Persistent poverty in the Netherlands
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1. Poverty and social exclusion in the Netherlands

1.1. The 1990s: rising economy, steady poverty rates

After studying “modern poverty” at the end of the 1980s, Engbersen (1990; p. 230) predicted that a substantial number of Dutch citizens permanently have to live in poverty. He defined poverty as the structural exclusion of citizens from political, economic and cultural participation. This exclusion is accompanied with permanent state dependency (cf. Engbersen 1991). To ensure whether this prediction is accurate, statistics must provide insight into the persistence of poverty. In 1998, the Netherlands counted 917000 low-income households (Engbersen et al., 2000; p. 8). Approximately 40% was persistently poor – which means more than four years. This corresponds to roughly 6% of all citizens and 7% of all households (SCP, 2001; p. 40). Despite the fact that the economy increased most significantly during the second half of the 1990s, (when the information and communication technology boosted industrial sectors, the state introduced new labor market policies, so that more jobs became available) the number of the long-term poor did not change (SCP, 2001; p. 40). In spite of this, these conditions did not result in fewer people in poverty (SCP, 2001; p. 46): in 1990 14,8% and in 1998 14,3% of the households were considered poor (De Beer, 2000; p. 210-2). These numbers confirm the impression that there is a stable population of socially and economically excluded people.

Dutch social scientists – interested in persistent poverty – asked how this could happen while the economy was growing (cf. Engbersen, 1997). This led to a large-scale research project on poverty. This undertaking, the “Landscapes of Poverty”-project (1997-1999) was funded by the Ministry of Social Affairs and Employment (SZW), and aimed at describing and explaining the situation of people in poverty – those who did not (start to) profit from the boosting economy (the long-term unemployed, single parents, the elderly, and migrants). This project explored the life-world of people in poverty, demonstrating and describing the daily struggles of people in poverty. The incidence of poverty was already described in other reports; for example, the Annual Poverty Monitors contain

This research proceeds from poverty definitions used by the SCP and the CBS (Dutch Central Bureau for Statistics). Commonly, two income definitions are used in the Netherlands. The first definition is the social policy minimum, which is based on the statutory minimum income as adopted by the government in its social legislation (SCP, 2004; 9-10). Because the social policy minimum is 5% more than the statutory minimum income, households with little supplementary income from employment or with limited assets are also included. Since the norms applied for social security benefit and the state pension do not always precisely follow the trend in prices, the social policy minimum is less suitable for comparisons over time. Nonetheless it is important, because it determines the number of households with an income around or below the politically recognized poverty line (ibid.). The second definition is the low-income threshold, which stands for the same purchasing power for all households. It is based on the social assistance benefit for a single person in 1979, at the time the purchasing power of social security benefit was relatively high (ibid.). As the low-income threshold for the years after 1979 is adjusted for price inflation, it is appropriate for comparisons over time. The “Landscapes of Poverty”-interviewers searched for households having an income not exceeding 105-110% of the social policy minimum. These households are subject of study. They paid special attention to the long term poor. Among the long term poor, characteristics of “modern poverty” are observable, such as counterproductive life-strategies (informal work), social isolation, state dependency, internal group divisions, spatial concentration and cultural adaptations (cf. Engbersen & Van der Veen, 1987; Engbersen, 1990, 1991; Engbersen et al., 1993).

This dissertation is one of the products of “The Landscapes of Poverty”-project, and is based on secondary data analysis – the data from the aforementioned project. I provide insight into the poverty phenomenon by showing how people in poverty in deprived areas in the Netherlands become socially excluded from the primary public spheres of life (such as the labor market). Showing this, I will try
to answer the question why poverty is perpetuated, and why so many people enduringly live in poverty. This first chapter addresses the concept of social exclusion; that is how people become socially excluded from spheres and why this is relevant for understanding poverty perpetuation. This chapter also outlines the content of the remaining chapters and the central research questions for each.

1.2. Poverty as social exclusion

In contemporary western societies, poverty is a versatile social problem. People in poverty suffer not only from financial hardship, but also from social isolation; they depend on state benefits, experience relative deprivation, live in one of the poor neighborhoods, and are durably excluded from the labor market. Because contemporary poverty is complicated, scholars started to use the concept of social exclusion\(^2\), which refers to a process by which individuals or households experience deprivation, either of resources (such as income), or of social links to the wider society\(^3\) (cf. Berghman, 1995; Levitas, 1996; Paugam, 1996; Lee & Murie 1999; Room, 1999; Kronauer et al., 2001; Murie & Musterd, 2004). Traditional poverty studies have concentrated on a lack of access to material resources. However, the concept of social exclusion provides a framework to look at the social relations of power and control, the processes of marginalization and exclusion, and the complex and multi-faceted ways in which these operate (Williams et al., 1996; p. 9). However, by arguing that social exclusion is complicated, it does not automatically guide us to thought-through investigations. Emphasizing that a social problem is incomprehensible and many-sided might result in obscure, chaotic, and difficult analysis of the problem. To cope with this, I can focus at various dimensions of social exclusion. Since scholars on social exclusion refer to multiple dimensions of poverty\(^4\) (cf. Kangas & Ritakallio, 1998; Brady, 2003; Dekkers, 2003), I can choose a number of these dimensions, analyze them separately and soon after simultaneously. Elaborating on the work of Kronauer (1997), he analytically distinguishes between several of these dimensions, for example the labor market, the state, the neighborhood, and social networks.

According to Kronauer (1997, in Littlewood & Herkommer, 1999; p. 15), first and most commonly, there is exclusion from the labor market, which results in long-term unemployment without any expectation of finding new work (cf. De Beer, 1996b; Wilson, 1996). People who can rely on stable high-paid work, unquestionably have few chances of becoming poor. Numbers (SCP, 2001) indicate
that unemployed people – resulting from labor market exclusion – have the highest risk of living in poverty. Moreover, if people in poverty are durably excluded from the labor market, the chance that they will ever be employed in the labor market becomes less (cf. De Beer, 1996a). Because their income is insufficient, they often have difficulties maintaining social contacts (cf. Vranken, 2002; p. 46). They also have to move to a cheaper house in one of the “backward” neighborhoods. It seems that labor market exclusion has severe consequences for other dimensions of social life.

Secondly, according to Kronauer, there is the economic exclusion in a more general sense of poverty – considered in relation to social and cultural values about standards of living. Research on impoverished people shows that the lack of money forms the bedrock of their daily struggles (Snel et al., 2000; p. 47). We cannot understand contemporary poverty by looking at all the other aspects and leave out the analysis of the lack of financial resources. Third, according to Kronauer, exclusion results in social isolation, which is manifested in the restriction of social contacts and social relationships. People in poverty cannot – often because of the lack of money – fully participate in society. They cannot invite friends over for dinner, go shopping, or join a sports club. People in poverty cannot live up to reciprocity expectations, and do not want to be reminded of their precarious position during exchanges. Consequentially, they avoid social interactions with friends, family, and neighbors. In the end they experience a reduction of their social network (cf. Engbersen & Van der Veen, 1987), and become disintegrated from social networks and detached from society overall (cf. Jehoel-Gijsbers, 2004).

The fourth dimension is close to the third, and is called spatial exclusion. People in poverty often live in urban areas in which poverty is concentrated (cf. Engbersen & Snel, 1996). Within these neighborhoods, people in poverty might develop a culture of poverty – a culture of fatalistic attitudes, counterproductive life strategies, and downward leveling norms. These cultures of poverty are thought to perpetuating poverty (cf. Blokland, 2003; p. 2-3). According to Kronauer, the fifth dimension is institutional exclusion, that is visible in, and consequent on, the retreat of public institutions from welfare programs, the inclusionary conditions of access to welfare institutions, and the direct exclusion from access to such public services as schooling. Although people in poverty often depend on welfare benefits, they are often not fully informed on the available arrangements (cf.}
Vrooman, 1996), like job training (SCP, 1997; p. 147), additional income support, and aid to end debts (SCP, 1999; p. 161). Therefore, they are partially excluded from welfare state arrangements.

Another dimension is the inclusion in the informal labor market that may promote an alternative lifestyle among people in poverty (cf. Wacquant, 1999a). People in poverty – who are included in the informal labor market – have fewer chances to become integrated in the formal labor market, and are often penalized by the state. Along these lines, social exclusion refers to various dimensions, each and every one of which sheds light on the societal integration of people in particular, and the perpetuation of poverty in general.

In the same way, Dutch scholars gave emphasis to the process of social exclusion (cf. Schuyt, 1997; Gowricharn, 2001; Blokland, 2006; p. 8). For example in line with Mingione (1996) and Walzer (1983), Van der Veen and Engbersen (1997; p. 307, see also Engbersen & Gabriëls, 1995) argue that people in poverty are often excluded from elementary spheres of social life (labor, education, housing, state). People in poverty cannot obtain financial resources from the labor market, cultural resources from the educational system and fail to make use of state support. Studying poverty and social exclusion in this manner (using various social spheres and dimensions) has methodological and theoretical consequences. First, I need to analyze multiple spheres. Since poverty is a diverse problem, it cannot be reduced to the analysis of one sphere. For example, although labor market exclusion, Van der Veen and Engbersen argue, has severe consequences for other spheres, it is not the only element to understand poverty. Other spheres need to be analyzed as well (ibid.; p. 308). Second, I need to analyze what is going on within these various spheres, and especially how people cooperate with each other in these spheres. What do people in poverty do in a particular sphere? Third, I need to analyze the interrelations (and its effect) between the spheres – under the condition that the exclusion from one sphere indeed has consequences for the exclusion from other spheres. To understand poverty perpetuation, I must examine multiple spheres, their interrelations, and the process that leads to social exclusion. To continue this research paradigm, I strategically select a number of relevant spheres, where we can observe the processes towards social exclusion. These spheres are: a) the regular labor market, b) the state, c) the neighborhood, d) social networks, and finally e) the informal labor market. On page 24, I will elaborate on these spheres.
Pertaining to the concept of social exclusion, some remarks can be made. In the first place, it seems that people are either included or excluded from a particular sphere. People in poverty are not particular dichotomously included or excluded from a sphere. However, inclusion or exclusion stands for whether they are able to benefit from the relevant sphere. For example, scholars give emphasis to a growing population of working people living in poverty, both in the US (cf. Newman, 1999) and in the Netherlands (Becker, 2000; p. 236; Gowricharn, 2002; Snel et al., 2007). Although people work, they cannot earn sufficiently to stay out of poverty. They are called the working poor. For instance, 15% of all the working ethnic minorities in the Netherlands earn no more than a wage below the low income threshold (cf. Vrooman & Hoff, 2004; p. 83). The working poor are included in the labor market, but hardly benefit from this inclusion. Another example, people in poverty might have numerous social bonds – friends, family, and colleagues. But these bonds offer few opportunities for exchange, or people in poverty do not make use of these bonds. They seem to have a social network, are not isolated, but for reasons to uncover cannot benefit from these resources to get and to stay out of poverty. The second remark I make is that people in poverty are not included in a particular sphere on Monday, and then excluded overnight. According to Littlewood and Herkommer (1999, p. 14) social exclusion has not merely been treated as a result of a consequence of societal changes, but importantly has also been widely treated as a process. Seen from the individual point of view, this involves: a) the experience of losing one’s job, and not finding another one, b), the absence of subsidizing, supportive institutions, such as the family and the neighborhood, and c) the humiliation involved in the control procedures related to public welfare. Social exclusion refers to various developments within a variety of life-spheres: the neighborhood, the state, the labor market. Vranken (2004) merges the aforementioned in a poverty definition, including the notions of process and sphere. He defines (2004; p. 99) poverty “as web of various processes of social exclusion. To those it concerns, it expands over the various societal and personal spheres” (my translation). Furthermore, the poor are separated from the generally accepted living patterns in society and are unable to bridge this gap on their own (Vranken, 2001; p. 75). Consequentially, social exclusion needs to be approached as a process, in which the interchange between spheres needs attention.
What remains unclear is just how people in poverty become excluded from these various spheres of social life. Conceivably, enduring social exclusion leads to the perpetuation of poverty. Consistent with the recognition that contemporary poverty is not an “either/or” but rather an “and/and” situation, I will attempt to examine the relationships between the various exclusion processes. Moreover, since exclusion is not about graduations of inequality (Giddens, 1998; p. 104), I am interested in the mechanisms that act to detach groups of people from the social mainstream (ibid.).

1.3. The process towards social exclusion

If we want to grasp how people in poverty become excluded from the relevant spheres of social life, the primary step is to define such spheres. Understanding processes of social exclusion, I make use of the concept of field. In the words of French sociologist Pierre Bourdieu a field is a social space in which people maneuver and struggle in pursuit of relevant resources. This definition indicates that a field has two relevant characteristics, first; that people constitute and set up the boundaries of a field. After all, people maneuver and struggle in the field. Second, within each field some kind of capital is at stake. People do not merely only set up the boundaries of a field, they also struggle in pursuit of relevant resources. The question remains who are the others, and what are the relevant resources.

Elaborating on the first characteristic of fields (people constitute the boundaries of a field), the question remains who are the others in the first place. In the labor market, people in poverty have to compete with others for jobs, to persuade employers that they are good employees, and finally to exchange their effort into financial capital. The significant others in the labor market are often the employers and people who desire the same job. People in poverty also have to deal with employment institutions – the welfare office and employment agency. Those who rely on state benefits have to deal with welfare officials, negotiating with these officials in pursuit for their benefits, and even discussing whether they deserve social assistance. In the neighborhood, people in poverty have to deal with other urban dwellers – their neighbors, people who also make use of the neighborhood, drug dealers and users, social workers, and other professionals. In social networks, family, friends, and acquaintances are highly relevant. These social ties offer resources for daily getting by or for the necessary bridges to get ahead. People in poverty can make use of these social ties to get a job. Accordingly, people
in poverty are *embedded* in various fields, and within each field, they deal with a mixture of different people.

However, social interactions between people go wrong; for example, if people in poverty are rejected for a job by an employer, they face difficulties in entering the labor market. If they have difficulties negotiating with the welfare officials, they have less chance that they will take up additional welfare, income support or help with ending their debts. If they cannot cooperate with other urban dwellers, they will probably not obtain information on available jobs from them. These tensions between and among people might instigate social exclusion from a particular field.

The second characteristic of a field is the struggle in pursuit of relevant resources (Bourdieu & Wacquant, 1992; p. 102). These resources are oftentimes *financial* capital: money. People can obtain financial capital from various markets: the labor market, the state, the neighborhood, their family. People in poverty might also pursue *cultural* capital in the form of educational qualifications, thereby increasing their chances in the labor market. People also might want to acquire more *social* capital (social connections). These can be used to access critical networks, which in return give admission to the labor market. In these ways, people increase and / or maintain their assets. Hence, the chance of ending their poverty depends on their daily interactions with these significant others. However, at the moment the relationships and interactions for poor people are unsatisfactory, they have a harder time securing resources from any particular field.

In the next subsection, I will elaborate on the interactions and struggles between the people in the field, and how they might contribute to poverty perpetuation. I will argue that, first, there is a struggle over resources, and this struggle is material and symbolic. Second, as a consequences of these struggles, the actions of the field members have unintended consequences. Third, these fields are interrelated, and the interrelations between fields have consequences for people in poverty. So, poverty might be perpetuated via these three *processes*: the material and economic struggle; the unintended consequences of social action; and the interrelation of fields. I will describe these elements.
1.3.1. The material and symbolic struggle

In general, social exchange establishes the fundamental relationship between people. People exchange goods, commodities, items, gifts, images in daily interactions. A distinction can be made between symbolic and material exchanges. On the one hand, people exchange and deploy the resources needed for action, such as money, labor, and information. On the other hand, people attempt to establish and maintain the system of meaning: an exchange of symbolic tokens, for example, status, identity, or a characteristic like poverty or wealth (cf. Medvetz, 2006). Sure enough, the material and the symbolic exchange are hardly distinguishable. For example, in a sparkling article, Herrmann (1996) shows how this comes about. She studied women’s exchange in the US garage sales, and found that women solidified personal relationships through exchange. She observed that people transmit something of themselves with their possessions, transform their lives in the process, contribute to a broader spirit of community, and that there is an important link between the symbolic and the material. Women did not solely start up garage sales to make money, but to build up lasting social relationships in the neighborhood, and to have a story about the items they sold. Although these two levels are methodically distinguishable, I argue that analyzing their relation can facilitate a greater understanding of poverty.

People are embedded in various fields, and in each field they can acquire and secure economic resources. In the labor market, people obtain a regular income in exchange for their effort. If people are in need, they can get a benefit from the state bureaucracy. They have to show that they deserve assistance, and finally they receive a benefit. People can make use of their neighborhood relations. For example, a neighbor helps a person in poverty to look for a job. Within the informal labor market, people in poverty can get an irregular income if they do odd jobs. Fields are systems of exchange and probably there are conflicts between people over resources. For example, employers might reject people in poverty from the labor market; people in poverty have to compete with others over jobs; welfare officials might reject people’s requests for welfare; and friends reciprocate gifts of a lesser value. Sometimes, people in poverty cannot economically profit – for reasons to uncover – from a particular field. There is a constant struggle over resources and therefore a material struggle in which commodities are central.
However, different systems of exchange can be economic, but are also symbolic (Skeggs, 2004; p. 7). For example, people exchange images and meanings through interaction, what we see and hear daily. To illustrate, people in poverty are discriminated against, often approached as undeserving for social assistance, reminded of their deviant status, and overall stigmatized (stigmatization, defined by their relationship to mainstream society, is the process whereby an individual or group comes to be viewed as having “an attribute that is deeply discrediting” (Goffman, 1963, p. 3)). During the interactions in the various fields, they meet head on with these practices. In the bureaucratic field, people in poverty might interact with welfare officials who are condescending towards them. In the neighborhood, they might be discriminated against, or might discriminate against other urban dwellers. What is exchanged between people is not commodities, but symbols. If people in poverty are often discriminated against – for their ethnic background or their poverty status – it has consequences for relationships between people. As a result, people in poverty are actively excluded or they exclude themselves from a particular field of interaction.

Thus, people in poverty have to deal with both the material struggle and the symbolic struggle. However, the symbolic struggle can have severe economic consequences. If people in poverty are often discriminated against, they might opt to exclude themselves from the relevant market, to respond with similar hostile practices, or to accept their negative label. For example, if during the bureaucratic encounters, welfare officials persistently stigmatize people in poverty, the latter might dodge the welfare office. Consequently, people in poverty reduce their chances for additional welfare benefits, such as job training. Furthermore, they lower the chance to become reintegrated in the labor market, obtaining more economic resources. In the end, their poverty spell is prolonged. It becomes clear that the symbolic struggle is part and parcel of the material struggle. These ostensibly minor symbolic struggles may have major economic consequences. By showing how these interactions and struggles happen in the various fields, I will show how social exclusion occurs.

1.3.2. The unintended consequences of social action

One of the objectives of sociology is to study the unintended consequences of social action (Engbersen, 2002; p. 9, my emphasis). The classic sociological example of unintended consequences of social action is found in Max Weber’s argument (1991) about the relationship between the protestant ethic and the spirit of
capitalism. The Calvinist doctrines of predestination and this sophisticated asceticism had the unintended consequence of creating conditions appropriate for progression of capitalism by supporting the accumulation of capital as an obligation or end in itself. The rise of capitalism was never planned, but arose from an elective affinity between the religious and the economic sphere. Unintended consequences are also of great consequence at the micro-level as individuals are regularly flawed in their interpretation of the situation and can, by their social action, bring unexpected effects. In all probability, the same is applicable for social actions of people in poverty. In each field people in poverty interact with significant others – which is quite common. Certainly, a wide variety of actions and interactions between various people are possible, and in each field people’s actions and interactions depend on the social context. People in poverty might be harsh towards welfare officials, and friendly towards their neighbor; they might be accepted by their friends, and rejected by employers. There is a constant interference between people. They do not live and act in a vacuum, and choices and actions almost always depend on others. Although they try to make choices that benefit themselves, on the aggregate level, it might have negative consequences for all partakers (cf. Engbersen & Van der Veen, 1992; p. 218). Again, there is the idea of individual actions interfering with each other to produce an unintended outcome (cf. Elias, 1982; p. 160; Elster, 1989; p. 91). For example, if urban dwellers hold others responsible for the neighborhood deterioration, they unintentionally reaffirm the image of a hostile environment. Blaming others for their “bad” neighborhood will further weaken their neighborhood’s reputation and internal solidarity (cf. Wacquant, 1993). They chose what is thought best for themselves in the short term (blaming others), but it might have unintended consequences in the long run (reaffirming negative neighborhood reputation). Doing this, they exclude themselves from that particular field, and probably even from other fields. Their choices – although these choices come about relationally – have consequences on an aggregate level. These unintended consequences of their actions might result in social exclusion, and precisely these outcomes might contribute to poverty perpetuation.

1.3.3. The interrelation of fields

That various fields are interrelated (Bourdieu & Wacquant, 1992; p. 109), can be traced back to the work of Max Weber. According to Weber, there exist organic links between the economic and the political spheres in modern societies (Swedberg, 1998; p. 209). Although each field has its own internal dynamic as
well as autonomy, fields interact with the other fields of society\(^6\) (ibid. p. 6). Max Weber (1991) studied the relationship between the economic and the religious sphere, noting that a certain tension is typical for the relationship of the economic sphere to all other spheres of society. In fact, the economic sphere clashes with the religious sphere in capitalist society because it is very difficult to regulate rational economic actions through religious rules (Swedberg, 1998; p. 133). As a consequence, Weber’s view was that politics and the economy are closely interconnected and must often be analyzed together (Swedberg, 1998; p. 55). Swedberg (1998; p. 209) furthermore refers to the work of Merton (1970, p. ix-x). According to Merton, there exists “various kinds of … interdependence” between these “seemingly autonomous departments of life.” Merton also argues that these are “only partially autonomous” and are linked because an individual has “multiple statuses and roles” so that there exist “social, intellectual, and value consequences” for what is done in one sphere for the other spheres\(^7\).

Descending from the theoretical heights, how can we apply this perspective to this study? If people in poverty are excluded from one field, this might have consequences for the inclusion or exclusion from other fields. For example, exclusion from the labor market has severe consequences for people’s social networks. After losing their job, people in poverty have few economic resources and face difficulties in maintaining reciprocal social relations – for example inviting people over for dinner. In the end, their social network reduces in size. In addition, if people in poverty have hardly any social ties, they lack the necessary bridges to the labor market, and consequentially have few opportunities to change their impoverished position. Hence, the labor market is in many ways connected with other fields. Employers might oppose hiring people from backward neighborhoods, which suffer from a bad reputation. Employers might think that all people from such neighborhoods seem to have the same bad characteristics of the neighborhood itself (cf. Sampson & Raudenbush, 2004). If people in poverty live in such a neighborhood (a field), this might become an impediment entering the labor market. Therefore, the labor market might be related to the neighborhood. In this manner, there are not only relations between individuals in various fields; there are also relations between fields. These relationships must be understood as elective affinities. Without knowing the exact causal mechanism, an elective affinity refers to the resonance or coherence, the reciprocal attraction and mutual reinforcement of fields. Accordingly, although I analytically distinguish between several fields, these fields intersect. In other words, although they have well-
defined borders and specific codes, fields are constantly interacting. It is precisely this interaction that shapes the actors’ structure of meanings (Passy & Giugni, 2000; p. 122). People may face the consequences of the deficient interrelation of fields (cf. Wrong, 1994; p. 232). They sometimes need one field (education, or welfare institutions) to enter another field (formal labor market). Because they have troubles – for reasons to be uncovered – in the first field, it becomes even harder to enter the second and the same. Otherwise, if the welfare bureaucracy is poorly connected to the labor market, this may have consequences for getting a job. Alternatively, if people are excluded from one field (the labor market), it oftentimes results in exclusion from other fields (social networks). They become caught in a difficult situation. One effect of the poor relationship between fields could be that people in poverty might withdraw from future attempts to improve their position (cf. Silver, 1994). The ultimate outcome is that their position is perpetuated. It is therefore my concern to disentangle the consequences of the interrelation of these fields.

By looking at these three elements (the internal struggles, the unintended consequences of social action, and the interrelation between the fields), these seem to constrain people in poverty from changing their impoverished position. For example, hypothetically, people in poverty might face moody welfare officials who do not want to help them out. Alternatively, people in poverty might have few friends, and these friends do not have any jobs either, and therefore cannot provide them with job information. Then again, the neighborhood might be a hostile environment in which people hardly know each other and only blame each other for their misery. However, it can also be the other way around. These fields might enable people in poverty to change their position. For example, if people in poverty have many friends in their neighborhood, these friends can help them to get a job. If welfare officials support people in poverty with job training, the latter might get a job. Consequentially, whether a field is constraining or enabling needs empirical investigation. It is my task to uncover whether these fields are constraining or enabling people in poverty to pursue their ambitions.

Looking at the various fields in which people are embedded, I contend that we are able to understand the multifaceted problem of poverty and social exclusion. Within each of these five fields, it is necessary to study the internal struggles of the people in poverty – both the material and symbolic struggle – and the unintended consequences of their actions. It is also worthy to explore the interrelation
of the various fields. All this together helps us to understand the perpetuation of poverty.

1.4. The analyzed fields

Now I will provide a brief description what may happen in the studied fields; who are the significant “others”, and what kind of struggle happens in the field. However, not in every field does a material and symbolic struggle occurs; and not in every field are there unintended consequences of social action; and not every field is equally important in the understanding of poverty perpetuation. I will start with the labor market, because this is the most important field. Paid work (and labor market integration) will be indispensable: labor market integration offers people economic independency, self-worth, social standing, financial capital and chances to get ahead in society. It furthermore lessens state dependency and reduces the financial burden on the welfare state. As Visser and Hemerijck (1997; p. 181) argue, paid work “will remain the main engine of social integration and economic independence and is likely to remain so for decades to come.”

1.4.1. The formal labor market

One often-studied field is the formal labor market, where human effort is made into a commodity, bought and sold under terms, which, in law, are considered to constitute a contract (Marshall, 1994; p. 348-9). This market – field – plays a vital role in social integration. One solution to solve poverty is to make the labor market more accessible. But people in poverty are durably excluded from the labor market and face many difficulties going from welfare to work. Central to this chapter is what people in poverty do to increase their chances in the labor market, and why they often cannot access the labor market. This chapter develops the concept of the forms of capital as the basis of a model of labor market incorporation. The model sets out the manner in which the social, financial, and cultural capital of the respondents are used to gain entry to the labor market. Each and every one of these forms of capital can be employed to access the labor market. If people lack one of these resources, they can use other resources to strengthen the missing form of capital. For example, people in poverty can use their economic resources (money) to invest in cultural resources (education). With these cultural resources, they increase their chances in the labor market: they converted one form of capital into another. Knowing that people in poverty possess several forms of capital (social, financial, and cultural capital), what are their strategies to convert one form of capital into another? Furthermore, what kinds of difficulties
do they have in converting one form into another? The question is: What obstacles do the respondents face with getting into the formal labor market? If they face many difficulties entering the labor market, it will prolong their poverty spell.

1.4.2. The bureaucracy

Another relevant field is the welfare bureaucracy that organizes welfare distribution. The problem is that “passive” welfare regimes are accused of perpetuating poverty, eroding the work ethic and disrupting flexible work patterns (cf. Theodore & Peck, 1999). People in poverty often depend on social security benefits; they receive a benefit, and this benefit is distributed via the welfare office, which is oftentimes responsible for labor market reintegration. However, sometimes, these bureaucracies might become an obstacle going back to work. The question remains, what happens at the bureaucracy that might barrier people in poverty from going back to work? This chapter describes the interactions between the welfare officials and people in poverty, makes the internal logic of this field visible, and shows how these interactions might negatively affect the chances for labor market integration. By showing how people in poverty perceive the relationship with the welfare officials, insight will be given in the functioning of the welfare office.

1.4.3. The neighborhood

Another studied field is the neighborhood. A neighborhood\(^{23}\) is the bundle of spatially-based attributes associated with clusters of residences, sometimes in conjunction with other land uses (Galster, 2001; p. 2112). In this application, the spatially-based attributes comprising the complex commodity called ‘neighborhood’ consist firstly of, the social interactive characteristics: local friends and kin networks, degree of interhousehold familiarity, type and quality of interpersonal associations, residents’ perceived commonality, and participation in locally based voluntary associations. Secondly, the neighbourhood consists of sentimental characteristics: residents’ sense of identification with place, historical significance of building or district (ibid.). Galster (ibid.) also refers to various spatial dimensions, such as structural characteristics of the residential and non-residential buildings: type, scale, materials, design, state of repair, density, landscaping; infrastructural characteristics: roads, sidewalks, streetscaping, utility services; and environmental characteristics: degree of land, air, water and noise pollution, topographical features, views.

25
I elaborate on two of these dimensions, the social ties and the sentiments. The conceptualisation of the neighbourhood is not a matter of interest. I am particularly interested in the impact of the neighborhood on the life-chances of individuals, an ongoing dispute among social scientists (cf. Buck, 2001). Perhaps no single question in urban inequality has produced more research than whether neighborhood poverty affects the life-chances of the poor (Small & Newman, 2001; p. 29). Authors address questions such as; why does the neighborhood matter, for what, and to what degree? (Sampson et al., 2002; p. 447); how does neighborhood poverty produce negative effects? (Small & Newman, 2001; p. 32); does living in a deprived area constitute the disadvantage experienced by its residents, and do the area effects contribute to a lack of social mobility (cf. Atkinson & Kintrea, 2001)?

All these questions are part and parcel of the neighborhood-effect research program. In this program, the central concern is that segregation acts as a motor that drives social inequality (cf. Hanhörster, 2001, p. 329)24. This study tries to contribute to this debate25. I attempt to understand how place (the neighborhood) shapes ones’ life chances. If social space negatively acts upon the respondents’ lives, it can have an effect on poverty perpetuation. I am particularly interested in how people in poverty cooperate with others in the neighborhood. Do they have any fruitful social ties in the neighborhood? Or do they distance themselves from other urban dwellers? If they have sufficient fruitful ties, people in poverty can receive, for example, information on job opportunities from their neighbors. The neighborhood – via this kind of reasoning – becomes a springboard to other social fields. To understand what their position is vis-à-vis others in the neighborhood, I analyze how they classify other urban dwellers in the neighborhood26. Analyzing how the respondents classify others enables us to understand their own (perceived) position in the neighborhood with reference to others. One way to understand how this works is to illuminate who (in the neighborhood) people define as morally worthy and morally unworthy. This way, the internal differentiation of the neighborhood becomes visible. Do they actually have any potential social ties in the neighborhood that offer resources? What can be said about the differences between the neighborhoods? What can we say about the relevance of the neighborhood and how the neighborhood shapes individuals’ life-chances?
1.4.4. The social networks

Another often studied field are social networks, which involve people who are linked together by one or more social relationships. In these networks people interact, exchange, and share “certain” things. In general, social networks can be approached negatively and/or positively. On the one hand, it might create cultures of poverty: a culture in which people are trapped, which a number of people share, and which is perpetuated over generations. On the other hand, social networks can be seen as a resource. People can support each other and their social networks can offer an escape out of poverty. I look at the latter, and concentrate on the positive aspects of social networks and focus on “social capital” – which is generally conceptualized as a resource that is realized through social relationships (Coleman, 1988; Leventhal & Brooks-Gunn, 2000, cited in Sampson et al., 2002; p. 457). Therefore, this chapter addresses how social capital functions and how people in poverty deal with their social relationships. This study concentrates on the “weak ties”, because these ties can act as bridges to other resources and fields. Weak ties are relationships characterized by infrequent interaction or low intimacy. They are wide ranging and are likely to serve as bridges across social boundaries (cf. Bian, 1997; p. 366). People in poverty can use these ties to find a job, information for job opportunities and job training. With a job, they can change their opportunity structure in the long run. Therefore, first I try to answer the question whether the respondents did have weak ties. If they possess such ties, why do these weak ties seem unproductive? If they cannot make use of their weak ties – for reasons to be uncovered – they, consequentially, cannot escape their position.

1.4.5. The informal labor market

Because welfare dependency (long-term receipt of welfare) is often associated with illicit work (Lister, 2004; p. 111), the last field studied is the informal labor market. The informal labor market differs from the formal labor market: human effort is made into a commodity, which is bought and sold under terms without any official contract. Working in the informal economy can perpetuate ones’ position, since it reduces the chance to work in the formal economy. For that reason I address the question whether the respondents work informally and if so, what and for what reasons are they doing it. What is the role of their social connections, their relationship with welfare institutions, and severe labor market exclusion? This chapter aims to consider the reasons why they work informally, and
the transcriptions were analyzed for their informal work activities. The structure and logic of the informal labor market is described, and I want to uncover the reasons why they work off the books.

Within each and every one of the aforementioned fields, a struggle over resources takes place. Because of these struggles, people in poverty are excluded or exclude themselves from that particular field. In addition, people in poverty have to deal with the various people in each field. The relationships between them and the others determine whether the actual field is a fruitful ground. However, not only is the social figuration central. The relationship between fields is of importance, since a poor connection between them may have consequences for people in poverty. In each chapter, I provide more theoretical insight in the processes of social exclusion.

1.5. Research questions

The central question of this study: How can the perpetuation of poverty be explained? I am especially interested in the long-term poor: why these people cannot escape their financial poverty and why they have difficulties in accessing the labor market. Furthermore, because I do not have data from several generations, I draw attention to intergenerational poverty (poverty within one generation), and not the perpetuation of poverty over generations (intrageneral poverty). To understand the phenomenon of poverty better, society is divided into several fields. The structure of each field provides information on poverty perpetuation. Each chapter discusses one relevant field, and addresses a particular question. In the third chapter, using the three forms of capital model, I try to answer the question: what are the barriers to work? In the fourth chapter, I try to answer the question: How does the relationship with the welfare officials contribute to welfare dependency? Does the neighborhood influence the life chance of people in poverty, is the question I pose in the fifth chapter. In the sixth chapter, the weak ties – which might offer an escape out of poverty – are central, and the question is: are these weak ties productive? In the seventh chapter, the informal work activities are analyzed and I ask why are these activities employed? In the concluding chapter, I try to demonstrate the effects of the interrelation between the studied fields. However, because these fields cannot entirely be analyzed separately, in each chapter I write something about this interrelation. In general, I describe the relations between fields and the relations between people in the various fields.
the next chapter, I will describe the research methodology and the characteristics of the respondents.
Notes

1 Exactly so: “Er blijkt jaarlijks een niet te verwaarlozen groep mensen te bestaan die langdurig van een laag inkomen moet rondkomen (vgl. SCP/CBS 2000). Van de personen die onder lage-inkomenspositie verkeren, moet 40% langdurig – dat wil zeggen, vier jaar of langer – van een laag inkomen rondkomen. Dit komt neer op 6% van alle personen in Nederland en 7% van de huishoudens (SCP, 2001; p. 40).”

2 See also Blanc (1998) and Cousins (1998).


5 In Bourdieu’s massive work on poverty and social exclusion (The weight of the world, 1999), almost the same kind of themes are distinguished: “The experience of poor housing and unemployment, social and symbolic forms of exclusion (a poverty that is hidden), conflicts between generations whether in a work or family context, interethnic conflicts, the confrontation between the powerful and the vulnerable in the state systems of education or law enforcement, the everyday anxieties of the gendered workplace, and the loneliness of the elderly and the sick” (Couldry, 2005; p. 355). This kind of reasoning can be traced back to the work of Max Weber. As examples of spheres, Weber mentions “the economic sphere,” “the political sphere,” “the erotic sphere,” and the “aesthetic sphere,” and he says that all of these have a certain autonomy and inner logic (Eigengezetzlichkeit, Eigenlogik) (Swedberg, 1998; p. 209). There are numerous spheres in society to understand the integration of people, like sports (cf. Krouwel et al., 2006), or the military (cf. Choenni, 1995).

6 In complex societies, much, if not most, social action is impossible to grasp, except by reference to the specialized fields where, according to Bourdieu, it takes place (Couldry, 2005; p. 357). According to Couldry (2005; p. 356), “Bourdieu saw social space in modern societies not as focused around one organizing principle (relations to the means of economic production, Marx) but as a space with multiple (if interrelated) fields of competition, where different forms of capital are at stake. In addition, although some critics have suggested otherwise, Bourdieu always acknowledged the complexity of the individual position, at least to the extent that for him, individual actions can only be understood by grasping individuals’ different structural positions in and historical trajectories across social space.” According to Bourdieu, “a field consists of a set of objective, historical relations between positions anchored in certain forms of power (or capital), while habitus consists of a set of historical relations “deposited” within individual bodies in the form of mental and corporeal schemata of perception, appreciation, and action” (Bourdieu & Wacquant, 1992; p. 16). Bourdieu also defines a field as a network, or a configuration, of objective relations between positions objectively defined, in their existence and in the determinations they impose upon their occupants, agents or institutions, by their present and potential situation (Wacquant 1989; p. 39). So, field theory is a more or less coherent approach in the social sciences whose essence is the explanation of regularities in individual action by resource to position vis-à-vis others (Martin, 2003; p. 1). Field theory is nothing new. Lewin (1953) already wrote that individual behavior is seen as being determined by the totality of the individuals’ situation – their psychological field or life space. This contains the individual with goals, needs, and their perceived environment, and can be mapped using vectors (see Marshall, 1998). This line of reasoning can be traced back to the work of Marx. He wrote in Die Grundrisse (1971; p. 77 in: Bourdieu & Wacquant, 1992; p. 16) “Society does not consist of individuals; it expresses the sum of connections and relation-
ships in which individuals find themselves.” Thatcher said exactly the opposite: "I think we’ve been through a period where too many people have been given to understand that if they have a problem, it is the government’s job to cope with it. ‘I have a problem, I’ll get a grant.’ ‘I’m homeless, the government must house me.’ They are casting their problem on society. And, you know, there is no such thing as society. There are individual men and women, and there are families.” (Prime minister Margaret Thatcher, talking to Women’s Own magazine, October 31, 1987).

7 Goudsblom (1977; p. 105, in Mennell; 1992; p. 252) uses a similar line of reasoning. Drawing on the work of Elias, he elaborates on four principles: 1) sociology is about people in the plural – human beings who are interdependent, 2) that these figurations are continually in flux, 3) that the long term developments … are to be largely unplanned and unforeseen, and 4) that the development of human knowledge takes place within human figurations.

8 This article illuminates that symbolic exchange takes place not between abstract actors but between people who stand in structural social relationships to another (Haas & Deseran, 1981; p. 9).

9 Zickmund et al. (2003; p. 835) define stigmatization as attitudes expressed by a dominant group which views a collection of others as socially unacceptable. Link and Phelan (2001) define stigma as “the co-occurrence of its components-labelling, stereotyping, separation, status loss, and discrimination.”

10 This study contributes to a sociological understanding of an economic phenomenon, and tends to operate on the edge between the discipline economy and sociology – or economic sociology. This discipline deals with all economic fields, although using social relations, status, reciprocity, honor, symbolic classifications, norms, structures, power, and social institution as explanatory variables for the interpretation of economic outcomes (Beckert, 1996; p. 803).

11 The concept of life-spheres entails crucial elements. One is that it reflects the individuals’ perceptions of reality, in particular of social reality. By pointing to perceptions, it unfolds the meaning that objects and actions have for individuals. For, as Schutz (1967; p. 230 in Passy & Giugni, 2000; p. 121-2) pointed out; “it is at the meaning of our experience and not the ontological structure of the objects which constitutes reality.”

12 Elias writes: “This … expresses well how from the interweaving of countless individual interests and intentions – whether tending in the same direction or in divergent and hostile directions – something comes into being that was planned and intended by none of these individuals, yet has emerged nevertheless from their intentions and actions. And really this is the whole secret of social figurations, their compelling dynamics, their structural regularities, their process character and their development; this is the secret of their sociogenesis and relational dynamic” (Elias, 1982; p. 160).

13 Paralleling Granovetter (1985), embeddedness is in the end a matter of the degree to which economic behavior is affected by or submerged in social relations (cf. Arnold, 2001; p. 86).

14 See also Lockwood’s distinction (1964; p. 245) between system and social integration: “Whereas the problem of social integration focuses attention upon the orderly or conflictful relationships between the actors, the problem of system integration focuses on the orderly or conflictful relationships between the parts, of a social system”.

15 Note that the concept of sphere is not the same as an institutional arena, but rather some kind of existential arena, perhaps a distinct and meaningful department of life (Swedberg, 1998; p. 209).

16 “Groups, institutions, and societies are nothing but concentrations of recurrent interactions among individuals. They can be identified as clusters in more-or-less continuous fields or chains of interaction, some of them sharply demarcated, others less clearly set
apart, but all of them creating densities of interactions distinguishable within their larger context” (Wrong, 1994; p. 227).

17 Noordhoff (1933; p. 6) emphasizes (drawing on the work of Weber) that a sociological study (to construct an image of society) should not describe the various compartments of social life independently. Instead, a sociological study should observe the entire object (i.e. society), distinguish between the various spheres, and should describe the connections between the various life-spheres.

18 The subjective world of actors is formed by all the life-spheres and by their mutual interactions. Schutz (1967) again, speaks of multiple realities in order to underscore the existence of various provinces of meaning in the social world (cf. Passy & Giugni, 2000; p. 122).

19 Wrong (1994; p. 232) refers to the effects of poorly system integration: “Unforeseen and apparently threatening impersonal “social forces” typically emerge at the level of system integration, often producing reactions of uncomprehending anger or fatalistic alienation on the part of the ordinary citizens whose life routines they disrupt.”

20 Exclusion as a consequence “results from an inadequate separation of social spheres, from the application of rules inappropriate to a given sphere, or from barriers to free movement and exchange between spheres” (Silver, 1994; p. 542-3, in Littlewood & Herbkommer, 1999; p. 5-6).

21 Not every field is equally important in people’s life. Their position in the hierarchy of value depends, among other things, on the frequency of activation. The more frequently a field is activated, the more likely it is to become important in people’s life. The hierarchy of fields will change according to the moment in the life cycle (Passy & Giugni, 2000; p. 122).

22 Furthermore, I use the concepts “field,” “market” and “sphere” randomly, because I think the words “labor field” and “neighborhood field” are a little confusing. When I use the term “market,” I do actually mean “field.”

23 Originally I used Blokland’s definition: A neighborhood is a geographically limited built environment, which individuals use practically and symbolically (cf. Blokland, 2005).

24 In the Netherlands, several authors address this “problem”. For example, Musterd et al. (2003) compared both the employed and unemployed. They argue that the socio-economic perspective of low-income residents in jobless areas does not differ from others. The environment has only a modest effect on the social mobility of households with a weak economic position, but proved to have a more powerful effect on the social mobility of households with a stronger economic position. Van der Klaauw and Van Ours (2003) empirical results show that the neighborhood affects the individual transition rates from welfare to work for young Dutch welfare recipients. These transition rates are lower if the unemployment rate within a neighborhood is higher. Other neighborhood characteristics do not have any effect (ibid.; p. 983). Van der Laan Bouma-Doff (2007) found that spatial segregation hampers the social inclusion of ethnic minorities, as it stands in the way of contacts between ethnic minorities and native Dutch.

25 It is extremely difficult to test the hypothesis that, everything else being equal, an individual living under any particular neighborhood condition is worse off than in the absence of that condition (Small & Newman, 2001; p. 30).

26 According to Bourdieu (1989; p. 19) “nothing classifies somebody more than they way he or she classifies.” Gadamer (1975; p. 9) uses a similar line of reasoning: “it is our prejudices that constitute our being.”

27 Most scholars conceptualize neighborhood in terms of informal relationships or social networks among persons living in a geographical space; thus, when scholars use the term ‘neighborhood’ they tend to mean social networks (Chaskin, 1997, in Small & Newman,
2001; p. 30). However, geographical location and social networks are separate and distinct attributes that may have different effects on individuals (ibid. p. 31).

A central element of social capital theory is the basic idea that people invest in social relationships with the expectations of some return. Programs that promote social capital and indigenous leadership and empower decision-making processes may provide sustainable positive outcomes for families living in low-income neighborhoods (cf. Brisson & Usher, 2005). Therefore, a solution to poverty lies in boosting social capital among the poor. One assumption is that affluent groups are in a better position to generate reciprocal relationships and therefore muster more social capital (cf. Fernandez-Kelly, 1995).

One reason to use this framework is to contribute to the structure/agency debate in poverty research. Ruth Lister (2004; p. 126) writes that: “How far what happens in society can be understood as the product of individual actions (agency) or of wider social, economic, and political institutions and processes (structure) has long been a central problem in sociological theory.” And according to her, the structure/agency debate parallels the discussion on the causes of poverty: “In the US, the second half of the twentieth century saw an increasingly polarized debate between those who attribute the causes of poverty to social and economic structures and those who hold culture or individual behavior responsible” (O’Connor, 2001, in Lister, 2004; p. 127). For example, there are many scholars who try to explain poverty by structural (Murray, 1984; Wright, 1995), situational (Wilson, 1987), individual (Herrnstein & Murray, 1984) or cultural aspects (Lewis, 1966; Rodman, 1971). The theoretical pendulum has swung at different times between an emphasis on agency and on structure but has, more recently been preoccupied with the relationship between the two. Therefore, this study aims to transcend the dichotomy between individualist and structuralist approaches. This analytic framework locates agency in the context (field) of the individuals’ social position in relation to wider forms of stratification and social relations of power (Williams, 1999, in Lister, 2004; p. 127). Doing this, this study may demonstrate an alternative explanation (with reference to poverty perpetuation), going beyond the traditional structure-individual dichotomy.