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Capability, participation and precarity as concepts in socio-economic reporting

SASE 2015 at LSE, London
Mini-Conference »Inequality of what?«
The Agenda of Socioeconomic Reporting for Germany (soeb)

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Direct and multidimensional measures of individual welfare

- Participation – A German rendering of capability as normative reference

A broader socioeconomic approach to reporting

- Mechanisms of inclusion and exclusion linking production to unequal individual welfare outcomes in German capitalism
- Transformation of socioeconomic model changes interplay of (welfare) state, firms and households as sectors of welfare economics

To monitor inequality calls for sociological concepts of stratification

- Graded social positions: multidimensional profile of collective areas (»zones«) of participation, precarity and disaffiliation (R. Castel)
Basic model of participation in soeb

Opportunity aspect of freedom

Societal, institutional conversion factors

»Resources«: goods, services, entitlements

A capability set to chose from

Process aspect of freedom

»functionings« a person achieves in his / her life

Personal conversion factors
Capability, participation and UN Convention on Rights of Persons with Disability (CRPD)

Capability is not easily translated into German
- Concept of »life situations« as a native German paradigm of direct welfare measurement
- »Teilhabe« (participation) as a common, albeit vague normative reference in German political discourse

Participation and inclusion as a new rights-based political agenda
- UN Convention on the Rights of Persons with Disabilities (UN CRPD): »full and effective participation (>Teilhabe<) and inclusion in society«
- Participation as a social human right
- Shift of focus towards social structures restricting or enabling participation of individuals and groups with conditions of disadvantage
  - Disability results from interaction of persons and their environment

Striking similarity between capability and UN CRPD concept
Basic model in International Classification of functioning, disability and health (ICF)
Participation in ICF / UN CRPD and soeb – comparison of the concepts

Common ground
- Target: claims to equality address active and self-determined conduct of life in society
- Disadvantage (impairment): results from interaction of personal and structural factors
- Normative reference to established societal standards for ways of life

Differences in construction of »conversion«
- ICF: scope for »conversion« of body functions and structures
- soeb: scope for »conversion« of resources and entitlements

Differences in emphasis
- soeb: welfare effects enhanced by freedom of choice
- ICF, UN CRPD: strategies for more inclusive structures and institutions
Patterns of participation and precarity

Participation in what? Domains and patterns of participation
- Inclusion via labor market, social networks, social rights (Castel)
- Shared norms of participation – pattern of participation:

Emergence of a zone of precarity
- Socio-economic transformation,
  - Stable and at-risk patterns of participation coexist
- Shared norms of participation become less accessible to many
- Binary distinction of poor / non-poor, inclusion / exclusion falls short
- Which life domains determine graded social positions?

Where and how to draw fault lines
- "Zoning" requires two cutoff points in any observed domain / dimension
■ Precarity: Domains and determinants

■ What determines participation
  - Unequal resources
  - Unequal conversion factors

■ Individuals and households
  - Precarious employment need not translate into precarity for individuals
  - Households provide ties and securities – they compensate or aggravate risk

■ Time effects matter
  - Dynamic concept of precarity – individual life course and linked (family) lives

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Domains of participation

- Close social ties
- Upper and lower thresholds
- Security / provisions for future
- Economic activity
Example of operationalization: joint distribution of income and wealth

Relative Income (% of median income)  
- <60%: exclusion
- 60-<75%
- 75-<100%
- 100-<125%
- 125-<150%
- 150-<200%
- 200-<250%
- >250%

Relative Wealth (multiple of median income months)  
- debt 0 months
- 0-<1 months
- 1-<6 months
- 6-<12 months
- 1-<2 years
- 2-<3 years
- 3-<5 years
- 5-<7 years
- >7 years

Goebel/Kottwitz 2015
More ...

- http://www.soeb.de
  - Reporting on the socioeconomic development in Germany
- http://ipa.hsu-hh.de/lessmann
  - Helmut-Schmidt-University Hamburg (HSU)
    Institute for Employment and Labour Relations (IPA)
- http://www.sofi-goettingen.de
  - Soziological Research Institute (SOFI)
    at the Georg-August University Göttingen