There are some 30,000 abandoned row houses in the city of Philadelphia. In the neighborhood of Kensington, recovery house operators have reconfigured hundreds of row homes as strategic sites of survival. The efforts of these operators have produced the Philadelphia recovery house movement, an extra-legal poverty survival strategy for addicts and alcoholics located in the city’s poorest and most heavily blighted zones. The purpose of this talk is to explore, ethnographically, the ways in which street-level survival mechanisms articulate with the restructuring of the contemporary welfare state and the broader political economy of Philadelphia. I explore the intersections between social policy and informal recovery houses, paying particular attention to the uneven and increasingly complex terrain of welfare state regulation in the postindustrial city. I argue that recovery house networks accommodate an interrelated set of political rationalities characterized by the ratcheting down of social protections and the churning of welfare bodies. I use ethnographic data to reveal how the recovery house, as a predatory “subsistence niche,” operates in concert with the workfare state, the informal/deregulated low wage service sector, and the criminal justice system. My purpose is to map the interconnections between market discipline, informal welfare administration, predatory subsistence, and the regulatory logics of the post-welfare state.