertheless, the deep distrust felt toward the Irish political class and to a lesser extent toward the European institutions, did not translate into democratic disengagement.

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*'I do vote, but what's the point? Do you know what I mean? I do vote. I mean, a vote... I'm very proud of voting, because a vote is your chance to voice your opinion, but I mean, there's no this group or this group, they're all just the same.'*

Man, Ireland, 48 years of age, married, no children, spouse employed, unemployed since 2011, urban area

But the disillusionment seems even more acute in the southern European countries. The following excerpts portray the climate in Greece and in Portugal:

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*'I've stopped listening to the commentators. I've stopped worrying about politics. It just tells me that it's every man for himself in life.'*

Woman, Greece, 43 years of age, married, 1 child, working partner

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*'We don't trust the politicians anymore, because they have been a total disappointment. We can't believe a thing they say anymore. [...] There is also this downgrading of education by the government and it forces us to dig our hands into our pockets to pay for extra classes, you know, but meanwhile we pay our taxes and are supposed to have an education system, but this current downgrading of education is very disappointing...The parties have taken over the State, and we don't see any difference. **The State has even become our predator.**'*

Man, Greece, 55 years of age, married with 2 children, non-working partner

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*'My country is over, my country has no hope for me. Neither to me, nor to my wife, nor even to my son or my son-in-law! **My country, simply died.** My country, if it continues to be ruled by these people, by the idea of the people who are now governing, my country will die soon'*

Woman, Portugal, 29 years of age, single-parent family, unemployed for more than 2 years, rural area

The distrust of institutions was also the theme of many interviews in Spain where the unemployed people have a tendency to shift responsibility for the crisis to foreigners, who they accuse of taking jobs away from native-born Spaniards. **In reality, the persons we spoke with sought to compensate for the failings of the State and the policies carried out in the sphere of their family relationships**, and this led them to defend a local 'we' that stood in opposition to the national institutions and, more generally, to the ruling political class. Hopes for upward social mobility have been destroyed. Under these

conditions, frustration is at a peak. Ultimately, integration itself is under threat.

The situation appears similar in Romania. The corruption of institutions seems to play an important role in the low level of trust:

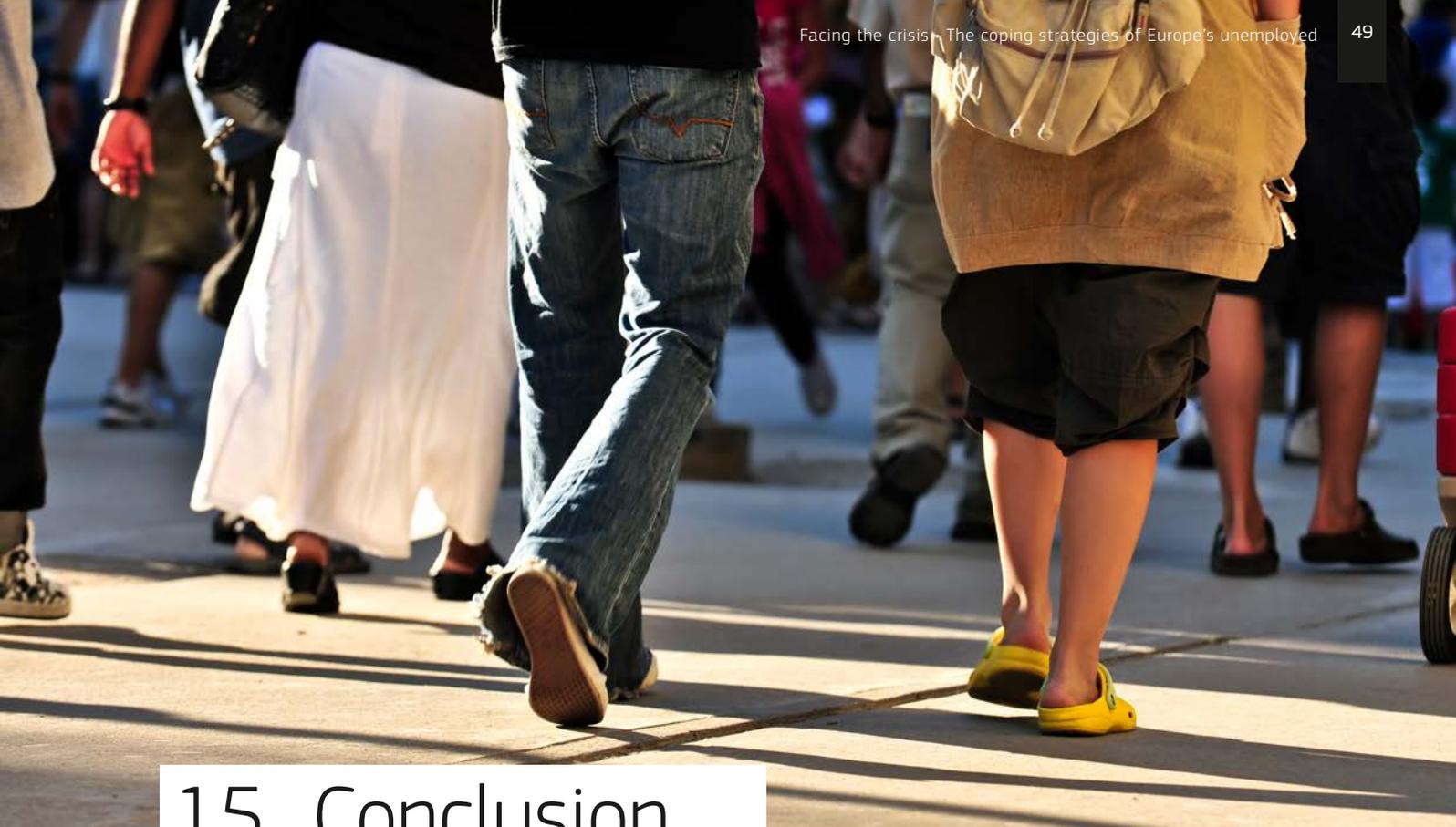
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*'The banks, no, I don't trust them. Well, I have 100% confidence in only these two people (note: the president and the mayor of Cluj Napoca, the former*

*prime minister). That's it. The rest... I think there's corruption everywhere. I've learned to focus on the worst part first. And that may be why I don't have trust. Well, I do trust people, I do trust them. I don't trust banks because these banks, they change the rules, they steal more than they give to help people. The church is just as bad...'*

Woman, Romania, 55 years of age, divorced, lives with her aging mother whom she cares for in exchange for her pension, unemployed for over 2 years, urban area

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## 15. Conclusion

Analyzing the strategies through which unemployed Europeans succeed in withstanding the crisis means not only a consideration of living conditions, but, more generally, an overall assessment of the resources available in the economic, social and institutional environment.

As we observed in this study, the first most striking point is that the unemployment compensation system is not identical in the seven countries in which the interviews were carried out. Access to housing assistance, extended social security or health care coverage also varies from one country to another.

The hierarchy of deprivation is more or less the same in each country. The unemployed persons we interviewed indicated that they began by forgoing all expenses they judged as unnecessary or unjustifiable given their employment situation and its economic effects. Holidays, dining out in restaurants and cafés, entertainment and non-essential expenses are first curtailed. Buying clothing and even basic products is generally the subject of careful decision-making. Every effort is made to cover the basic bills (water, electricity and gas) although even this budget ends up being chipped away at. Many seek to avoid

spiralling debt and, particularly in rural areas, try to ensure that they have a way to get around and so maintain their car. But in their day-to-day striving, it is clear that the unemployed in different countries are not all in the same boat. Deprivation cuts far deeper in the southern European countries and Romania than in France and Germany.

Unemployment represents a severance of the connection with the world of work. Does it also affect family relationships – the parent/child bond, the bonds of friendly sociability, the elective participation bond, the bonds with public institutions?

The decision to resort to family solidarity is based not only on the resources available in the unemployed person's family, but also on norms within the particular country. One of the most striking findings was the divergence between the general attitude of German and French unemployed individuals, who expressed embarrassment in asking for assistance, and the unemployed in the southern European countries for whom it is legitimate to turn first to family members in a time of need, even if this dependence may also be viewed as an imposition. The family network is therefore the first place to turn to for survival, as it is the core forum for inclusion. We have seen how this principle of family solidarity represents the absolute point of reference

in Spain, Portugal and Greece. Many of the unemployed we interviewed returned to live with their parents. Some even admitted to living on a parent's retirement or disability pension.

The lack of employment impacts the entire community. There are fewer social exchanges. We are witnessing a withdrawal back to the domestic sphere. In each country we examined, the unemployed mentioned their shrinking network of friends.

The unemployed we surveyed were generally observed to take a very active approach to the job search. Very few were so discouraged that they gave up. This finding may be related to our decision to study individuals who had only been unemployed since the crisis, and not those who had been out of work for many years. In contrast, the practice of engaging in undeclared work varies from one country to another. In the southern European countries, undeclared work is common and the

interviewees discussed it freely, as a fact of economic life. While many had resorted to this solution, they were also likely to view this solution as very precarious, particularly since the crisis seems to have affected these areas as well. In contrast, in Germany and France, as well as in Ireland, informal work is much more closely controlled. When discovered, it results in the loss of unemployment benefits. Even mentioning it is risky. Still, several respondents admitted to engaging in it out of necessity and others professed to being tempted.

Finally, while a loss of confidence in the institutions of one's country was a salient feature of all the interviews, it was greatly intensified in the southern European countries. No institutions were spared, and the view toward one's country was one of overriding disillusionment. Several of the unemployed individuals we talked with asserted that their country's politicians were often corrupt and that public institutions were often diverted toward individual or group interests, including in the health field.





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This report explores how those households that are particularly exposed to poverty and long-term unemployment manage to deal with the blows dealt by the economic crisis. It asks the key questions: is unemployment in a period of crisis really the cause of spiralling breaks in social links, or can it also be the start of a process of coping, based on strengthening those links? If so, to what extent? It draws on the findings of three studies, both qualitatively and quantitatively.

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