



The Ongoing Role of Family in the Provision of Housing in Greece during the Greek Crisis

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Abstract: *The importance of the institution of family in housing practices has deep historical roots in Greece, and families tend to follow certain housing strategies such as late emancipation from the parental home, intergenerational house transfers and financial support for housing. Providing and maintaining a housing solution for young members is one of the top worries in this geographical region, and it is relieved via intergenerational micro-solidarities. Moreover, today's crisis and austerity are threatening, through indirect budgetary cuts and rising taxation, the housing well-being of the citizenry which is supported only by family welfare. Nonetheless, the family still constitutes the main shock absorber of social and economic turbulence, but at what price?*

Keywords: Greece; crisis; housing strategies; family.



Introduction

Greece demonstrates a particular connection between family, housing and welfare that is associated with the Southern European regime of ‘familistic welfare capitalism’ (Papadopoulos & Roumpakis 2013) or ‘familialism by default’ (Saraceno & Keck 2010: 676). This regime stresses the eminent role of the family in most life activities like housing provision that elsewhere are managed by capitalism or the state. Expressly in Greece, access to housing is facilitated by the implementation of family strategies, while homeownership is promoted and supported by family assistance as a consequence of the absence of public housing as well as housing policies (Maloutas 2008; Economou 1987). Furthermore, the crisis provoked the general impoverishment of the population, leading to the over-indebtedness of households and the related housing precarity and deterioration of living conditions (Siatitsa & Annunziata 2017) that are relieved mainly through family support.

The aim of this research is to identify how Greek family support relieves young people from the impact of the crisis in their housing practices. For this purpose, a multidimensional approach was utilised within the postmodern analytical framework of housing pathways (Clapham 2005). The paper results from fieldwork conducted in Athens during 2017 and is part of a wider research project that involved 50 participants aged 27–34 from lower-middle and middle-class families. The main technique comprised in-depth, face to face or self-recorded interviews in Greek based on an adaptation of biographical interviewing, focusing on the respondents, and on their households’ housing pathways. Moreover, the observation method was employed in research partners’ (households’) housing practices in order to gain better insight according to the research question.

The Southern European welfare regime

The importance of the social institution of family in Southern Europe has deep historical roots (Ferrera 2010), and the citizens tend to follow the same familistic housing strategies such as late emancipation from the parental home, intergenerational co-residence, and residential spatial proximity to members of the same extended family. Specifically, providing and maintaining a safe and decent environment in order to accommodate the family comfortably is one of the top worries in this geographical region (Knight & Stewart 2016) and it is relieved via intergenerational micro-solidarities (Moreno & Mari-Klose 2013; Di Feliciano & Gadhela 2016). The main scheme of the family micro-economy, especially before the current financial crisis, included the, traditionally male breadwinner benefiting from good job opportunities during his active years and a significant pension in retirement with which he supported the family but also kinship members in need (Naldini & Jurando 2013). Therefore, public institutions and the market had to provide only a little, allowing for family benefits and services to be underdeveloped (Arundel & Ronald 2015; Ferrera 2010; Mingione 1995).

Another ‘product’ of this system is the significance of homeownership, which was promoted intensively in public policy and the market in recent decades, rendering it a priority for the family. Homeownership constituted a good, stable and secure investment that could be used as



accommodation or a source of income in connection with the absence of good investment alternatives (Allen et al. 2004) and a welfare state that could not cover the needs of the citizenry (Gentile 2016; Minguez 2016). Correspondingly, it constitutes culturally a standard prerequisite to forming one's family, a collective social desire, a representation of achievement, a status symbol, and a commitment to society and the family (Minguez 2016). This practice depended greatly on family savings because of a local underdeveloped mortgage market that until the 1990s 'forced' the implementation of family strategic plans to provide housing solutions for their members (Poggio 2008). Nevertheless, access to homeownership has been stratified unevenly across the generations (Forrest & Yip 2012), penalising those who originate from lower social strata families (Micheli & Rosina 2010; Moreno & Mari-Klose 2013; Ronald & Lennartz, 2018).

Furthermore, extended intergenerational cohabitation, another common practice in this region, has grown during the crisis (Marques et al., 2014). The factors that can explain the delay in the transition to autonomous housing solutions are labour market performance, the absence of welfare support and the cultural aspect of relying on family strategies, and especially the pursuit of homeownership as the most favourable and decent housing solution (Micheli & Rosina 2010; Serracant 2015). Moreover, housing market constraints like the limited availability of quality and affordable rental housing also affect the choice to stay in the parental home until they are ready to form one's own household (Minguez 2016).

Considering the above, it is implied that many young Southern Europeans are supported by a 'cushion' of intergenerational solidarity and family welfare (Serracant 2015), and this has been evident as well during the economic and employment downturns (Moreno & Mari-Klose 2013) as family absorbs, as much as it can, the effects of recession.

Crisis

Nowadays, the citizens of the Southern European countries, whether employed in the local economy or not, are facing a significant challenge in coping with the economic problems and new alternative life plans and trajectories. Furthermore, the recession in the region deteriorated the personal economic well-being of its citizens and the social risks have been collectivised (familiarily) in order to be overcome. Nevertheless, the importance of family provision in housing has been growing throughout the crisis worldwide but still varies between different cultural contexts (<http://houwel.uva.nl/project/project.html>).

The Greek crisis in particular is not a housing market crisis but rather a sovereign debt crisis which brought about the implementation of austerity policies with mainly indirect, strict budgetary cuts that affect housing and threaten the local and already 'fragile social fabric' (Matthijs 2014: 105). These cuts constituted the preconditions of the three bailout packages (2010, 2012, 2015) dictated by the European Central Bank, the European Commission and the International Monetary Fund (a.k.a. the Troika) (Papadopoulos & Roumpakis 2013). As a result, housing distress rose from the impoverishment, unemployment and indebtedness of the citizens and households (Naldini & Jurado 2013; Pinto & Guerra 2013; Serracant 2015). Consequently, today 13–14% of the population in Attica lives under housing deprivation



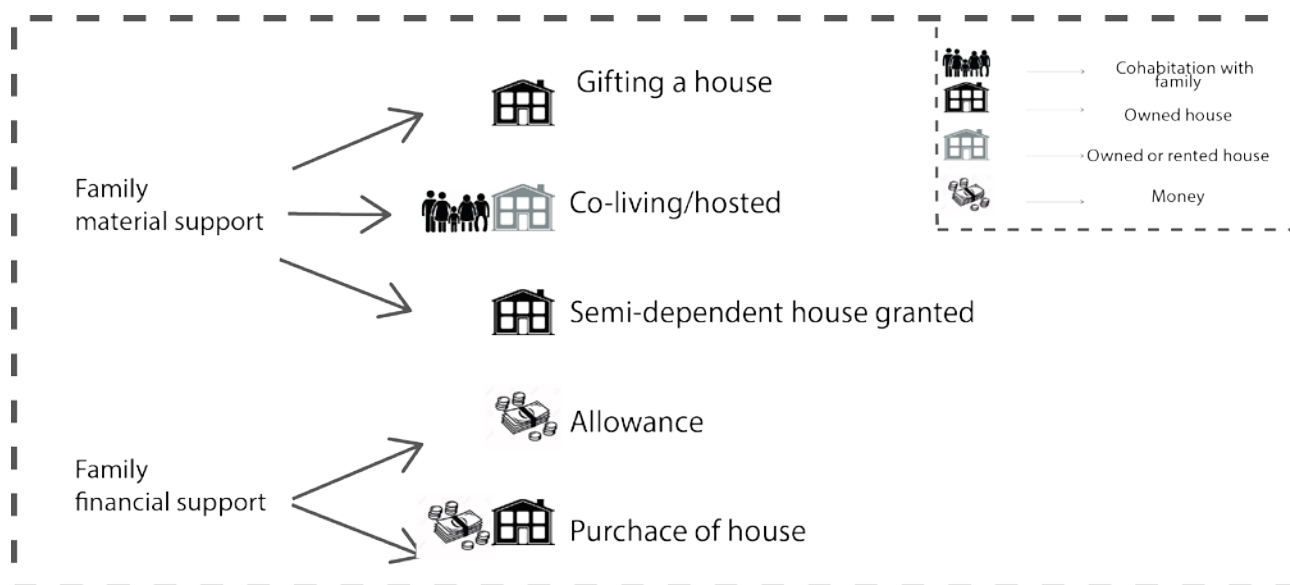
conditions, which accounts for 514,000 people—305,000 Greeks and 209,000 other nationalities (Arapoglou & Gounis 2015).

Therefore, the contemporary goal of every household is not its economic progress but the preservation of the current living circumstances by attempting to moderate expenses, to show solidarity with deprived families, to cohabit and even to receive support from charity organizations (Sabaté 2016). Accordingly, the provision for housing, care and social protection is mainly a family commitment, rendering family as the main shock absorber of socio-economic turbulence (Arundel & Ronald 2015; Martin 2015; Moreno & Mari-Klose 2013; Naldini & Jurado 2013).

Family support and strategies

Greek families are employing housing strategies in order to support their members with housing solutions. In order to offer a view of the family support patterns, the infographic below was created according to the outcomes of this research.

Picture 1: Patterns of family and friend’s (family) support



Source: Author’s elaboration

The two main categories are material (house) and financial support. In direct material support, the family is granting access for free to unused accommodation that it owns for a period of time, or, as is often the case, it offers it as a gift to younger members. In particular, because of the age of the respondents, the house gifts in most of the cases constituted their grandparents’ house who had passed away. As discussed by Nicoleta:

Now I live with my sibling on the first floor where, when I finished school, the guy who was living there moved out. It was the house of my grandmother that she



passed on to my father [. . .] We fixed it, renovated it, and I went downstairs [her parental house was on the first floor] The bills and other obligations [. . .] are being paid by my parents like the water bill, the electricity, etc. . . . Obviously, with the way we have ended up, [they pay] the property tax as well.

Another material support practice, which in this research was regarded by practitioners themselves as a short-term solution, was cohabitation with parents, grandparents or single — usually elderly— relatives in the latter's rented or owned accommodation.

As Stamatis explains:

I was planning to go and live by myself. We were looking for two different houses; one for me, and one for my mother and my brother. But my plans changed because I became unemployed. So, we lived in another house all together. [. . .] I was able to sustain [the house] by myself but. . . I became unemployed, therefore I couldn't. It went on like this for a year [being unemployed] so the situation was tough and that's why it [living alone] couldn't be done.

Another scheme is financial support in the form of a money transfer for purchasing a house or a regular, long-term allowance of an unspecified amount. The first one regards the investment on a property in order for the young member to acquire a house that can be used as a permanent residence or as an investment for the young person. 'Instead of paying rent, we would pay the loan instalment, and in the end, we will keep the house', as Eleutheria stressed in her interview about her mother's decision to buy a house for her daughters. Moreover, as the crisis struck Greece and impacted the value of the houses, people have preferred to invest abroad where the housing prices are still on the rise (see also Stergiou 2015).

Concerning the long-term allowance, it constitutes regular financial support without which most of the recipients stressed that they cannot make ends meet even though they do not always acknowledge it as housing support. As Athanasia elucidates when she was asked if she can maintain her house by herself:

Yes, but I didn't because I had other things . . . I was doing other things. Because it is really difficult to maintain a house in Athens with 800 euros [monthly] and live.

..

Impact of the crisis on family strategies

Through the narratives of the participants, the more tangible impacts of crisis regarded the cancelation of family housing strategies because of financial difficulties. Indeed, many of the more affluent respondents already had the structure of their future house, and they are expected to finish them when they or their parents have the financial capability.

However, families seem to employ alternative practices to support their children, as in the story of Dimitra (30), who reported that the crisis struck her parents' ability to build houses inside



the parental housing plot which they had wanted to offer her and her brother for them and their future families. However, they renovated her grandmother's house downstairs of her parental home in order for her to live with her fiancé. The 'gifting' and renovation of her grandmother's house was also considered a kind of 'dowry' for her.

Indeed, when families are struck by the crisis, they struggle to manage the housing needs of younger members with the assistance of unused houses that belong to the extended family. However, in case they cannot complete their housing plans or are unable to find another alternative, there is a tendency for parents to offer the parental home to their children when it is their property, and they instead buy or rent a smaller house, or move to a smaller unused owned accommodation of lower quality.

Another implication of the crisis is the fact that young people were 'obliged' to accept housing solutions that were not eager to. Expanding on the story of Dimitra, she explains her hesitation about living in the same building with her parents:

Alright, maybe as young people we would like to make our start somewhere a bit different. Eh . . . Somewhere totally independent, without someone's parents living upstairs. Not that they are intrusive, it doesn't mean something like this. Just, like a bit for the essence of independence, full independence. But . . ., ok, the rent [that we do not pay], ok, is a really important factor in order to decide to live here and to be able to manage essentially our finances as well as we can and exploit this 'breath' (relief) that the absence of rent is offering us.

Furthermore, a changing perception of homeownership was encountered where, although it is still an aspiration for people in less affluent positions, it can be a source of stress as it is linked to new taxation and expenses. To best highlight this process, I here introduce the narrative of Mitsos about a house he was granted:

I am thinking of giving it away because it is not profitable [. . .] My taxes are rising [as a homeowner] and there is also the 'ENFIA'¹. . . There are a lot of issues. And I am also stressed constantly because the ladies (renters) are not paying the electric bills, nor the water [. . .] Therefore, in general, it is a bit of a fuss and the whole situation is not worth it. And I am thinking to give it away.

Housing, as was mentioned already, is also a source of income, and this is more evident during this hectic period where the income opportunities for young people are scarcer. Olga's housing story is self-explanatory of this strategy:

¹ A taxation that was initially to be implemented once for every landed property in 2011 but became an annual contribution, rendering ownership more and more unaffordable and transforming it from a strategic source to a burden, a worry (Balabanidis et al, 2013).



The situation was the following. He [a friend] was staying there, but he stayed part-time as he was going back and forth abroad. So, he wanted a friend to take care of the house. Therefore, it was beneficial both for him and me because the price of rent was really cheap. Essentially just a formality.

Nonetheless, as the crisis evolved:

In order to survive, we rented (his room) on Airbnb. My [former] flatmate now stays in his parent's home.

Even though the house had always been an asset for Greek families nowadays it is appropriated as such in the expense of the young person's housing autonomy, who is entitled to return to the nest or employ other housing practices that are not preferable.

To sum up, the crisis is mainly impacting family strategies and, consequently, the housing practices of young people, who are limited to accepting any housing solution that can be offered thanks to the scarce employment opportunities which dictates them to rely mainly on family support. Therefore, they are usually limited to waiting (extended co-residence or renting) for a housing solution and/or accepting others (being granted or renting) that may not be preferable. Also, is it impacting the perception of homeownership and the need to appropriate housing as an investment, even when they do not have another alternative for autonomous living.

Concluding thoughts

To sum up, housing and everyday life in Greece have been restructured rapidly in recent years because of the crisis and the related austerity measures. Human dignity is ruled by the wills of political and economic elites, and housing is being appropriated as a liquid asset threatened by violent capital accumulation, dismantling this basic human right (Alexandri & Janoschka 2018). Meanwhile, family, the main welfare provider, is put under extreme pressure to cover the needs of its members, moving the obligation and the cost away from employers and the state (Papadopoulos & Roumpakis 2013). The crisis and austerity measures, therefore, strike the family and its capability to support its members accordingly.

The crisis is not portrayed directly in the housing pathways of young people in Greece but rather indirectly through hectic employment opportunities and the postponement of upward work mobility that lead to different housing practices and usually to family strategies that support the young members. Late emancipation in connection with a long wait for housing solutions from the family as well as acceptance of unsatisfying housing solutions and/or appropriation of the house as an asset in order to increase (if there is any) income are some of the visible impacts. However, another important observation is the change of perception towards homeownership, an ideal in Greek culture that can now be faced as a worry because of the related taxation.

Simultaneously, the support that is stressed here and is intensively anticipated by young people, presupposes that they should 'obey' the rules and imaginaries that family attributes to them, as the acceptance of support presupposes the acceptance of control. In the words of Schwartz



(1967: 4) ‘assistance comes “with strings attached”’. The recipient should ‘accept the order of the giver’. Simultaneously, as the well-being of young people is dependent on family solutions, this reinforces the existing social inequity between those who hold property wealth and those who do not.

To conclude, this paper has offered some insights into the crucial and controversial role of the family in the housing provision of young people in Greece during the crisis. There is always a need for further investigation of the impact of the crisis and the role of family welfare as well as the sociopolitical consequences of it.

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