

Social and Economic Aspects of Unlikely but Still Possible Welfare to Work Transitions from Long-Term Unemployed

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Abstract : In Germany, during the past years there constantly are about one million long term unemployed who did not benefit from the prospering labor market while most short term unemployed did. Instead, they are continuously dependent on welfare and sometimes precarious short-term employment, experiencing work poverty. Long term unemployment thus turns into a main obstacle to regular employment, especially if accompanied by other impediments such as low level education (school/vocational), poor health (especially chronic illness), advanced age (older than fifty), immigrant status, motherhood or engagement in care for other relatives. Almost two thirds of all welfare recipients have multiple impediments which hinder a successful transition from welfare back to sustainable and sufficient employment. Hiring them is often considered as an investment too risky for employers. Therefore formal application schemes based on formal qualification certificates and vocational biographies might reduce employers' risks but at the same time are not helpful for long-term unemployed and welfare recipients. The panel survey 'Labor market and social security' (PASS; ~15,000 respondents in ~10,000 households), carried out by the Institute of Employment Research (the research institute of the German Federal Labor Agency), shows that their chance to get back to work tends to fall to nil. Only 66 cases of such unlikely transitions could be observed. In a sequential explanatory mixed-method study, the very scarce 'success stories' of unlikely transitions from long term unemployment to work were explored by qualitative inquiry - in-depth interviews with a focus on biography accompanied by qualitative network techniques in order to get a more detailed insight of relevant actors involved in the processes which promote the transition from being a welfare recipient to work. There is strong evidence that sustainable transitions are influenced by biographical resources like habits of network use, a set of informal skills and particularly a resilient way of dealing with obstacles, combined with contextual factors rather than by job-placement procedures promoted by Job-Centers according to activation rules or by following formal paths of application. On the employer's side small and medium-sized enterprises are often found to give job opportunities to a wider variety of applicants, often based on a slow but steadily increasing relationship leading to employment. According to these results it is possible to show and discuss some limitations of (German) activation policies targeting welfare dependency and long-term unemployment. Based on these findings, indications for more supportive small scale measures in the field of labor-market policies are suggested to help long-term unemployed with multiple impediments to overcome their situation.

Keywords : against-all-odds, economic sociology, long-term unemployment, mixed-methods

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