



**Ernst-Abbe-Hochschule Jena**  
University of Applied Sciences

# **Take up of social welfare in Germany - the role of social embeddedness**

**ESA Mid-Term Conference 2022 - Berlin**

# Roadmap

- **Basic income support and non-take-up**
- **Theoretical framework**
- **Empirical study**
  - **Data and Method**
  - **Results**
- **Conclusion**

# Project background

- **Team:**
  - **Prof. Dr. Felix Wilke, Fachbereich Sozialwesen, Ernst-Abbe-Hochschule Jena**
  - **Mareike Sielaff, MA, Fachbereich Sozialwesen, Ernst-Abbe-Hochschule Jena**
- **Duration:**
  - **12/2021-09/2023**
- **Funding:**
  - **94.000,00 €**
  - **funded by Federal Ministry of Labour and Social Affairs**

Gefördert durch:



Bundesministerium  
für Arbeit und Soziales



Fördernetzwerk  
Interdisziplinäre  
Sozialpolitikforschung

# Non-take-up of basic income support in Germany

- **Basic income support („Grundsicherung“)**
  - **Conditionality**
    - Means-tested
    - (Willingness to work)
  - **Standardized benefit (2022: 449€ for a single household)**
    - Plus: housing costs
    - Plus: additional needs
  - **Distinct social law for those in working-age (SGB II) and beyond retirement age/disabled (SGB XII)**

# Non-take-up of basic income support

Beneficiaries: about ca. 5.5 million (2020)

Working age  
(SGB II)



Non-take-up about 3.6 million  
Non-take-up rate about 35-40%

Beneficiaries: about 0.56 million (2020)

Beyond  
Retirement  
age  
(SGB XII)



Non-take-up about 0.85 million  
Non-take-up rate about 60%

Sources: Buslei et al. (2019); Bruckmeier (2021)

# Theoretical framework: Embeddedness of social action

## Macro level: norms

- Legitimacy of basic income support affects take-up
  - The higher the perceived deservingness (+), the lower the burden to take-up (van Oorschot 2017)
- Activation policies strengthen norms of self-responsibility (Bothfeld/Betzelt 2013)
  - Norms of self-responsibility (-) lower propensity to take-up

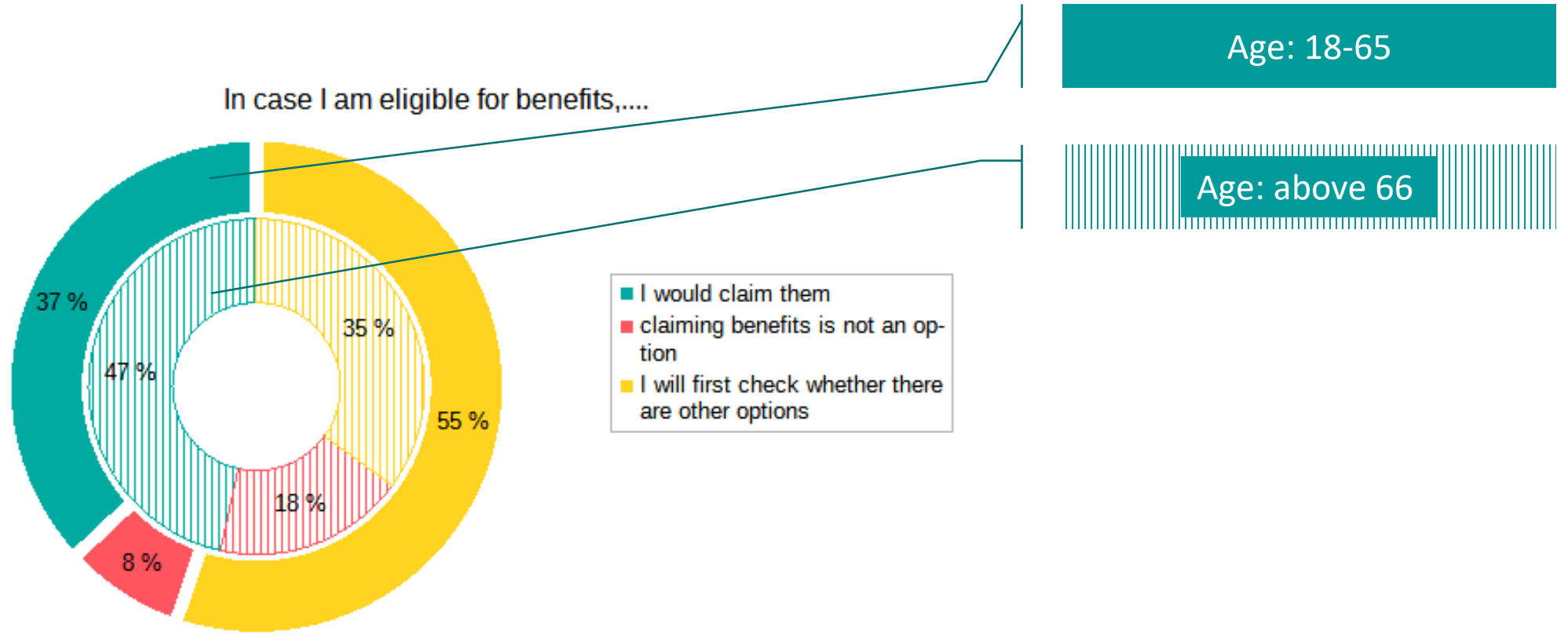
## Micro level: social networks (Granovetter 1982)

- Embeddedness may have different effects on take-up
  - Information (+)
  - Support (-)
  - Source of stigma (-)
- Hypothesis: friends and family have different effects
  - Strong-ties: Family as source of support (-)
  - Weak-ties: Friends as source of Information (+) or Stigma (-)

# G-SOEP Innovation Sample 2020/2021

- **G-SOEP Innovations Sample**
  - **Subsample of German Socio-Economic Panel**
  - **Panelstart 1998**
  - **Questionnaire covers individual and household information**
- **Survey module covers three topics**
  - **Common attitudes in society towards means-tested welfare support and their uptake**
  - **Potential behavior in case of need**
  - **Reasons preventing people from claiming benefits**
- **Respondents: 1066**
  - **Respondents with low income: 195 (at most 75% equivalence income)**

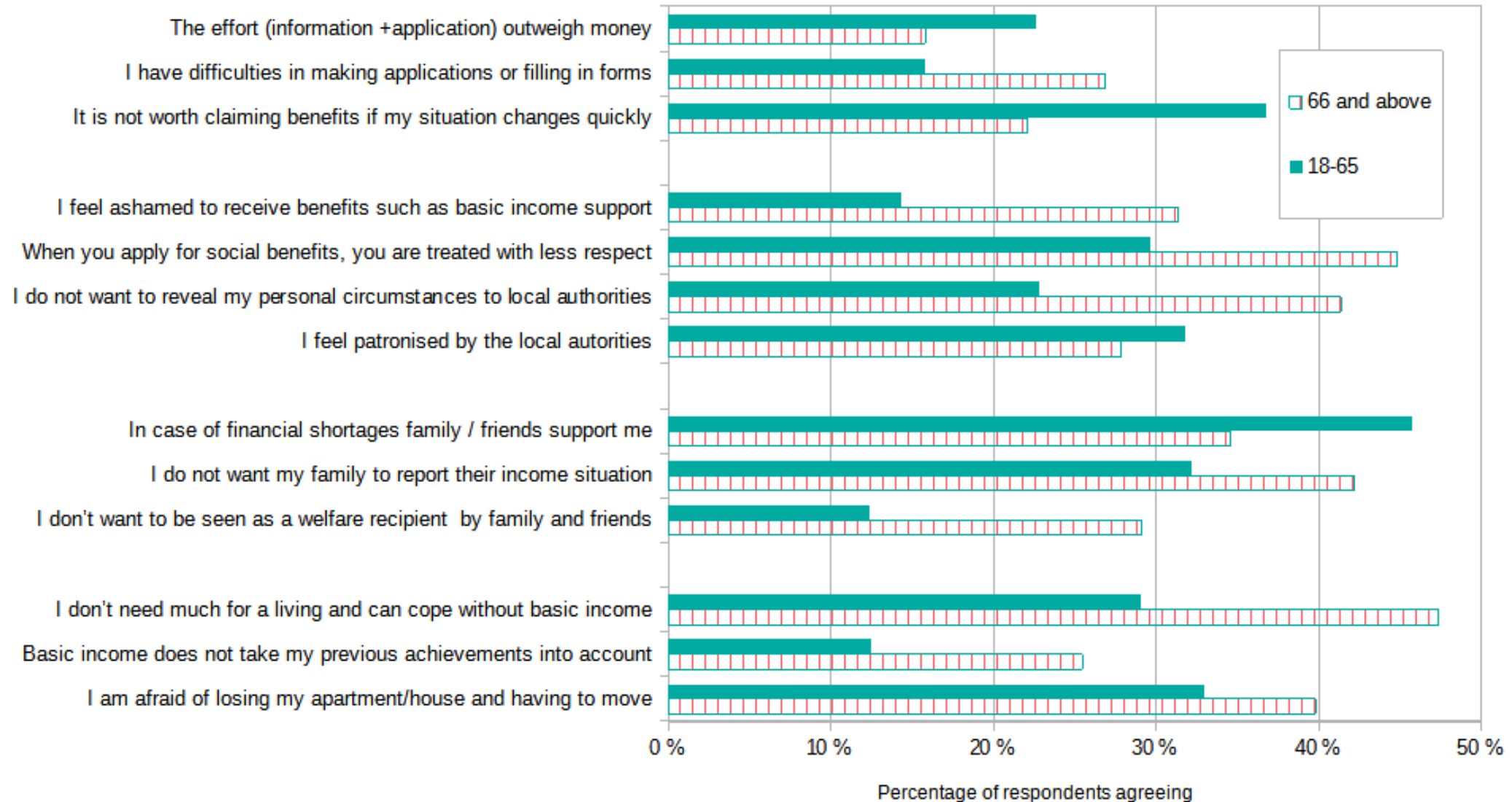
# Intention to take-up in case of need



Remarks: SOEP IS 2020, n=192, weighted results, only people with equivalence income  $\leq 75\%$  and without basic income;



# Reasons preventing people from claiming benefits



Remarks: weighted results, only people with equivalence income  $\leq 75\%$  and without basic income;; respondents: 105-108 (age: 18-65 ); 69-75 (age 66 and above)

# Multivariate analysis

- **Logistic regression**
  - **Sample: Low income respondents**
  - **Cluster-robust standard errors**
- **Dependent variable: Intention to take up 0/1**

I would claim them	1
I will first check whether there are other options	0
claiming benefits is not an option	0

	M1		M2		M3		M4		M5	
	OR	t	OR	t	OR	t	OR	t	OR	t
low education (Ref: Medium) 0/1	1,711	0,94	1,215	0,33	1,595	0,71	1,258	0,37	1,623	0,70
high education 0/1	0,940	-0,11	1,365	0,49	1,461	0,54	1,438	0,53	1,324	0,40
Region: former GDR (Ref:Westd.) 0/1	1,442	0,85	1,292	0,57	0,746	-0,46	1,316	0,56	0,898	-0,22
Net Household income in 1000€	0,632	-1,31	0,636	-1,26	0,437+	-1,84	0,515+	-1,67	0,551	-1,47
Women(Ref. Men) 0/1	1,078	0,17	1,829	1,06	1,610	0,79	1,983	1,15	1,582	0,79
Migrant 0/1	0,941	-0,12	0,847	-0,26	1,061	0,08	1,106	0,14	1,114	0,16
Home ownership 0/1	0,722	-0,80	0,657	-0,95	0,848	-0,32	0,752	-0,57	0,752	-0,56
age	0,979	-1,20	0,949*	-2,38	0,952*	-2,10	0,946*	-2,28	0,963	-1,56
Retired 0/1	4,068+	1,89	9,666*	2,57	11,093**	2,84	9,731*	2,39	8,971**	2,59
Single 0/1	1,121	0,19	1,000	0,00	0,674	-0,54	0,757	-0,39	0,772	-0,35
living in rural area 0/1	2,337*	2,14	4,133**	2,89	5,154**	2,79	4,928**	2,93	4,875**	2,80
basic income in past 5 years 0/1	5,691*	2,54	8,576**	2,74	9,073*	2,39	6,689*	2,16	9,082*	2,49
life satisfaction			0,849	-1,52	0,872	-1,04	0,831	-1,42	0,854	-1,20
My Lifes Course Depends On Me			0,717*	-2,16	0,639*	-2,48	0,671*	-2,50	0,655*	-2,38
Left-right attitude			1,087	0,66	1,226	1,43	1,188	1,39	1,177	1,15
contact with family			0,991	-0,05	1,134	0,59	1,046	0,23	1,098	0,50
contact with friends			0,501**	-2,95	0,446**	-3,20	0,421*	-2,12	0,776	-0,71
self responsibility instead of claiming not worth if situation changes quickly			0,691+	-1,85	0,790	-0,99	0,734	-1,44	0,732	-1,50
previous achievements are not valued					0,838	-0,63				
can cope with little income					1,001	0,01				
effort (inf. +application) outweighs money					0,905	-0,37				
basic income is ashaming					0,806	-0,92	0,593+	-1,89		
friends*shame					0,623*	-2,27			0,786	-1,00
friends*information costs							1,044	0,29	0,820+	-1,78
N	192		0 192		176		179		183	
pseudo R-sq	0,145		0 0,276		0,331		0,296		0,316	

# Conclusion

## Insights

- Retired emphasise problems with take up but have more often the intention to claim benefits
- Embeddedness matters
  - Attitudes in favor of activation policies lead to lower take-up
  - Social networks impede take-up due to shaming
    - No signs of information advantages

## Limitations

- Small number of cases
  - Prevents in-depth analysis
- Intention to take-up can mean very different things

# Thank you for your patience

- Literature

- Bothfeld, S. und S. Betzelt, 2013: How do activation policies affect social citizenship? The issue of autonomy. S. 249–270 in: Social Policy Review 25, The Policy Press.
- Bruckmeier, K., R.T. Riphahn und J. Wiemers, 2021: Misreporting of program take-up in survey data and its consequences for measuring non-take-up: new evidence from linked administrative and survey data. Empirical Economics 61: 1567–1616.
- Buslei, Hermann, Johannes Geyer, Peter Haan, und Michelle Harnisch. 2019. Wer bezieht Grundsicherung im Alter? - Eine empirische Analyse der Nichtinanspruchnahme. FNA-Journal 1–44.
- Granovetter, M.S., 1982: The Strength of Weak Ties: A Network Theory Revisited. S. 105–130 in: P.V. Marsden & N. Lin (Ed.), Social Structure and Network Analysis, Beverly Hills, California: Sage.
- van Oorschot, W., F. Roosma, B. Meuleman und T. Reeskens, 2017: The social legitimacy of targeted welfare. Attitudes to welfare deservingness. , Cheltenham: Edward Elgar.