



Precarious housing as a gateway into and out of homelessness

18th European Research Conference on Homelessness
Budapest, September 12-13, 2024

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Precarious housing and homelessness

- Analyzing transitions from housing to homelessness (and back)
- How – and to what extent – does precarious housing promote the path to homelessness?
- Case study: Göttingen as a medium-sized German university city (population: 120.000)

Overview

- 1) Housing shortage and housing emergencies: Developments in the housing market in Germany (and Göttingen)
- 2) ‚Sink estates‘ (*Problemimmobilien*)
 - Role in homelessness
 - Territorial stigmatization
 - Lucrative business model
- 3) Conclusion

Setting

- Side project of:
„It's your own fault... isn't it? A comparative, urban sociological explanation of homelessness in the interplay of individual, institutional and structural factors“ [research project by Timo Weishaupt; funded by the German Research Foundation (DFG)]
- **Interest:** Understanding how access to / exclusion from housing is realized in everyday practice
- **Scope of study:** Three medium-sized German cities as case studies
- **Research design:** a) expert interviews and narrative, biographic interviews with (formerly) homeless persons (more than 90), b) systematic content analysis using MAXQDA, c) triangulation of interview data (observations, official documents, media)
- Extraction of interviews regarding precarious housing and homelessness: experts and (former) residents who mostly experienced periods of homelessness

Housing market and housing policy in Germany

- Commodification and financialization of the housing market in the era of neoliberalism: increasing focus on profit maximization (Belina 2017; Holm 2021).
- Withdrawal of the state as a housing provider:
 - Sale of municipally owned real estate (since the late 1990s)
 - Social housing on the decline / Expiration of fixed prices for social housing (after 10-20 years)
 - Funding of individuals in need (to compete on housing market) instead of subsidies for supply of social housing
- In line with the restructuring of the German welfare state: Privatization of (former) spheres of responsibility (healthcare, pensions, housing etc.)

Case study: Göttingen

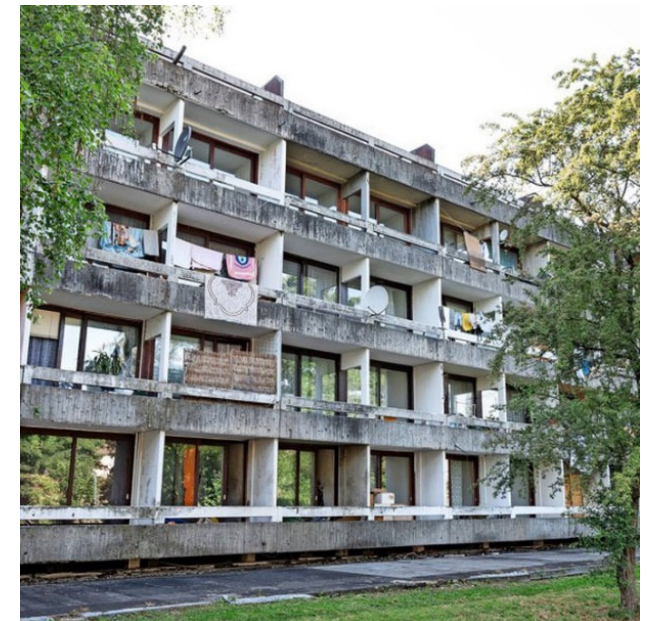
- Significant rise of rental prices over the past 10 years: 44% increase of average quoting rents between 2012 and 2021 (Frieling et al. 2023). Drastic shortages in the low-price segments of the housing market.
- Since 2017: largest rent increases in neighborhoods with low-income population groups and (initially) lower rents (Grone, Weststadt).
- Reduction in price-maintained social housing by 75% between 2002 and 2020.
- ‘Neoliberal answer’ of municipal politics: subsidies for new construction, incentives for investors, hardly any regulation for real-estate companies, etc. But: insufficient promotion of price-sensitive properties.
- Studentification (Smith 2005): Students as an ‘attractive’ group of tenants.

Consequences of housing policies

- High rents and a shortage of (affordable) housing → relocation processes
- Social homogenization of residents – in buildings as well as in city districts (Mießner 2019).
- Displacement effects outwards (outskirts, surrounding rural areas) and downwards (precarious neighborhoods/apartment complexes with a high percentage of welfare recipients).
- Residential segregation: Proportion of welfare recipients in neighbourhoods close to the university & attractive for students fell disproportionately sharply from 2005 to 2015.
- **Increasing competition between the – from a market perspective – ‘least attractive’ tenant groups for the few affordable housing options available.**

Precarious housing in Göttingen

Iduna-Zentrum (Maschmühlenweg 4-6) — Groner Landstraße 9/9a/9b — Hagenweg 20



„Sink estates‘ in Göttingen

- Deterioration of the buildings (rotting fabric, lack of maintenance, neglect, feeling of insecurity, fear of crime)
 - Further social homogenization → spatial concentration of marginalized people with few material resources
 - Residents:
 - High proportion of migrants (especially from south-east Europe) and Germans with a migration background (→ discrimination in the housing market)
 - High proportion of people receiving unemployment benefits; little regular employment.
 - Large number of children
- ‘Catch basin‘ of the „supernumeraries“ without a future (Castel 2003)

Living conditions

Hygiene: *“I had to move from one room to another room because when the pipes are laid, they tear open the wall at the top and the hole stays that way. Nothing is bricked up or polished up. Well, and they run around there all day, the cockroaches. They feel at home there.” (Uwe Unger)*

Insecurity and crime: *“[They] kicked in the door, stole all the furniture, stole all my clothes. The room was empty. They even stole the curtains from those things. Then we did everything necessary: called the police, handed everything in to the office, locked up. [...] And of course, [everything was] completely trashed by the Flex people, they really, really trashed it. And then we did everything so far, closed the door, left, came back, they kicked in the door again and they were back inside again.” (Karsten Kohn)*

Overcrowding & lack of privacy: *“The spread of Covid-19 in Groner Land 9 has actually made it very clear that there are still many, many people living there who don't have a rental agreement. [...] This also gave us a little insight into the fact that we had almost as many additional people as those who were actually registered there.” (Expert 1: manager of a civil service organization)*

➤ Precarious housing causes physically and mentally illness!

„Sink estates‘ and homelessness

- Strong dependence on the rental situation, as no alternatives are available („sink or swim‘)
- Complaints can lead to dismissal (and thus to homelessness)
- Segregation and homogenization make it difficult to cope with crises (lack of resources, lack of networks, isolation, etc.)
- Gateway (‘hinge function‘) into and out of homelessness: last step before homelessness, first/only option after a period of homelessness

Expert 2 (social worker): “But they also advised you against it [moving into Hagenweg; JW]. The people at the job center really did their job. They said ‘I have to tell you now, we at the city can't recommend it under any circumstances. We advise against it.’ That's what the employee said. And then you said again, because you were under so much pressure and there were no options...”

Karsten Kohn: “Where should I go? [...] I don't feel like sleeping outside in the cold again. My God, it wasn't nice anymore.”

Territorial Stigmatization (Wacquant)

- Linking the theory of symbolic power (Bourdieu 1987) and stigma (management) (Goffman 1975)
“The disgrace of residing in a notorious place can become affixed to personal identity and may prove to become [...] an indelible mark during encounters with outsiders.” (Slater 2017: 133)
- *Additional* to the already existing stigmata associated with poverty and ethnic origin
- Denigration of place (Wacquant/Slater/Borges Pereira 2014: 1275) with different levels of action and actors:
 - the **residents** (corroding their sense of self, and undercutting their capacity for collective action)
 - the **surrounding urban denizens and commercial operators** (patterns of avoidance among neighbors and ‘address discrimination’ by employers)
 - the level and quality of **service delivery of street-level bureaucracies** (welfare, health care, police)
 - the output of **specialists in symbolic production** (journalists, scholars, policy analysts, politicians)
 - the beliefs, views, and decisions of **state officials** and, through them, the **public policies** (combining with **market and other forces**)

Address discrimination

Beate Behrens: "So when we applied somewhere, it was always bad with Groner Landstraße as our address. Nobody wanted that. And it's just like Iduna or Hagenweg, Hagenweg is extremely bad."

Uwe Unger: "And then, let's say you get a flat somewhere and you have to say where you lived last. Hagenweg 20? Oh no, the flat is already taken. Yes, it really happens. No shit."

Experts 3 (social workers): "Yes, so if it says Hagenweg, Groner 9a it's unfortunately still the case, it's better to be homeless than to be living there or to apply from there, you have better chances."

- Path to better housing conditions blocked
- Additional impact on labor market opportunities
- A "disadvantaged neighbourhood" has become a "disadvantageous neighbourhood" (Häußermann/Kronauer 2009: 114)

Limited social services

Expert 4 (social worker): "And there are people who say that if someone lives at [Groner Landstraße] 9a, I won't go there. There are hardly any care services there. When we have people who can no longer breathe, it's so difficult to find a medical care service. [...] But then X [name of a medical supply store in Göttingen; JW] comes, puts the things down at the door and says goodbye, get down the stairs and out of the house as quickly as possible, but don't spend time there with the people.."

- Further restrictions and limitations due to specific welfare state gaps
- Partially cut off from welfare structures
- If necessary, lock down of the residential complexes rather than public intervention and help (see Covid outbreak at Groner Landstrasse)

Market forces: ‚Sink estates‘ as a lucrative business model

- Job center pays the rental costs if they are below a certain threshold (*Angemessenheitsgrenze*; “adequacy threshold”). Threshold: determined by private sector reports, usually very low.

Two different strategies of small landlords & real estate companies:

- 1) Flats whose rents are deliberately set just above the ‘adequacy threshold’.
 - 2) Flats in ‘sink estates’ whose rents are exactly on the ‘adequacy threshold’.
- Lucrative strategy: small flats with high prices per square meter as „real goldmines“ (Frieling 2020)
 - Business model only feasible through coverage of rental costs by the job centers („Hartz 4-Modell“)

Conclusion

- Sink estates as a social *dead end*: No way out or up.
- Gateway into and out of homelessness
- Additional widening of the gap to ‘mainstream society’ and to the labour market due to housing conditions and territorial stigmatization.
- Spatial and social concentration ‘among themselves’ (plus: commercial exploitation), if possible without impacting the neighborhood.
- Material basis of precarization (socio-political neglect of the consequences of structural change, unemployment, migration, etc.) and its neoliberal reinterpretation (individual responsibility, self-inflicted guilt, etc.)

Expert 5 (lawyer): "It's possible that the other problem situations will somehow get a similar style at some point, because of course the milieu that's being crammed in there isn't getting any better either."

- Recently: City council has initiated some reforms (e.g. purchase of apartments).

Thank you for your attention!