BETWEEN THE SOCIAL AND THE SPATIAL
With this volume the authors and editors want to honour and thank Prof. Dr. Em. Jan Vranken for his contribution to the social sciences in general, and to poverty and urban studies in particular.
Between the Social and the Spatial
Exploring the Multiple Dimensions of Poverty and Social Exclusion

Edited by

KATRIEN DE BOYSER
University of Antwerp, the Netherlands

CAROLINE DEWILDE
University of Amsterdam, the Netherlands

DANIELLE DIERCKX
University of Antwerp, the Netherlands

JÜRGEN FRIEDRICH
University of Cologne, Germany

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Notes on Contributors

8 A.B. Atkinson is currently Professor of Economics at Nuffield College Oxford, of which he was Warden from 1994 to 2005. He was previously Professor of Political Economy at the University of Cambridge and Chairman of the Suntory Toyota International Centre at the London School of Economics. Professor Atkinson has Honorary Doctorates from sixteen universities. He is Fellow of the British Academy, and has been President of the Royal Economics Society, of the Econometric Society, of the European Economic Association and of the International Economic Association. He is an Honorary Member of the American Economic Association. He has served on the Royal Commission on the Distribution of Income and Wealth, the Pension Law Review Committee, the Commission on Social Justice, and the Conseil d’Analyse Economique.

19 Jos Berghman is Professor of Social Policy, holds a personal chair in pension policy and is head of the Sociology Department at the Faculty of Social Sciences, KULeuven (Belgium). He is director of the International Master Programme in Social Policy Analysis (Impalla), president of the European Institute of Social Security, vice-president of the CEPS Research Institute in Luxembourg and member of the Lisbon Agenda Group. Previously he was researcher and director of the Centre for Social Policy in Antwerp (Belgium) and Professor of Social Security Studies and dean of the Social Faculty of Tilburg University (Netherlands).

28 Jack Burgers is a sociologist and Professor of Urban Studies at the Erasmus University of Rotterdam. His research interests include urban inequality, local effects of globalisation, urban culture and leisure, migration and integration, the use and meaning of public space, urban renewal, housing and residential mobility. He and Jan Vranken have been working together for more than twelve years in various European research and policy programs.

35 Katrien De Boyser is senior researcher at the Centre on Inequality, Poverty, Social Exclusion and the City (OASES). Since 2002 she was co-author and editor of the Flemish Yearbooks on Poverty and Social Exclusion. Her current research themes are evidence-based poverty policies and strategies and social work research in the field of poverty and social exclusion.

41 Pascal De Decker has studied sociology and urban planning at the University of Ghent. He obtained his PhD. in Social Sciences at Antwerp University. He currently teaches at University College Ghent and the School of Architecture.
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1 Saint-Lucas Ghent/Brussels and conducts research on housing, urban policy and town and country planning. He is also chief editor of the journal Ruimte & Maatschappij and a member of the Editorial Board of the Journal of Housing and the Built Environment.

2 Chris de Neubourg is Academic Director of Maastricht Graduate School of Governance and Professor of Economics. His research and publications include labour economics, public finance and social economics. He is a specialist on empirical analyses of social protection systems. The focus of his research is on the efficiency and effectiveness of social policies. Professor de Neubourg has been affiliated with the Universities Groningen and Maastricht in the Netherlands, Liège in Belgium, Denver and Harvard in the United States, Nihon University in Japan and the European University Institute in Florence.

3 Annelies Debels is Post-Doctoral Research Fellow at CEPS/INSTEAD Research Institute (Luxembourg) and Associated Research Fellow at the Centre for Sociological Research of the KU Leuven (Belgium). She has written a PhD entitled ‘Flexibility and Insecurity. The Impact of European Variants of Labour Market Flexibility on Employment, Income and Poverty Dynamics’. She is currently working on a post-doctoral AFR grant of the Fonds National de la Recherche Luxembourg. Her research interests lie in comparative social policy, flexicurity, employment, income and poverty research with a focus on the longitudinal consequences of flexible employment.

4 Karien Dekker is Assistant Professor at the Department of Sociology, Utrecht University. Her research interests are urban governance, social cohesion, neighbourhood regeneration, policy processes, and civic participation. She has managed the EU-funded project Restructuring Large Housing Estates in Europe, and had co-edited a book with the same title. She has been involved in internationally comparative studies on neighbourhood regeneration and policy processes and obtained several grants for her work. Her current research focuses on the process and the effect of neighbourhood regeneration policies, the role of civic organisations in neighbourhood development, power relations, and policy evaluation of regeneration measures.

5 Danielle Dierckx is Doctor in Political and Social Sciences with a thesis on poverty policies in Belgium. She is a post-doctoral researcher at the Centre on Inequality, Poverty, Social Exclusion and the City (OASES) of the University of Antwerp. She conducted research on public policies in the field of poverty eradication (local, provincial, regional, national level), on policy participation of poor people’s movements, on the representation of poverty/the poor in the media. Her research activities include analysis of social policies, social work research and action research in the field of poverty, social inequalities, and urban interventions. Since 2003, she is co-author and editor of the Flemish Yearbook on Poverty and Social Exclusion.
Caroline Dewilde is Assistant Professor of Sociology at the University of Amsterdam, since January 2009. Before that she was a Postdoctoral Research Fellow with the Research Foundation-Flanders (FWO-Vlaanderen), and associated with the Centre on Inequality, Poverty, Social Exclusion and the City (OASeS) of the University of Antwerp. Her main research interest is the study of social inequality from a life-course perspective, with special attention to cross-national variations related to the impact of cultural patterns, family structures and institutional arrangements. Her current research focuses on the cumulative stratification over the life course in different institutional settings.

Godfried Engbersen is Professor of Sociology at Erasmus University Rotterdam, the Netherlands and was chairman of the editorial board of Arm Nederland (Poverty in the Netherlands), Amsterdam University Press. He also is a member of the Advisory Commission on Foreign Affairs.

Jürgen Friedrichs is Professor Emeritus of the Research Institute for Sociology at the University of Cologne, Germany. He serves as senior editor of the Kölner Zeitschrift für Soziologie und Sozialpsychologie.

Franziska Gassmann holds a PhD in Economics (Maastricht University, 2000) and currently works as a senior researcher and head of the training and research projects division at the Maastricht Graduate School of Governance. Her research focuses on the empirical analysis of social protection systems and methodologies to measure poverty and social exclusion. She is experienced in the development of monitoring systems, indicators and data collection methods that allow the regular assessment of poverty and the effectiveness and efficiency of social assistance policies, and has advised Governments on social protection reform issues in numerous countries.

Christian Kesteloot is Full Professor at the Institute for Social and Economic Geography (ISEG) at the KULeuven. His main research areas are urban problems, socio-spatial structures, minorities, poverty, housing, and youngsters.

Jennifer Klöckner is scientific assistant at the Forschungsinstitut für Soziologie der Universität in Cologne.

Catharina Lis is Professor of Social History at the Vrije Universiteit Brussel, Belgium. Together with Hugo Soly she undertakes research into industrialisation and entrepreneurship, poverty and social politics, crime and deviance, and perceptions of labour in a comparative and long-term perspective which focuses on European history from Antiquity to the present.
Maarten Loopmans is Assistant Professor at the Institute for Social and Economic Geography (ISEG) at the KULeuven. His research focuses on urban governance, urbanism and spatial planning, and the geographies of marginalisation.

Serge Paugam is Professor of Sociologie at the EHESS (l’École des Hautes Études en Sciences Sociales) and Research Director at the CNRS, where he is responsible for the Research Group on Social Inequalities (ERIS) at the Centre Maurice Halbwachs (EHESS, CNRS, ENS). His research deals with sociology of inequalities, poverty, social ruptures and the effects of social policies, in particular in European countries.

Mike Raco is Reader in Human Geography at King’s College London. He has published widely on the topics of urban and regional governance and regeneration. He is author of *Building Sustainable Communities* (2007), and co-editor of *Urban Renaissance* (2003) and *Regenerating London* (2009). His background is in geography, planning and urban studies, and he previously lectured at the Universities of Reading and Glasgow.

Keetie Roelen is currently working as a Researcher and Project Consultant for the Maastricht Graduate School of Governance at the University of Maastricht in the Netherlands. Her research interests include poverty, poverty reduction policies and social assistance and protection policies. She has worked as a consultant on a number of training and research projects for international organisations and holds project and research experience in Europe, Asia and Africa. Her current research focuses on the subject of child poverty measurement and policy.

Erik Snel is Assistant Professor of Sociology at the Erasmus University of Rotterdam. He also was Honorary Professor of Intercultural Governance at the University of Twente from 2002 to 2005 and visiting professor at the Case Western University in Cleveland (Ohio, United States). Erik Snel has published amongst others on poverty and social exclusion in relation to immigrant integration, and on frame-shifts in Dutch immigrant integration policy-making.

Hugo Soly (1945) is Full Professor of Early Modern History at the Vrije Universiteit Brussel, and director of the Centre for Historical Research into Urban Transformation Processes (HOST). Together with Catharina Lis he undertakes research into industrialisation and entrepreneurship, poverty and social politics, crime and deviance, and perceptions of labour in a comparative and long-term perspective which focuses on European history from Antiquity to the present. In 2002 he was awarded the Belgian Francqui Chair by the University of Antwerp.

Tuna Tasan-Kok (PhD.) works as a scientific researcher at the OTB Research Institute for Housing, Urban and Mobility Studies of the Delft University of Technology. Her main focus is on institutional and spatial dynamics of urban
change in relation to neoliberal globalisation and she is particularly interested in the complex relationship between social and economic transformations. She is an editorial board member and the book review editor of the *Journal of Housing and the Built Environment*.

Ronald van Kempen is Professor of Urban Geography and Vice-Dean at the Faculty of Geosciences of Utrecht University, the Netherlands. His research focuses on the links between urban policy, spatial segregation, social cohesion and the development of cities and specifically on problematic urban neighbourhoods. He has been the coordinator of the EU FP5-project RESTATE, which focused on the future of large post-war housing estates in Europe.

Walter van Trier has a doctorate in Social Sciences. In the past he focused on issues of poverty, unemployment and the labour market. He started his scientific career at the Center of Social Policy of the University of Antwerp and was later attached to the Labour Economics Department of the University of Antwerp, the Resource Center for Labour Market Research and the Higher Institute for Labour Studies, both at the KU Leuven. At present, he is attached to the Faculty of Economics and Business Administration of Ghent University. Since 1995, he coordinates an interdisciplinary and interuniversity research (SONAR) in the field of the transition from school to work. He is chair of the Scientific Committee of the European Research Network on Transitions in Youth. He was a co-founder of the Basic Income European – now Earth – Network and in his spare time studies the history of the basic income debate.

Jan Vranken is Full Professor at the Faculty of Political and Social Sciences and head of the Centre on Inequality, Poverty, Social Exclusion and the City (OASES) at the University of Antwerp. The centre’s main research topics are: poverty policies and strategies, structures of the daily life of the poor, (non-monetary) dimensions of poverty, urban problems, housing & housing policies. He co-ordinated and participated in several European projects, and currently coordinates the FACIT-project (‘Faith-based Organisations and Social Exclusion in European Cities’, FP7 of the European Commission).
Prologue

From the Social to the Spatial:
Stepping-stones on my Way to a
Conceptual Framework

Jan Vranken

1. Participation in the Process of Economic Production is the Crucial Factor

My first contact with the issue of poverty goes back to 1967, and it was not from 32 a sociological perspective. After my studies in ‘social sciences’, I decided that I 33 needed a firm basis in economics to improve my grasp on what was happening in 34 society. Since traditional economics did not provide us with the intellectual tools 35 and did not pay any attention to the most pressing problems at that time, a group 36 of students set up a ‘Working Group Alternative Economics’. The first issue we 37 attacked was poverty. Inspired by the work that was being done in the United 38 States (US) at that time, we decided to shed some light on poverty in Belgium – 39 and arrived at the fairly acceptable estimation of 13.5 per cent of our population 40 living in poverty.

I felt the need to go further, however, and to understand why poverty survived 42 amidst affluence; Galbraiths (Galbraith 1970) explanation in terms of insular 43 and case poverty was not satisfactory. So I started to look around and – not very 44
unusual in 1968 – I stumbled on Marx. In a less well-known fragment in Capital (part 1, chapter 25, section 4), he describes what he calls the lowest stratum of the relative surplus-population to which ‘every labourer belongs … during the time when he is only partially employed or wholly unemployed (…) it has always three forms, the floating, the latent, the stagnant. (…) The lowest sediment of the relative surplus-population finally dwells in the sphere of pauperism’.1

What Marx describes here, hidden as it were in the belly of the proletariat, is a collection of social groups that today still form the bulk of the population living in (or at risk of) poverty: the unemployed (‘the quantity of paupers increases with every crisis, and diminishes with every revival of trade’), widows and orphans, the sick and disabled (‘the victims of industry, whose number increases with the increase of dangerous machinery, of mines, chemical works, the mutilated, the sickly, the widows’), the technologically handicapped (‘those unable to work, chiefly people who succumb to their incapacity for adaptation, due to the division of labour’), the elderly (‘people who have passed the normal age of the labourer’), and last but not least ‘vagabonds, criminals, prostitutes, in a word, the “dangerous” classes’.

The question that arose was: how did they become separated from the rest of the working class? The answer: because unlike the rest of the working class they did not possess a production factor, in casu labour. While the large majority of the proletariat was able to escape poverty thanks to the economic power which rested in their participation in the economic process of production, the economically unproductive segment was left behind during the process of collective social mobility that so strongly characterises the later part of industrialisation and which was promoted by the collective organisation of the working class through mutual aid societies, labour unions, and political parties.

1 ‘The lowest sediment of the relative surplus-population finally dwells in the sphere of pauperism. Exclusive of vagabonds, criminals, prostitutes, in a word, the “dangerous” classes, this layer of society consists of three categories. First, those able to work. One need only glance superficially at the statistics of English pauperism to find that the quantity of paupers increases with every crisis, and diminishes with every revival of trade. Second, orphans and pauper children. These are candidates for the industrial reserve army, and are, in times of great prosperity, as 1860, e.g., speedily and in large numbers enrolled in the active army of labourers. Third, the demoralised and ragged, and those unable to work, chiefly people who succumb to their incapacity for adaptation, due to the division of labour; people who have passed the normal age of the labourer; the victims of industry, whose number increases with the increase of dangerous machinery, of mines, chemical works, etc., the mutilated, the sickly, the widows, etc. Pauperism is the hospital of the active labour-army and the dead weight of the industrial reserve army. Its production is included in that of the relative surplus-population, its necessity is theirs; along with the surplus-population, pauperism forms a condition of capitalist production, and of the capitalist development of wealth. It enters into the faux frais of capitalist production; but capital knows how to throw these, for the most part, from its own shoulders on to those of the working-class and the lower middle class.’
This made quite clear to me that it was not ‘the poor’ that should become the object of my attention, but poverty – as a structural feature of society. In order to explore this structural dimension, I needed some comparative material. Ideally, this would mean a comparison between different types of societies (socialist, capitalist and developing countries, for instance), but at the time the empirical material was lacking or beyond reach. So I opted for a structuralist historical comparison, which meant refraining from the analysis of historical processes (which is the subject matter of historians), but starting from different ‘modes of production’ (feudalism, early capitalism, industrial capitalism and welfare capitalism) as societal Idealtypen (ideal types). This comparative analysis opened up many roads for further research, such as the type of poverty in a specific society, the perception of (people living in) poverty by the rest of society (including its ‘policies’), the question whether the poor ever constituted a social class and developed a specific culture – or will ever develop into a class of their own or develop a specific culture. Last but not least, this structuralist use of historical forms of poverty introduced the concept of ‘ruptures’ into my framework (see § 3).

2. Towards a ‘Geology of Poverty’: The ‘Structures of Everyday Life of the Poor’

Until the late 1980s, I was almost completely focused on the macro-dimension of poverty, such as its relation to different social security regimes. Then, by chance – chance also plays an important role in life of common academics – I was asked to analyse the life history of three sisters living in poverty. I discovered that structures also exist at the micro-level. In the introduction of our first fully-fledged qualitative research ‘Naar het middelpunt der armoede’ (‘To the centre of poverty’), some years later, I formulated this concern as follows: we are in need of a ‘geology of poverty’, to complement the dominant ‘geography of poverty’. Traditional poverty studies inform us about visible characteristics of poverty, but very little research is done about what lies under landmarks in the landscape that they describe so carefully. Which processes have led to those crevices, hills, or rivers in society? What with ‘the structures of everyday life of the poor’, their history, their strategies, their perspectives?

Qualitative research shows the realities behind the figures, reveals the complexity of everyday life and uncovers the deeper roots of poverty. It also has proven to be an appropriate method for reaching people at society’s fringes. Last but not least, it opened up a whole new box of research questions that now could be investigated and perhaps answered, as peripheral analyses were developed into new research proposals.

2 One such project focused on the networks of the poor and explored the significance of their social embedding in the reproduction of poverty. Some years later, the topic was further developed, with a specific focus on deprived youngsters and how they tend to end up in poor networks. Yet another project studied social mobility among the ‘generation poor’.
How people try to cope with situations of deprivation and stress, is the topic of one of the few developed theoretical frameworks in poverty studies, that of the ‘culture of poverty’. Halfway between a ‘cultural’ interpretation and a ‘situational’ interpretation of this hypothesis, the ‘adaptational’ approach as developed by Rodman (1963; 1971) expresses a dynamic relationship between general values and specific living conditions and scarce resources. Poor people’s actual behaviour and behavioural patterns can be explained by a process in which the general values, norms and goals are temporarily ‘stretched’ – that is adapted to particular circumstances – so as to enable the poor to survive without losing contact with the dominant cultural pattern. People who grew up in poverty do not have different expectations about the future than those who had more opportunities: they cherish the same hopes and dreams as middle-class people: a stable job, a caring partner, a nice place to live, a better future for the children. This framework helps us to understand how people in poverty try to structure and to give meaning to their lives, by developing ‘coping strategies’.

It also enlightens us about the heterogeneity of ‘the’ poor. On the one end of the continuum, we find people born and raised in poor and deprived families, the so-called ‘generation poor’. Their life history is an illustration of early vulnerability in different areas, where a single event or a combination of negative experiences ignites a downward trajectory towards exclusion and poverty. It is clear that growing up in poverty seriously limits the opportunities of individuals, and clouds their future. At the other end of the continuum, we find people who grew up in a relatively stable and problem-free environment. That they have ultimately reached a point of deprivation results from an accumulation of events, mostly linked to exclusion from the labour market and from education.

Since qualitative research often starts from a local situation, it revealed the importance of the spatial dimension and brought me closer to linking the social and spatial dimensions of poverty. But before arriving at this point, three more stepping-stones were laid out: poverty as a form of social exclusion, ‘six perspectives on poverty and social exclusion’, and the role of social networks.

3. The Development of a Generic Definition of Social Exclusion as a Framework for a Multidimensional Definition of Poverty?

At the time, my definition of social exclusion went against the tide of defining exclusion as the ‘modern’, ‘multidimensional’ form of poverty, reducing poverty (again) to its sole income dimension, thus throwing overboard two decades of relevant empirical, conceptual, and theoretical research. For me, social exclusion was one of four specific forms of differences in society (Vranken 2001). This typology is based on two variables: the presence or absence of a hierarchical further topics that were explored qualitatively include the social participation of illiterates and the world of travelling workers.
relationship between two social units and the presence or absence of a fault  
line (rupture, ‘sudden discontinuity’) between them. Fault lines were defined  
at the micro-level (relational fault lines in social networks), at the meso-level  
(exclusion from institutions or isolation of spatial entities), and at the macro-level  
(subsocieties, as in the dual labour market, or different cultures).

Table 1

<table>
<thead>
<tr>
<th>Fault lines, ruptures</th>
<th>Hierarchy</th>
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<tr>
<td>No</td>
<td>No</td>
</tr>
<tr>
<td>Differentiation</td>
<td>Differentiation</td>
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<tr>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>Fragmentation</td>
<td>Fragmentation</td>
</tr>
<tr>
<td>Exclusion</td>
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Equivalent social relations lead to social differentiation, while subordinate  
relations result in social inequality. Social differentiation refers to different tastes  
in food or clothing, colour of eyes or hair and other bodily differences, as long  
as these do not have a notable impact on the distribution of important social  
goods (income, status, power). When this is the case, we have social inequality.  
Social fragmentation refers to different fields that are clearly separated from each  
other (by fault lines), but that are nonetheless equivalent to each other, as in a  
polycentric (social or spatial) area with equivalent fragments (ethnic villages or a  
‘real’ multicultural society).

Social exclusion implies both a hierarchical relationship between individuals,  
positions or groups and their separation by clearly discernible fault lines. It  
result from collective intervention (e.g. being dependent on  
a subsistence income or institutional isolation), while others arise from society’s  
structures (segmented labour markets). ‘Social exclusion’ is thus a generic concept  
that refers to various situations and processes such as polarisation, discrimination,  
poverty and inaccessibility.

Poverty, then, is a special case of social exclusion:³ it is an accumulation of  
interrelated forms of exclusion.⁴ Poverty refers to non-participation or a very  
limited participation in various social commodities such as income, labour,  
education, housing, health, administration, justice, public services, and culture,  
³ Expressed in terms of a conceptual equation: Poverty = [Σ(social exclusion a +  
social exclusion b + ... social exclusion z)] + [interaction between a, b, c ...z]. Or: Poverty  
= social inequality + fault line + interrelated fields.

³ Social exclusion is used as a shorthand for multifarious quantitative peripheral  
situations, including lesser forms of inequality, which may accumulate to such a degree that  
together they make a qualitative difference (exclusion).  
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= social inequality + fault line + interrelated fields.

³ Social exclusion is used as a shorthand for multifarious quantitative peripheral  
situations, including lesser forms of inequality, which may accumulate to such a degree that  
together they make a qualitative difference (exclusion).
or to a high degree of participation in features that in itself are signs of exclusion (or are perceived as such): imprisonment or social assistance. That those areas are multiple and interrelated, is what makes poverty a special case of social exclusion, different from homelessness or discrimination. The incapacity of the poor to bridge this complex fault line on their own underlines how powerful a form of exclusion poverty really is.

This definition of poverty (Vranken 1977; 1991) includes all those features: poverty is a network of instances of social exclusion that stretches across several areas of individual and collective existence. It separates the poor from society’s generally accepted patterns of life. They are unable to bridge this gap on their own.

4. Different Perspectives on Poverty (and other forms of social exclusion)

This specific, although broad and encompassing, definition of poverty I developed constitutes only one perspective on poverty and social exclusion; so much was clear from the beginning. There are several perspectives on poverty and I systematised them by further developing an older typology (Eames and Goode 1973). In two stages, I arrived at six perspectives. These perspectives are classified according to the level at which the causes of poverty are situated (the individual, institutional or societal level – or the micro-, meso- or macro-level) and to the location of those causes (internal or external: inside or outside the individual, the institution or society at large). The resulting perspectives are – explicitly or implicitly – structuring theoretical debates, empirical research, policy making, welfare and public opinion and they relate these different types of social action to one another.

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<th>Table 2</th>
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<td><strong>Internal cause</strong></td>
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<td>Micro (individual level)</td>
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<tr>
<td>Meso (institutional level)</td>
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<td>Macro (societal level)</td>
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Micro-models based upon individual behaviour are mostly developed by economists and psychologists. If one introduces uncertainty and erroneous perceptions about the constraints influencing the maximisation of utility, as well as uncertainty about the consequences of one’s decisions, then it is possible to explain, at least partly, social exclusion as an unfortunate result of an unsuccessful
attempt to maximise welfare. These types of explanations are still dominating public and political perception, whether they explain social exclusion in terms of personal deficiency, deviant behaviour or a social accident. Especially the two former explanations clearly constitute a case of ‘blaming the victim’: the poor and the socially excluded are not only the authors of their own misfortune, but even of that of the other social classes. The ‘accident’ model has inspired most continental systems of social security.

On the other side, the cyclical approach refers to phenomena such as economic crises or rapid social change. A structural model implies that poverty is not something that ‘happens’ to society, but is produced by the way society is organised and by the processes that are generated by this organisation. From this perspective, society’s organisation is the problem, not poverty.

In between the micro-level and the macro-level, we identified the perhaps most sociological level of all: the meso-level. At this institutional level, we discover an (institutional) deficiency model, which attributes social exclusion to the physical and social thresholds of a service, and an approach we could call the ‘social stigmatisation’-approach; the stigma attached to certain social services and – as a consequence – to their clientele, is a good example.

5. The Importance of Networks

Where relational fault lines are involved, social exclusion may be seen as the result of non-participation in the exchange of social commodities and, by extension, in social networks. Social networks are relational and thus structural par excellence. They refer to a structured multiplicity of social links, which defines a person’s position in society and they usually consist of a mix of strong and weak ties. Weak ties give access to important ‘social goods’ (labour, income, education), whereas strong ties provide emotional support. For the average citizen, both types of ties are found in his/her personal network; for persons living in society’s margins, however, this is not so. In their networks, strong ties dominate. However, in order to connect to society’s resources – and thus to improve their individual or collective position – they need weak ties.

Usually, the supportive functions of networks are highlighted in literature on poverty and social exclusion. Strengthening the networks of the poor would increase their opportunities to fully participate in relevant sectors of society, such as the labour market, education or health care. A number of inherent restrictions of networks are often overlooked, although they help us to better understand social exclusion and poverty.

‘Gatekeepers’ – policy makers or administrators are good examples – play an important role in this respect. Because they occupy strategic positions a network, they have the power to decide whether or not to allow the flow of social commodities to go through. Through providing certain people or groups (the lowly qualified, the...
immigrants, the homeless) with social commodities (such as employment, housing, education, income, status, power), they can promote social inclusion. Moreover, the ‘including’ function of networks sometimes turns sour, into ‘enclosing’ people in their present position. A study of social mobility of ‘generation poor’ (‘Bruggen over woelig water’ – ‘Bridges over troubled water’) has shown that successful social climbing depends on the presence of both an instrumental and an expressive dimension; if the latter was absent – no integration into the networks of the non-poor and lack of emotional support –, the social climbers were doomed to return to their original position. This was also their fate if they did not succeed in cutting too close ties with their former network, including their family of origin. Often, this meant that they found themselves in a position of ‘marginal men’: in between two stools. This problem is not unrelated to the next issue: does social cohesion imply social exclusion?


Whereas at the level of society, old and new forms of inequality, exclusion and fragmentation usually exist in a diffuse manner, at the city-level and especially in ‘poor’ or ‘deprived’ areas, they are often present in such a concentrated way that they capture the imagination (Bourdieu 1993). This happened to me during a four-year period of co-ordinating a large urban development programme in Antwerp, one of the many that resulted from a changed perception on urban problems in almost all European countries in the 1990s. Instead of being defined simply as physical decay, the multidimensionality of urban problems became obvious. Poverty and other forms of social exclusion (homelessness, beggars), an increasing concentration of marginalised groups and ensuing spatial segregation constituted the most visible facets of a larger set of problems which also included growing unemployment, increasing criminality, deteriorating private dwellings and public space, dwindling social cohesion, a declining quality of life in some neighbourhoods, and last but not least, the rise of mono-functional areas. These different forms of fragmentation threaten solidarity and social cohesion. This is reflected in the withering away of common value patterns, socializing institutions and mechanisms of social control, of neighbourhoods and traditional social classes.

There is an inherent and re-emerging spatial dimension in many forms of social exclusion. Neighbourhoods no longer fulfil the ‘integrative’ and ‘socializing’ function they still possessed in Burgess’ typology (as transition zones), but have become dead-end areas. Moreover, identification with smaller units (neighbourhoods, communities) stands in the way of identification with larger entities (cities, society). The question then, is whether developments such as increasing fragmentation are obstacles to cohesion and solidarity or rather
take away obstacles that formerly prevented identification with more ‘modern’ –
because individualised – levels of social life (the city, the nation state).
In order to have social cohesion – which supposedly is a basic requirement for
the sustainability of social units –, two conditions must be fulfilled: a ‘negative’
and a ‘positive’ one. The degree to which members are willing to participate in
and identify with a group largely depends upon the degree of internalisation of
values and norms and the sanctioning capacities of the group. If people feel that
they are part of a group, they are inclined to follow its rules. At the same time,
group solidarity is promoted by a common experience of opposition to ‘others’,
of identification with the in-group to such a degree that the out-group is perceived
of as a ‘threat’, which leads to the generation of stereotypes and stigmatisation.
This may mean that members are under pressure not to show too much ambition
to leave the group and to integrate into ‘larger society’. This ‘construction of
cohesion’ often is strengthened and made more visible by its spatial dimension.
If part of the group identity is based on feelings of belonging to a certain space,
no-go areas and feelings of insecurity for non-group members entering this space
are generated.
This supports Healey’s argument (1998) that cohesion and exclusion are not
opposite phenomena, but that they imply each other. Strong cohesion may exclude
inhabitants from opportunities outside the group (community, neighbourhood).
Social cohesion also has a spatial dimension: a high degree of social cohesion
within a neighbourhood (strong bonds between the inhabitants of a neighbourhood)
may lead to a low degree of social cohesion on the city-level (inhabitants of one
neighbourhood are not interested in those living in other neighbourhoods) (Vranken
2005). Strong ties between people within communities may lead to social, racial,
and religious conflicts between these communities and those who are perceived
of as outsiders. Social cohesion can thus easily breed intolerance. It means that
if social and ethnic groups concentrate in certain areas, their internal cohesion
certainly will be fostered, but at the expense of their integration at a higher level,
as it will also increase the risk of exclusion both for individuals from those highly
cohesive communities and of these communities from the rest of society. However,
if non-conflicting relations between these groups could be structured at lower
spatial levels (neighbourhood or district), a high social cohesion is possible in the
urban system as a whole (Vranken 2005). From this point of view, we could argue
that if we concentrate on these non-conflicting relationships between different
social and ethnic groups, a high level of cohesion in urban society as a whole
could come into the focus of policy makers.
As a result, we must specify the conditions according to which the including and
excluding mechanisms of social cohesion function, whether or not they keep each
other in balance or operate in one of both ways. Under which circumstances does
cohesion produce desirable results, such as tolerance and respect and undesirable
results such as exclusion?
7. A Conclusion in the Form of Questions

Time has indeed arrived to look back at the road travelled – but certainly not because almost all is said and done. On the contrary, if something has become clear when writing down these flashbacks, it is that parts of the puzzle are still lacking, and – most importantly – that many relations between those parts are still in need of specification and clarification. This is crucial because, in the end, that is what social sciences are about: identifying relationships. They only are relevant if they are relational.

So, which relations do we still need to identify and to explore in the field of poverty and social exclusion? The most evident one is that between ‘the social’ and ‘the spatial’. Does the spatial organisation of a city (or society) unilaterally steer people’s behaviour or do people, as individuals and collectively, transform the built environment according to their needs and perceptions? And, most importantly, is there any difference according to social class? Do people at (or outside) society’s margins perceive and use space in fundamentally different ways compared to the middle classes and are they in a position to alter spatial structures by using them? People at society’s margins have been allocated to certain places in the city, of which the rest of society has a very low opinion; but for people in poverty these sites often constitute a refuge. Can these places then become the locus for constructing networks and cultural patterns – thus providing them with a sense of identity? Or are people in poverty and social exclusion just monads in an otherwise over-organised social environment? If this is the case, they will have no place in the social stratification structure of the modern city and they will remain powerless. In the worst-case scenario, their relation to the rest of society could become one of oppression (as with colonised populations) instead of one of exploitation (as with the working class), which would mean that they are of no use whatsoever to the rest of society and thus redundant.

Moreover, do we not need a more diachronic approach of poverty and other forms of social exclusion? We approach these phenomena as if they are here to stay. Certainly with the recent economic crisis and its structural impact, it should be clear that this is not the case; the proclaimed ‘end of history’ is certainly not applicable on processes of exclusion, marginalisation, and stigmatisation either. This has perhaps been the most informative part of my ‘poverty career’, when I was looking back and trying to compare the impact of different ‘modes of production’ on the position of poverty and the poor. In order to better understand the present and the future of poverty and social exclusion, gain some insight in their history, would perhaps be the best advice I could give to upcoming students of these phenomena. It will result in the realisation that ‘the poor’ are just people living in poverty, that ‘poor’ thus is to be used as an adjective and not as a substantive, and finally, that poverty is a fundamental characteristic of most types of society. Which should not mean that ‘All hope abandon ye who enter’ this conceptual model of poverty; it rather helps to fight poverty.
Preface

On the Crossroads of the Social and Spatial Dimensions of Poverty

Katrien De Boyser, Caroline Dewilde, Danielle Dierckx and Jürgen Friedrichs

1. Setting the Scene

The gradual widening, since the beginning of the 1990s, of the scientific and policy debates on poverty from a narrow focus on income poverty to a more inclusive concept of social exclusion, has made poverty research both more interesting and more complicated. In a way, this transition to a more multidimensional conceptualisation of poverty – and the concomitant efforts to measure this multidimensional concept – forms the background and starting point of this book. As Jan Vranken emphasises in the prologue to this volume, poverty and social exclusion not only became more complex in their manifestations on multiple domains, during the past decades research into its spatial dimensions also became more relevant and important, giving rise to (or rather, reviving) a vibrant research tradition. To this day, researchers studying the ‘social’ and ‘spatial’ dimensions of poverty have only started to challenge and explore the boundaries of each other’s research perspectives and instruments. With this book, we hope to sketch a picture of current evolutions in research, practice and policies, and to make a case for more synergy between these approaches as a promising strategy to improve our understanding of the complex phenomenon of poverty.

2. The Social Dimension: Forms and Patterns of Poverty

Much has been written on the conceptualisation and measurement of poverty. The waning of post-war optimism and the realisation that even an extended welfare state cannot prevent many people from being confronted with shorter or longer periods of poverty during their life course, has contributed to the regular resurfacing of the debate on the concept of poverty, often accompanied by ‘new’ qualifications. However, the extensive literature on the definition and measurement of several notions, such as ‘poverty’, ‘(relative) deprivation’, ‘social exclusion’ or ‘underclass’, is characterised by an endemic malaise, which Øyen (1996: 4) once formulated as:
the constant uneasiness of working in a field where neither the concepts and the
methodologies, nor the theories are precise enough to be useful working tools

[...] It takes courage to live with the complexity of a poverty definition and the
lack of an adequate theoretical framework.

Notwithstanding this lack of a general conceptual framework, most poverty
researchers do agree on some points. Perhaps the most important point of
agreement is that poverty should be understood as a social and relative concept,
depending on the general standard of living in society (e.g. Andreß 1998). Many
authors still revert to the poverty definition introduced in the 1970s by Townsend
(1979: 31), who states that: ‘Individuals, families and groups in the population can
be said to be in poverty when they lack the resources to obtain the type of diet,
participate in the activities and have the living conditions and amenities which are
customary, or at least widely encouraged, or approved, in the societies to which
they belong. They are, in effect, excluded from ordinary living patterns, customs
and activities’.

Conceptualising this multidimensional poverty concept also requires a
reflection on how different dimensions – height, width, depth and time – impact on the
different forms poverty can take. Firstly, poverty can manifest itself on (many)
different life domains (‘width’) and in different gradations of severity (‘height’).
The ‘depth’ dimension of poverty then refers to the accumulation of problematic
situations on those several life domains. Poverty could thus arise from a severe
derprivation on one life domain or instead be the result of a multitude of not so severely deprived situations on several life domains.

However, the most pervasive ‘variability-inducing’ component is probably the
time dimension, producing ‘mixed’ evidence on the poverty status of individuals, depending on the specific point in time at which they are observed. Poverty can be a short-lived or instead be a long-term experience (Bane and Ellwood 1986; Walker 1994; Jenkins 2000). Research has furthermore shown that the correlation between income and life-style deprivation is stronger the longer people are confronted with financial poverty (Jeandidier and Kop 1998; Whelan, Layte et al. 2002). Also, the trajectories leading up to a situation of poverty can be very different for different population groups. While for some ‘poverty’ is the result of a major ‘poverty-inducing’ life event such as for example a divorce, for others the experience of poverty is the outcome of a long-term build-up of smaller events eventually pushing them under the poverty line, resulting in different ‘forms’ of poverty at different points in time. The picture is even more complex in comparative research, where an additional source of variation is added to the equation.

From the above, it is clear that the ‘poor’ population at one point in time is rather heterogeneous. Given this heterogeneity, the repeated finding in empirical research that different approaches to measuring poverty identify different risk groups, is hardly surprising. To complicate matters further, different ‘forms’ of poverty seem to be differently patterned over time and to be induced by different determinants (Whelan, Layte et al. 2004).
3. The Spatial Dimension of Social Problems and Urban Policies

Next to this ongoing shift towards a more multidimensional conceptualisation and operationalisation of poverty, there has been a growing – rather independent – interest in the spatial dimension of poverty and social exclusion. Studies on the impact of different types of welfare states, on the effects of spatial and social policies (e.g. urban governance), on neighbourhood effects and on societal changes as a whole, but also on the nature and development of social problems as such, revealed different aspects of this complex relationship.

Recent research has focused on the impact of societal transformations, and more specifically on the intensification of the process of globalisation, on the emergence of new forms of social exclusion (e.g. flexible workers, low-skilled labour and in-work poverty, the increasing divide between dual-earner and jobless households, unstable families and lone parenthood …), which are often observed as having a spatial dimension. One of the elements which has been crucial in the theoretical debate about (urban) social problems during the last decade was the relation between global economic restructuring processes and the role of the (welfare) states. A key hypothesis in the literature is that the globalisation process almost inevitably results in an increase in the power of ‘the market’ (private firms) and a loss of power and of opportunities for local and national governments.

Recently, two edited volumes (Andersen and van Kempen 2001; Kazepov 2004) have focused on how new or intensified forms of social inequality go hand in hand with new or increasing forms of urban segregation, dividing (West-European) cities into areas of included and excluded citizens. This evolution provides for the structural requirements for a possible future emergence of an ‘underclass’ in European cities, either in certain inner-city districts or in large housing estates on the urban fringe. This research tradition has resulted in several policy-oriented publications on urban governance (e.g. Burgers and Vranken 2003). Thus, most authors agree that even though the local level is often challenged, it remains a relevant government level, with a possibly profound impact on living conditions and life chances and on the structuring of everyday life.

This Book at a Glance

In this book, our focus is on the intersection between research on social and spatial exclusion. As both research traditions have developed relatively independently from each other, we hope to direct the attention of our readers (academic, students, policy makers) to some interesting possibilities for cross-fertilisation. The volume consists of two main parts. The first part features new perspectives and research outcomes on poverty and related social problems. The second part tries to build bridges between the social and the spatial dimensions of poverty. In this section, we provide the reader with a brief overview.
1 Part 1: Poverty as a Multidimensional Concept

The first three chapters in this book are concerned with the theoretical and methodological reasons for, and implications of, extending the so-called monetary approach to poverty measurement to a more ‘multidimensional’ approach. In the first chapter, Serge Paugam deals with the variations in social representations of poverty and experiences with poverty in European societies, which remain hidden behind the ‘official’ income statistics. Why is poverty more of a structural (intergenerational) nature or of a temporary, more or less incidental nature in different countries and regions? Why is poverty perceived differently in different societies and at different time periods? How is this linked to the persistence (duration) of poverty situations? Economic development, social relations, the nature of social security systems and of social action are all seen as contributing factors. The author explores the diversity of manifestations and related representations of poverty and introduces a typology in order to take this diversity into account. In the second chapter, Anthony Atkinson undertakes a well thought-out and elaborate effort to bring together two important dimensions of social performance, i.e. income and health. In this chapter, the author discusses the many theoretical and methodological problems that arise when combining different dimensions of poverty, and he reveals how seemingly innocent choices are based on hidden, underlying assumptions. The authors of the third chapter – Chris de Neubourg, Keetie Roelen and Franziska Gassmann – contribute to the debate on the multidimensional measurement of poverty by looking at the limitations of monetary poverty measures in Congo and Vietnam (with a focus on child poverty) and at the possible implications for social policy design in both developed and developing countries.

In the following chapters, we proceed from poverty measurement to the institutions that determine the forms that poverty takes. Jos Berghman and Annelies Debels (Chapter 4) argue that the European Union (EU) social policy focus on social exclusion and poverty is illogical, as it is contradictory to the principle of subsidiarity. They argue that this is the case because these policies focus on the outcomes of the failure of social insertion policies rather than on its roots, blinding policy makers for other socially undesirable consequences of failing social insertion mechanisms. Therefore, and in the light of recent societal changes, the authors advocate a new, complementary approach for EU social policy, directed at its core business: social security schemes, education and training, labour supply and organisation. They advocate the use of the relatively new concept of flexicurity (Wilthagen, Tros et al. 2004; European Expert Group on Flexicurity 2007) which should not be seen as an alternative for EU inclusion policies, but as a complementary approach in order to redirect European social policy involvement to the core business of social policy in EU Member States: the labour market, re-employment and social security systems. In Chapter 5, historians Catharina Lis and Hugo Soly place the current (and recurring) nostalgia for presumed ‘caring societies’ as an answer to several social problems (such as
Preface

1 poverty and exclusion) into a historical perspective. Their unique inquiry into the qualification of the caring pre-industrial society warns us not to overestimate the significance of families and neighbourhoods as channels of informal support and moreover not to underestimate the significance of formal poor relief in those days. In the final (sixth) chapter of Part One, Walter Van Trier focuses on the potential effects of unconditional basic incomes on poverty and social exclusion, through a critical review of the arguments given by André Gorz for his shift in position from arguing against towards defending such a basic income concept. Gorz is considered to be a influential voice in the (early) debate on this matter.

Part 2: Spatial Dimensions of Poverty

In the opening chapter of the second part (Chapter 7), Christian Kesteloot, Maarten Loopmans and Pascal De Decker challenge mainstream sociologists to take on the spatial dimension as an essential feature of social relations and as an independent explanatory factor in sociology. They explicitly plead for a dynamic space-time perspective in social sciences. From this more general perspective, the following chapters move on to a more specific spatial level, namely that of the city. In Chapter 8, Jack Burgers examines the effects of the Dutch area-based approach of urban renewal. He argues that physical restructuring not automatically results in increased social cohesion at the neighbourhood level. Neither does it contribute to the social capital of disadvantaged residents in renewal areas. He minimises the neighbourhood effects in Dutch cities, partly because Dutch neighbourhoods are considered too small to generate a substantial spatial concentration of social problems. This is more specifically the case for unemployment and the capability to create new jobs. In Chapter 9, Eric Snel and Godfried Engbersen stay with the Dutch case, but they start their analysis from a different paradigm. The authors focus on policies and assess the repressive turn taken in urban policies. Urban policy’s central issue nowadays is ‘managing disorderly places’ (Cochrane 2007), while it was previously focused on fighting social deprivation in disadvantaged neighbourhoods, targeting specific segments of the urban population. The perception of disorder and of deviant norms form the main topic of interest of Jürgen Friedrichs and Jennifer Klöckner in Chapter 10. The authors probe into the role of social capital in deprived neighbourhoods. Social capital is operationalised in terms of collective efficacy and intergenerational closure. Their central question is: ‘Does the extent of heterogeneity or the amount of social capital of a neighbourhood have an effect on perceived disorder and on the perception of deviant norms?’ In Chapter 11, Mike Raco and Tuna Tasan-Kok focus on the recent credit crunch and its link to the sustainability of urban policy. What are the main characteristics of the credit crunch? How does it affect urban competitiveness, in terms of changing dynamics of property and investment markets? How will it influence the recent view on cities as sources and places of innovation, creativity and entrepreneurship,

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its relation to social cohesion, change of urban communities, social mobility and interaction in cities? Ronald Van Kempen and Karien Dekker (Chapter 12) present an overall analytical model that implies all the relevant factors for designing and evaluating the development of large housing estates. They argue that explanations for deprivation in post-war housing estates should not focus too much on population composition only, but also take other variables into account, like the urban context, initial design and quality, current state and decay of the housing and public space, organisational issues, and competition and image on the housing market. Van Kempen en Dekker compare three cases: London, Stockholm and Amsterdam. The closing chapter of this book is a discussion by the editors, in which they retain some of the most essential elements that are to be considered in the ongoing debates on poverty, its measurement, the problems identified and the possible avenues for a fruitful cross-fertilisation between the ‘social’ and the ‘spatial’.
PART 1
Poverty as a
Multidimensional Concept
Chapter 1

What Forms does Poverty take in European Societies at the Beginning of the Twenty-first Century?

Serge Paugam

The sociology of poverty aspires to study both poverty as an experience of men and women situated at the lowest rungs of the social ladder and as a situation of which the existence plagues the conscience of modern societies, and that they hence seek to fight (Paugam 2005). Poverty poses a disturbing question because it is always the expression of an inequality, if not unacceptable, at least not very tolerable in an overall rich and democratic society, in which it is a priority to look for true equality and not only formal equality of individuals-citizens. The poor can only have a depreciated status because they represent the destiny from which modern societies always thought they would be able to escape. There are various collective attitudes towards poverty: to some it is moral desolation to see the expression of laziness, of disinterest in culture and of irresponsibility within this fringe of society; to others it is bad conscience, sensitivity to the injustice done to these people who barely manage to survive, and live in humanly unsupportable conditions (Paugam and Selz 2005).

The sociology of poverty cannot be reduced to a descriptive and quantitative approach of the poor. It has to question the notion of poverty itself. For sociologists, the reasoning in binary terms that opposes characteristics of the poor to those of the rest of society is equivocal. The definition of a poverty threshold, no matter how elaborate and precise it would be, is always arbitrary. For instance, at the 50 per cent poverty line based on the median income per unit of consumption (about €600 per month), there are in France, in 2001, 6 per cent of poor people, which corresponds with 3.6 million people. At the corresponding 60 per cent threshold (about €720 per month), the poor represent 12.4 per cent of the population, which is more than twice the previous percentage, and which translates into a total of 7.2 million people. Thus, it is sufficient to slightly change the official poverty line in order to radically alter the proportion of the affected population. These results show that there is a strong concentration of households around the poverty line and that this concentration contributes to the ‘construction’ of poverty.

of a radical breakpoint among a group of people, who, in reality, live in relatively
similar conditions.

This does not mean that one should ignore these statistical indications of poverty
that can be useful in comparisons between countries or regions. It is however
primordial to not limit oneself to this approach. While the quantification of the
poor usually constitutes a preparative for reflection, for the sociologist it could be
a real epistemological obstacle in the sense that it leads her into an impasse and
prevents her from an inquiry into the meaning of poverty.

The essential question sociologists should ask is simple: how is it possible that
a poor person in a certain society is considered to be poor and nothing but poor?
In other words, what is it that constitutes the social status of being ‘poor’? Which
essential criterion makes a person ‘poor’ in the eyes of society? What causes
someone to be defined primarily on the basis of her poverty? In the beginning
of the twentieth century, Georg Simmel (1907) was the first one to answer this
question in a clear and straightforward manner, even if others before him had
already formulated a response. For Simmel, it is the assistance a person publicly
receives from the community that determines her status of ‘impoverished’. Being
assisted is the identifying mark of the poor person’s condition, the criterion of her
belonging to a specific social layer of the population. A layer that is inevitably
devalued because it is defined by its dependence on others. Being assisted, in this
sense, is receiving everything from other people without being able to engage, at
least for a short period, in a relation of being complementary or reciprocal. The
impoverished, receiver of help that is specifically designated to her, has to accept
to live, even if it is only temporary, with the negative image that society has of her.
She ends up interiorising the feeling of not being useful any more, of belonging to
those who are sometimes called the ‘undesired’.

In this sense, every society defines and awards a distinct social status to the
underprivileged by deciding to help them. So the aim of sociological research
par excellence is not poverty, nor the poor as such, as a substantive social reality,
but the relationship of assistance – and hence of interdependence – between the
poor and the society to which they belong. This analytical perspective amounts
to a comparative study of labelling mechanisms of the poor in different societies,
to studying the social representations that are at the origin of these mechanisms
and that legitimate them, but also to an analysis of the relation that the so-labelled
‘poor’ establish with the aid system to which they are tributary, and, in general,
of the ordeals that they experience while dealing with this aid system and in other
circumstances of everyday life.

In studies on poverty, one question practically remains unanswered, even
though it has been studied frequently. This question concerns the relationship
between two characteristic forms of poverty: poverty that is being passed on from
generation to generation and poverty that touches people who seemed to be
immune to this problem. The first one presses on individuals like a fatality
and translates itself into the conviction that they cannot help it, since there is no
solution in sight for them or for the entire group to which they belong. The second
What Forms does Poverty take in European Societies

1. Different Representations of Poverty from One Country to Another

To verify the hypothesis of different representations of poverty in different European countries, one can use several questions that have been asked in four specific Eurobarometers dedicated to the theme of poverty: the first one in 1976; the second one in 1989; the third one in 1993; and finally the fourth one in 2001.

One of these questions was addressed to respondents who claimed that they had seen people in their neighbourhood or village who experienced either poverty, or the risk of becoming poor. Subsequently respondents were asked if, according to them, those people had always lived in this current situation of poverty, which can be called ‘inherited’ poverty or, on the contrary, if they had become poor after having lived in a different situation (poverty suffered after a ‘fall’).

The proportion of people that has been confronted with poverty or the risk of becoming poor from a small distance varies, as was to be expected, from one country to another: it is slightly more elevated in Portugal and Greece. Mind that it was particularly strong in 1976, except for Germany. It was overall a little bit weaker in 1989. It increased again in 1993, to later on diminish in an almost systematic way in 2001. At this date, only the Netherlands and Portugal deviate from this tendency.

The first graph (Figure 1.1) shows that a very large proportion of the population in the Southern-European countries considers the state of poverty as permanent and reproducible (in 2001, the percentages were 53 per cent in Greece and Portugal, and 46 per cent in Italy and Spain).
Figure 1.1 Percentage of persons who claim that the poor they have seen in their neighbourhood of village have always been in this situation (inherited poverty)

*Note:* The absolute numbers of observations on which this graph is based vary between 60 and 500, depending on the year and the country.
Figure 1.2 Percentage of people who claim that the poor they have seen in their neighbourhood or village were hit by poverty following a more or less unexpected ‘fall’

*Note:* The absolute numbers of observations on which this graph is based vary between 60 and 500, depending on the year and the country.
1 It is interesting that the perception of poverty as a phenomenon that reproduces itself, varies in accordance with the time period of the survey. In every country, this perception has declined between 1976 and 1993, probably due the degradation of the labour market, and that it has, on the contrary, increased substantially from 1993 to 2001. Mind that although the differences between countries are weaker in 2001, the perception of poverty as an inherited condition remains marginal in Germany, Denmark and the Netherlands.

8 The perception of poverty as a ‘fall’ (Figure 1.2) is, on the contrary, less widespread in southern countries (28 per cent in Portugal and between 32 and 35 per cent in Spain, Italy and Greece), while it is a lot more prominent in northern countries, and particularly in Germany (notably the East with 86 per cent), in the Netherlands (65 per cent) and in Denmark (53 per cent). It is clear that poverty is perceived differently according to the level of economic development and to the level of social protection. Note in addition that these collective representations of poverty are at least partly associated with the national contrasts observed on the basis of statistical measurement of poverty.

17 Just like with inherited poverty, the proportion of respondents thinking that poverty is suffered after a ‘fall’ also varies in accordance with the time period of the survey. In 1976, this proportion was at its lowest level. The dominant representation of poverty as inherited remained strongly influenced by the thirty years of uninterrupted economic growth in Europe following the Second World War. It is indeed clear that the representation of poverty in terms of a ‘fall’ has increased greatly from 1976 to 1993, the year in which it reached its high point in every country, except in Eastern Germany, and has subsequently declined strongly from 1993 to 2001. So it seems that following the degradation of the labour market, the population in every country became more sensitive to the strong increase in the number of poor people and to the fact that this represented a ‘fall’ for many of them. When the economic situation improves, this perception again weakens.

26 Finally, we note a relative convergence in the Southern-European countries between a high level of subjective poverty and a marked tendency to consider poverty as a reproducible phenomenon. Probably one should see this as a sign of the integration of poverty in the social system as a relatively ordinary phenomenon.

2. Measuring the Intensity of Poverty Over Time

To understand the intensity of poverty throughout the years, it is not enough to rely on collective representations. They have to be verified starting from objective statistics, allowing us to determine with certainty if the people who are confronted with poverty are so for a short period in their lives, or, on the contrary, for a long period of time. Since sociologists and economists have turned to longitudinal surveys, i.e. surveys that are repeated over time using the same sample, it is possible to study the persistence of poverty. Some of them have drawn attention to the fact that poverty in modern societies is above all a transitory phenomenon.
or, in other words, that individuals and families are affected by poverty in a incidental way and that only a minority remains deprived for a longer period of time (Leisering and Leibfried 1999). Nevertheless, it is necessary to bear in mind national variations and to stress that poverty remains a long-lasting phenomenon in the Southern-European countries.

The data from the European Community Household Panel (ECHP) allow us to distinguish for the period from 1994 to 1998, thus for five consecutive years, three categories: people who have never known poverty, people who have been confronted with poverty at least once (transitory poor) and people who have been confronted with poverty for more than one year (recurrently poor). The first table (Table 1.1) allows us to distinguish between four groups of countries that can be related to types of welfare capitalism (Esping-Andersen 1999).

### Table 1.1 Intensity of monetary poverty in terms of the duration over time (period from 1994 to 1998) (per cent)

<table>
<thead>
<tr>
<th>Group</th>
<th>Never poor</th>
<th>Transitory poor*</th>
<th>Recurrent poor**</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1st group</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Denmark</td>
<td>77.4</td>
<td>13.2</td>
<td>9.5</td>
<td>100</td>
</tr>
<tr>
<td>Netherlands</td>
<td>77.9</td>
<td>9.6</td>
<td>12.5</td>
<td>100</td>
</tr>
<tr>
<td>2nd group</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Germany</td>
<td>73.4</td>
<td>11.1</td>
<td>15.5</td>
<td>100</td>
</tr>
<tr>
<td>France</td>
<td>68.4</td>
<td>10.4</td>
<td>21.2</td>
<td>100</td>
</tr>
<tr>
<td>Belgium</td>
<td>63.9</td>
<td>13.4</td>
<td>22.7</td>
<td>100</td>
</tr>
<tr>
<td>3rd group</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>United Kingdom</td>
<td>61.4</td>
<td>13.4</td>
<td>25.2</td>
<td>100</td>
</tr>
<tr>
<td>Ireland</td>
<td>63.8</td>
<td>10.7</td>
<td>25.5</td>
<td>100</td>
</tr>
<tr>
<td>4th group</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Italy</td>
<td>62.1</td>
<td>12.6</td>
<td>25.5</td>
<td>100</td>
</tr>
<tr>
<td>Spain</td>
<td>60.0</td>
<td>13.5</td>
<td>26.5</td>
<td>100</td>
</tr>
<tr>
<td>Greece</td>
<td>58.5</td>
<td>13.9</td>
<td>27.6</td>
<td>100</td>
</tr>
<tr>
<td>Portugal</td>
<td>58.8</td>
<td>13.7</td>
<td>27.6</td>
<td>100</td>
</tr>
<tr>
<td>Europe</td>
<td>66.2</td>
<td>12.0</td>
<td>21.8</td>
<td>100</td>
</tr>
</tbody>
</table>

Note: The poverty threshold in this table is fixed at 60 percent of median disposable household income in each country. We used the so-called ‘modified’ OECD-equivalence scale (1 for the first adult, 0.5 for each additional adult and 0.3 for each child younger then 14 years of age). * = Poor in only one wave over the course of five waves; ** = Poor for more than one wave over the course of five waves.

There is a strong statistical relationship between the intensity of poverty in terms of its persistence in duration and this classification of countries. In the first group of countries, the percentage of people in a situation of recurring poverty is the weakest (9.5 per cent in Denmark and 12.5 per cent in the Netherlands). In the second group, this percentage increases: with an average of 18.3 per cent, it oscillates between 15.5 per cent in Germany and 22.7 per cent in Belgium. In the third group, this percentage increases even more, with an average of 25.2 per cent. Finally, in the last country group, it reaches an average of 26.1 per cent with a high point of 27.6 per cent in Greece and in Portugal. Thus, we have shown that poverty remains more persistent through time in these countries where rural and poorly developed regions subsist and in which the social security system is very limited.

To study the intensity of poverty over time, one can also look into the experience with financial difficulties. In the 2001 Eurobarometer concerning poverty and social exclusion, the following question was asked: ‘How do you get by with the income of your family?’ The interviewees had to choose between four answer categories: ‘with great difficulty’, ‘with difficulty’, ‘easily’, ‘very easily’. They were also asked to specify how long they had experienced this financial situation. So it is possible to approximate the duration of financial difficulties for those respondents who choose one of the two first answer categories. The third graph (Figure 1.3) allows us to analyse the country differences and namely to distinguish the Northern-European countries from the Southern-European countries. In the first group of Northern-European countries, the majority of the population that has been confronted with financial difficulties has had this experience for two or three years, whereas in the second group of Southern-European countries, the duration of these difficulties has overall been much longer, since it is around fourteen or fifteen years of experiencing financial difficulties that one finds in every country the largest proportion of the population. So it becomes clear that poverty corresponds with a cyclical phenomenon in the northern countries and with a structural phenomenon in the southern countries. Accordingly, the analyses of the intensity of poverty over time based on longitudinal data or starting from this question concerning the duration of financial difficulties, lead to similar results. The phenomenon always appears more stable and more recurring in the Southern-European countries. Consequently, as we have seen before, it is precisely in these countries that poverty is also most often perceived as inherited. So the collective representations are in accordance with the observed reality.

Since poverty is a more stable status in the Southern-European countries, it is possible to formulate the hypothesis that poverty reproduces itself more strongly from one generation to another. In fact, if children are socialised in an environment that is permanently deprived, there is a distinct possibility that as adults they will be confronted with the same difficulties as their parents. Thus, when we study the determinants of poverty, we have to look at the family of origin.
What Forms does Poverty take in European Societies

In the 1960s, from his research on extremely poor families, both in Mexico and New York, as well as in San Juan, the anthropologist Oscar Lewis explained that the culture of poverty has a tendency to perpetuate itself from one generation to another, owing to the effect it has on the children. According to Lewis, ‘when the children in the ghetto’s have reached the age of six or seven years, they have in general assimilated the fundamental values and habits of their subculture and they are not psychologically equipped to fully profit from the evolution and susceptible progresses coming about throughout their lives’ (Lewis 1966: 802). Oscar Lewis stressed that, at the level of the individual, the characteristics of what he calls the ‘culture of poverty’ were a strong feeling of living in the margin, being powerless, being dependent and an equally strong feeling of inferiority. He also notes that ‘the absence of effective participation and integration of poor people into the great institutions of society is one of the crucial characteristics of the culture of poverty. It is a complex problem that occurs with an infinity of factors among which we may

Figure 1.3 Duration of financial difficulties in European countries

count the absence of economic resources, segregation and discrimination, fear, mistrust or indifference and the development of local solutions to the problem’.

The data from the European sociological surveys are not comparable to those that this anthropologist has collected throughout several years on the field. On the other hand, they are statistically more representative and allow large-scale comparisons. In the 2001 Eurobarometer concerning poverty and social exclusion, a question was formulated concerning the childhood of the interviewees, in particular concerning the financial difficulties experienced by their parents, when the last mentioned were in charge of their upbringing.

Statistical analysis (results not reported) allows us to examine the effect of these financial difficulties during respondents’ childhood on the financial difficulties they are confronted with as adults. There is, as was to be expected, a strong correlation between these two variables: the probability of experiencing financial difficulties at an adult age is higher when one has spent her childhood in an economically disadvantaged environment (Corcoran 2001). But the intensity of this correlation varies from one country to another, not only controlling for the effects of sex and age, but also for the effect of household income. In Southern-European countries, the coefficients of the logistic regression are always very high and statistically significant, which means that the reproduction of financial difficulties since childhood is particularly strong. In Northern-European countries, the coefficients are overall weaker and not always significant. This is certainly the case in Eastern-Germany, the United Kingdom, the Netherlands and Finland where, no matter which model is estimated, the logistic regression coefficient is not significant. In other words, the tendency to reproduce financial difficulties during childhood is less sharp in Northern-Europe compared to Southern-Europe.

This phenomenon can be explained first of all by the extent of income inequality, that is somewhat stronger in the southern countries. The ratio between the proportion of total income received by the richest 20 per cent of the population (highest quintile) and the proportion of total income received by the poorest 20 per cent of the population (lowest quintile) is 6.5 in Portugal, 5.7 in Greece and 5.5 in Spain, whereas it is 3.0 in Denmark, 3.4 in Sweden and 3.6 in Germany. A situation of high income inequality keeps part of the population from knowing a better future and as such reinforces the risk of poverty reproduction.

This phenomenon can also be explained by the level of economic development and the concomitant job perspectives. In those countries that have known an important economic and social development, for instance like during the ‘Trente glorieuses’, the possibilities for social promotion were much higher than in less developed countries, like the countries of Southern-Europe, which were countries of emigration. In the economically poor countries or regions, where unemployment was high, the risk of poverty reproduction was much lower.

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2 Ibid., p. 803.
4 This expression refers to the three decades (1945-1975) following the Second World War, characterised by strong economic growth and welfare state expansion.
What Forms does Poverty take in European Societies

1 or underemployment are high and where social security is hardly developed, poverty corresponded to – and still corresponds to – a social destiny. Finally, one has to take account of the explanation that Richard Hoggart so rightly suggested concerning the culture of popular milieus in England. ‘When a person senses that she has few chances at improving her condition and that this sentiment is not tinted by despair nor by resentment, she is left to adopt the attitudes that make such a life “liveable”, by eluding a too vivid consciousness of forbidden possibilities: she tends to represent to herself the social restraints like laws of nature; she makes of it primary and universal facts of “life”’ (Hoggart 1970: 37). In the rural regions of Southern-Europe, the probability of experiencing long-term poverty is so high that the population that is confronted with it is more inclined to get used to it than to face up to it. Therefore poverty represents a permanent and reproducible state.

3. A Typology of Elementary Forms of Poverty

Three distinct factors explain the variations of collective representations and experiences with poverty: the degree of economic development and the concomitant state of the labour market, the form and intensity of social relations and the nature of the social security system and the system of social intervention. The level of economic development is determining. As de Tocqueville already pointed out in 1835, being poor in a country that is very poor itself, like Portugal was at the time, does not have the same meaning, for those who experience it, as being poor in a more prosperous country, like Britain during the wake of the Industrial Revolution. Even today, it is still necessary to take into account this difference, even within the heart of the European Union, with regard to the persistent inequality of levels of production and rhythms of economic development between countries, but also between regions of certain countries. The representations and experiences of poverty are also related to the form and the intensity of social relations. The French poverty surveys have called for a recognition of the tendency towards the diminishment, even towards the rupture, of social relations: From the first comparative works onwards, effectuated in collaboration with several European researchers, it seemed that this phenomenon had not been found in all countries. Therefore one cannot say that poor people are more socially isolated than other categories of the population, no matter what country they live in. In certain cases, the contrary is true: collective resistance to poverty can come about through intense exchanges in the heart of families or between them, or through other close relationships, at which point the poor might be considered to be perfectly integrated in society. The meaning of poverty in a given society cannot be understood without this reference to social relations. Finally, the experience of poverty may also vary from one country to another depending on the social security system and the social intervention modes, and more in particular, the way assistance is provided for. The form of the welfare state...
has, for example, an effect on the constitution of the category of the poor taking up social assistance. In fact, in every welfare state regime, some population groups slip through the social security net and make the category of the assisted grow in a variable way depending on the place and time. The continuous expansion of the social security system throughout the ‘Trente glorieuses’ has contributed to the reduction of traditional forms of assistance, but has not fully eliminated them. The number of poor people depending on social assistance is therefore largely related to the capacity of the welfare state to keep the most vulnerable population groups within the general system of social protection.

To conclude, of the several explaining factors in this type of research, the first one is of an economic order (development and labour market), the second one of a social order (form and intensity of social relations) and the third one is of a political order (social security system and social intervention system). These three types of factors have been distinguished for analytical needs, but, in reality, they most often overlap.

The analytical framework inspired by Simmel and enriched by these three explaining factors rests on a typology of elementary forms of poverty: integrated poverty, marginal poverty and disqualifying poverty. Every one of them refers to a specific social configuration.

Integrated poverty reflects a configuration where those who are called ‘poor’ are numerous. They do not differ much from the other social groups in the population. Their situation is common and refers to the more general problems of a region or a given locality that has always been poor. Since the ‘poor’ form a socially expanded group, they are not strongly stigmatised either. This type of social relation to poverty is more likely to develop in traditional societies compared to modern societies. It ideally refers to the situation of pre-industrial countries which have developed rather slowly in comparison with countries in which economic development and social progress have permitted to guarantee well-being and social security to the largest number of people.

The form of poverty in Southern-European countries tends towards this type. Strictly speaking, these countries are not pre-industrial – the North of Italy, for instance, is one of the more prosperous regions in Europe – but there subsist in each one of these countries regions that are economically very poor. Poverty in these regions is more durable and more transferable from generation to generation than in the countries of Northern-Europe. Secondly, and this is probably the essential factor, poverty on a subsistence level does not implicate social exclusion. This is true namely because of familial solidarity in deprived regions, which is more developed than in the northern countries, and also because of forms of sociability, in particular of religious practice, that remain intense and collective. Likewise, the absence of jobs can be partially compensated for through the integration in the informal economy and by the ‘clientelistic’ nature of the social intervention system. Therefore, when the poor are affected by unemployment, the latter does not attribute them a devalued status.
What Forms does Poverty take in European Societies

1 It is possible to see in this elementary form of poverty the remains of an ancient era in which social security was above all assured by the people close to you in an essentially subsistence economy. To describe these societies, Henri Mendras referred to the specific social relationships that developed: ‘Everyone is related to everyone through a bilateral relation of acquaintance and is aware of being known in the same way, and the ensemble of these relations forms a group or a collective based on acquaintanceship’ (Mendras 1976: 76). Maurice Halbwachs (1930) also acknowledged that the particular way of life in a rural civilisation constituted, in particular before the onset of urbanisation and industrialisation in the nineteenth century, an equilibrium and form of stability with regard to individual relationships:

11 ‘People lived in one place, were adapted to each other, knew each other too well to be frequently exposed to these clashes that occurred when they passed from one place, situation, profession, world to another. Business, more restraint and easier, brought along fewer risks. Ambitions were aroused less, humiliations were rarer. They thought and felt like one. Grievances and annoyances were scattered and amortised, rather than staying within the boundaries of individual consciousness’ (Halbwachs 1930: 378). From this point of view, it is clear that in the Mediterranean societies, even today, several characteristics of rural societies remain preserved. The salary society, meaning the modern economy, is undeniably less ordered and the type of economic development allows for productive systems and exchange systems to coexist; if not as competitors, at least as opponents. This heterogeneity could explain, at least partially, the maintenance of integrated poverty as an elementary form of poverty.

24 It is tempting to say that these systems, organised out of resistance to misery and still existing today, would disappear if economic development became more intense in these regions. We however have to realise that they are maintained in spite of the programs of industrial development that have been carried out. The efficacy of the welfare state and of different types of help given to certain categories of the population, was by far not enough to dissolve the old solidarities. So it is necessary to recognise the effect of an economic and social system that functions as an ‘everything’, and of which one can already anticipate the force of inertia, opposing any future reform.

33 The concept of *marginal poverty* refers to a different social configuration in which those who are called ‘poor’ do not constitute a large social group very distinct from other social layers, but on the contrary form a rather not so numerous fringe of the population. These ‘poor’ are often considered as unadjusted to the modern world and they are usually defined as ‘social cases’, which inevitably maintains their stigmatisation. This social group is residual, but it is nevertheless the object of strong attention on the part of social welfare agencies. This social relationship to poverty is more likely to develop itself in advanced industrial societies and in societies in transition and, in particular, in those societies not capable of limiting of unemployment and of guaranteeing a high level of social security for everyone.

38 Does this elementary form of poverty belong to the past? The social configuration of the period of the ‘Trente glorieuses’ in Europe, but also in the
United States, is indeed very close to this type. In the wake of the Second World War, modern societies were able to build a comprehensive welfare state as they benefited from economic growth up to the point of full employment, and thus succeeded in transforming poverty from a majority problem to a minority problem. The exceptional character of this period allows us to understand the enthusiasm with which this economic and social progress was embraced and the shared belief that poverty has sort of disappeared, at least in its ancient forms. This phenomenon can largely be explained by the extension of social transfers in favour of the largest number and the notable reduction of social assistance. If, during this period, the poor have not disappeared and have even continued to reproduce from generation to generation, like several sociologists have pointed out, they have become less visible. They have formed a ‘margin’ of which it was appropriate to minimise the importance as it seemed to correspond to a ‘left over’ of overall development. The social stakes were elsewhere. Enrolled in ‘collectives’, wage workers fought for an improvement of their salary and of their work conditions. The question of poverty was overshadowed by the more general question of social inequality.

This elementary form of poverty does not entirely belong to the past. Analysis of more recent times, characterised by the raise of unemployment and by the fragility of employment, has shown that marginal poverty had not yet disappeared in every European country. This social relationship to poverty is not solely explained by the strong growth of western economies in the wake of the war. Of course, in the case of Switzerland, but also of Germany and the Scandinavian countries, the social representations of poverty are relatively stable. Like the other ones, these countries have been affected – be it in a less brutal way – by the degradation of the labour market, but poverty has not immediately imposed itself here as a new social reality. On the contrary, in accordance with the ideal of prosperity and of socially shared well-being, it has taken a long time for poverty to become the object of serious attention and the rare scientists engaged in this type of research have not at all succeeded in arousing in their country a debate of national range. At the level of public powers and of responsible politics, one could even state that there exists a symbolical resistance to the recognition of the existence of poor people. Probably out of fear of being accused of not having taken all the necessary measures in their domain, elected politicians have tried to minimise the importance of the social question. This has more often been demonstrated in those political systems organised on a federal basis, where decision power and important action are a responsibility of the local authorities.

If marginal poverty corresponds, in social representations, to a minimised or even denied poverty, it may be accompanied by a strong stigmatisation of the residual fringe of the population receiving assistance. This tendency has been demonstrated in the 1960s and 1970s in France as well as today in certain countries. It is indeed possible to observe similarities between that period in the history of social intervention in France where the social question of poverty had more or less disappeared in favour of a justifying discourse of psychological intervention aimed at those individuals that are considered to be ill-adapted, and the present
situation in Germany and in the Scandinavian countries. In these countries, social intervention is mainly focused on the individuals considered to be at the margin of society, and based on a logic of individual response, rather than collective, to their needs and on a strict control of their private lives. This approach of social intervention may be easier to impose when confined to a residual proportion of the population, knowing that the rest of society may benefit from the advantages of a universal social security and from the guarantee to never know the experience of poverty.

Finally, disqualifying poverty refers to a social configuration where those who are called ‘poor’ are increasingly numerous and forced back, mostly out of the productive sphere. Their difficulties risk to accumulate, as is their dependence vis-à-vis social welfare agencies. This elementary form of poverty distinguishes itself clearly from marginal poverty and integrated poverty. It does not refer to a state of stabilised misery, but to a process that can touch fringes of the population that were until then perfectly integrated into the labour market. This process concerns people who are confronted with increasingly precarious situations, both in the realm of income and of housing and health conditions, and in the realm of participation in social life. This phenomenon not only affects the new precarious fringes of the population. It influences the entire society to such extent that the insecurity generates collective anxiety. Disqualifying poverty is more likely to develop in so-called ‘post-industrial’ societies, namely in those societies that are confronted with a strong rise of unemployment and with precarious labour market conditions.

As we have seen earlier, European surveys have shown that the social representation of poverty as a ‘fall’ is widespread these days. So, the predominant image of the poor is that of the victims of a social decline following one or more severe ruptures. Following the period of the ‘Trente glorieuses’, during which the popular classes believed to be able to escape from this fate of poverty that had been the destiny of the previous generations, massive and long-term unemployment has made the salary society tremble from the end of the 1970s onwards. Since then, the feeling of social insecurity has made its way into the collective conscience, up to the point where more than half of the French population feared to be affected by exclusion. This unease has been further reinforced by the appearance of new forms of spatial disqualification throughout the same period. Although it is necessary to distrust the ‘popular’ use of the image of the ghetto, often imported from the United States and applied without nuance on a very different French and European reality, numerous ‘sensible’ urban zones have been identified by public authorities in the agglomerations. In these zones, a population affected by the employment crisis is concentrated. These population groups progressively move away from their middle class background and disqualify at a fast rate. Social relations are often tense and symptoms of depression are particularly present. In this way, the crisis of the urban social fabric cuts through the crisis on the labour market and contributes to the growth of economic and social inequalities.
The data derived from European surveys confirm that poverty definitely corresponds to a cumulative process of handicaps. The risk that unemployment is accompanied by economic poverty and social isolation is not imagined. It is very real. But this risk varies from one country to another. It remains weak both in Denmark and in the Southern-European countries. It is strong, however, in the United Kingdom, in France and in Germany, in other words in the most industrialised nations of Europe, especially those who have undergone large structural changes and considerable losses of employment.

The case of Germany is paradoxical. Looking at the dominant discourse on poverty and at the practices of social welfare institutions, one would be tempted to qualify poverty in Germany mainly as marginal poverty. Survey research reveals a strong collective resistance to the official recognition of poverty and a tendency towards the individualisation of aid and to the stigmatisation of the poor. But if one looks at the experiences caused by poverty, the risk of social disqualification is far from being negligible, and the accumulation of handicaps for a large fringe of the population is more similar to the situation in France and in the United Kingdom than to the Scandinavian countries. This process has probably intensified since the reunification. Many West-Germans today complain about the taxes they have to pay to contribute to the needs of the Germans from the East. The situation of Germany is still intermediate between marginal poverty and disqualifying poverty.

Finally, in these countries that are closest to the disqualifying form of poverty, a constant search for new approaches in the domain of social security and social intervention has taken place. This is why during these last few years the number of actors and target groups have multiplied, which has in turn contributed to an increase of the number of people who are taken charge of in one way or another by social welfare agencies. Welfare arrangements focused on social integration and social guidance are widespread in every country, but the results of these programs remain insufficient in order to reduce the problem of unemployment and of poverty in a sensible way. For all these reasons, this social relationship to poverty refers to an ongoing process which is not yet fully understood. In all likelihood, it will also appear in other countries.

If this typology can be verified empirically, we can first of all conclude that poverty is not universal. Poverty takes on different forms, depending on societies, their history and their development. Thus, being poor in the Mezzogiorno is not the same as being poor in the Parisian region. Being poor in the North of France in the 1960s was not the same either as being poor today in the same region. The group of poor people can obviously be defined as such starting from an objective measure that can appear unanimously acceptable and impose itself on everyone like a universal standard, but what does this measure signify if one does not investigate social representations and experiences of poverty at the same time? Taking into account this diversity is an improvement and the typology presented in this chapter is a means to achieve this goal. One should however not conclude that the forms that poverty can take on in modern societies are infinite.
The forms of poverty presented in this chapter are elementary, first of all because they have been elaborated on the basis of an ideal-typical reasoning that is limited by focussing on the principal traits of a phenomenon, the selection of which is based on a bundle of overlapping hypotheses, most often derived from historical knowledge of contemporary societies. These forms are also elementary because they refer to precise social configurations of which the constitutive matrix has been verified by empirical surveys. Finally, if these forms are elementary, it is because every one of them represents a type of relationship of interdependence stable enough to impose itself as a unity *sui generis*, separate from the individual elements that characterise it. In other words, every elementary form of poverty corresponds to a state of equilibrium consisting of relatively crystallised relations between unequal individuals (poor people and non-poor people) at the heart of the social system.
Chapter 2

Income, Health and Multi-dimensionality¹

A.B. Atkinson

1. Beyond Income

One of the most significant moves in the measurement of poverty and inequality has been that from a single-dimensioned focus on income or consumption to a concern with multi-dimensioned measures of well-being. In this advance towards a broader understanding, Jan Vranken has been in the vanguard. To quote from the report which he orchestrated, Towards a Policy Relevant European Database on Forms of Social Exclusion, the version of poverty as lack of resources is challenged by a broader multidimensional approach … Poverty is more and more seen as an accumulation of problems … Poverty has to do with a limited participation in various social commodities such as income, labour, education, health, administration of justice, collective provisions and culture. A person is categorised as poor on the basis of an accumulation of situations of exclusion on different domains. (Vranken, De Keulenaer et al. 2001)

As has been demonstrated in multidimensional studies of poverty and inequality, taking account of non-income domains can radically affect the conclusions drawn. For instance, in his study of France, Germany, Italy and the United Kingdom, Brandolini (2008) shows how broadening the evaluative space to include health status in addition to income can change the relative ranking of the degree of deprivation in the four countries.

The aim of the present chapter is to examine three of the conceptual issues which arise once this important step is taken from a single dimensional focus on income to multidimensionality. While the three issues raise questions that are general in nature, the answers depend on the dimensions with which we are concerned. As the title indicates, in this chapter, I give particular consideration to health status. This is only one of the domains listed above, and, in its most limited form, the chapter may be seen as moving from a pure income focus to a bivariate

¹ This chapter draws a great deal on research carried out on the measurement of inequality with Andrea Brandolini and on social indicators with Eric Marlier. Neither is to be held responsible for the views expressed.
pre-occupation with income and health. I hope however that more general lessons can be drawn.

The first question concerns how far the standard approach used when evaluating income poverty and inequality, can be applied to other dimensions. To what extent can we ‘read across’ from the income inequality literature to that on health inequality? Can we apply the same measures of inequality? Application of a poverty cut-off may appear to carry across to the specification of a poor level of health status, but should this be a relative or an absolute standard?

The second question concerns aggregation across different domains. Given that we are not basing our social judgments on individual utility levels (where the aggregation is performed by the individual), but on observed variables such as income and health status, how can we combine these at the individual (or household) level? When measuring deprivation, should we count the number of dimensions on which households fall below the threshold (Vranken 2002)? Aggregation is necessary if we are to compare different policies that cut across dimensions. How can we trade gains in health equity against gains in reducing income poverty? Do societies become more concerned about health as they become richer? What are the implications of being more averse to health inequality than to income inequality?

The third question concerns health equity and the interdependence between the dimensions of health and income. From the literature on health equity, it is clear that the concept goes beyond inequality in the distribution of health. There are many articles with titles that contain the words ‘inequalities in health’ (Wagstaff, Paci et al. 1991; Mackenbach, Stirbu et al. 2008), but they are not solely concerned with the single dimension of health. To quote Amartya Sen, ‘health equity cannot only be concerned with inequality of either health or health care’ (2004). It is indeed the co-variation of health with income that has been highlighted. The WHO Commission on Social Determinants of Health (Marmot 2008) identifies the ‘poor health of the poor’ and ‘the social gradient of health’. What does such a concern with co-variance imply for the measurement tools that we use?

2. Applying the Standard Approach to New Dimensions

Like income, health status can be defined in a variety of ways. It can be a current measure, such as the presence of health conditions limiting daily activities or self-perceived health condition. The latter is used by Brandolini (2008), his data being based on responses on a scale from 1 (very good) to 5 (very bad). Health status can be a lifetime measure, such as achieved age at death or prospective life expectancy. It can be an observed variable, like current functioning, or a subjective variable, such as self-assessed health status. It may be a continuous variable, like life expectancy, or a categorical variable, as with the self-assessed health scale described above.

In what follows, I do not specify the precise nature of the health variable, denoted by h, allowing for a variety of interpretations. In contrast to the scale cited
in the previous paragraph, I measure $h$ positively: a rise in $h$ corresponds to an improvement in health. At the same time, I do recognise that health, unlike income, denoted by $y$, has typically a finite upper bound, denoted by $h^*$, corresponding to a physiological maximum, in the case of age or life expectancy, or to the absence of any health limitations.\(^2\)

2.1 Measurement of deprivation

How then do we approach, first, the measurement of deprivation in each of these two dimensions? In the income dimension, the standard indicators (Atkinson, Cantillon et al. 2002; Atkinson 2003) are concerned with the proportion of the population living in households with disposable incomes (adjusted for differences in household composition) below a specified level, $y_0$. The natural parallel is to consider people whose health indicator is below a specified $h_0$. We are concerned, say, with people who die prematurely or whose self-reported health status is ‘very bad’ or ‘bad’.

The first issue that this raises is whether the health cut-off is specified in absolute terms, applied at the same level in all societies and at all dates, or whether it is relative, changing across countries or across time. In the case of income, the European Union social indicators have been largely relative, with $y_0$ defined as 60 per cent of the median income in the Member State in question. The OECD (OECD 2008) has used 50 per cent of the national median. One argument for such a relative measure is that income is seen as a means to participate in society, and that the necessary amount depends on the general standard of living. For example, the clothing required to get a job depends on prevailing standards of dress. Should the health threshold rise with general standards of health? It is not obvious that the same argument applies to $h_0$. Income may be seen as a means to an end, but good health may be an end itself.\(^3\) Self-reported health may already include an element of relativity,\(^4\) but there seems no reason to extend the threshold up the scale or to vary the cut-off across different countries. The fact that India has a lower life expectancy than the United Kingdom is not a reason for applying a lower health deprivation threshold. On the other hand, arguments can be made in favour of relativity. If age at death, or life expectancy, are seen in terms of a ‘good innings’ (Williams 1997), then the threshold may advance over time. He refers to ‘the feeling that everyone is entitled to some “normal” span of health (usually expressed in terms of life years, e.g. “three score years and ten”)’ (1997). ‘Three score years and ten’ is an expression that has stayed with us for a long time, but the notion of ‘normality’ may well be a relative one. A century ago, premature death

\(^2\) It should be noted that I am throughout the paper concerned with indicators of outcome and do not consider the processes by which these outcomes are achieved.

\(^3\) I owe this point to Sudhir Anand (2004).

\(^4\) And questions about activity may replace ‘riding a bicycle’ by – the possibly less demanding – ‘driving a car’.
may have been deemed to occur at an earlier age. Nonetheless, any adjustment is likely to be made quite rarely. We would not go from 70 to 71 to 72, but rather from 70 to 75 or 80, possibly at the interval of several generations. We would not make the annual adjustment that is involved in using median income.

To sum up, whereas a relative income standard has come to be used within country groupings such as the EU, there are good grounds for applying an absolute health deprivation standard, certainly when comparing across countries and, if adjustments are made over time, they are likely to be infrequent rather than annual.

### 2.2 Deprivation indices

A second issue affecting the measurement of deprivation in one dimension is the use of a headcount (number of people below the threshold) versus measures that take account of the extent of deprivation. The headcount is a \((0.1)\) measure, whereas the poverty indices developed following Sen (1976) give weights to differing degrees of shortfall. In the widely used index proposed by Foster, Greer and Thorbecke (1984), we add up, not the number of people, but a function of the income shortfall:

\[(y_0-y)\alpha,\] where this is positive. With \(\alpha=0\), this corresponds to the headcount; with \(\alpha=1\), the measure is the mean poverty gap; with \(\alpha\) greater than \(1\) we give more weight to larger shortfalls.

Do we want to carry over the same procedure to health status? With a categorical variable, we might want to do so. For example, we could attach a weight of \((1+\alpha)\) to those with ‘very bad’ health and \(1\) to those with ‘bad’ health. In this case, again, a value of \(\alpha\) greater than \(0\) involves giving greater weight to the more deprived: a policy that moved people from ‘very bad’ to ‘bad’ health would reduce measured health deprivation (whereas there would be no impact on the headcount of those with very bad or bad health). In the case of age at death, it is argued by Anand (2004) that we may be more averse to a twofold rise in child mortality than to a twofold increase in adult mortality. On the other hand, the World Bank (1993) weights applied to different years of life first rise and then fall (after the mid-20s). These could lead to quite different conclusions. The issue of weighting needs further consideration and may depend on the particular health indicator.

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**5** The EU social indicators (European Commission, 2008) use a variant, which is the poverty gap of the median person below the poverty threshold, expressed as a percentage of the threshold.
2.3 Inequality indices

Consideration of the extent of shortfall takes us in the direction of measuring overall inequality. Suppose now that we are concerned with evaluating the distribution as a whole, without reference to any poverty threshold. In the EU social indicators (European Commission 2008), income inequality is captured by two main measures. The first is the ratio of the total income of the top 20 per cent to that of the bottom 20 per cent; this quintile ratio takes a value around 5 for the EU as a whole. The second is the Gini coefficient, a measure that is based on the mean difference relative to the mean.

In the literature on health inequality, the indices employed are typically closer to the first, contrasting the position of the least healthy with that of the healthiest, or considering the ratio of the top quintile to the bottom quintile age at death. But the Gini coefficient has been employed for age at death by Le Grand (1989). The use of an inequality index does however raise again the issue of absolute versus relative. The quintile ratio and the Gini coefficient both have the property that their values are unchanged if all incomes are increased or reduced proportionately. Should health inequality indicators also be invariant with respect to equal proportionate changes? This does not in fact seem very plausible. A rise in the age-at-death at the bottom decile (the person 10 per cent from the bottom) from age 40 to age 45 cannot necessarily be equated with a rise at the top decile from 80 to 90. Invariance with respect to equal absolute changes might seem more appropriate, so that 5 years is added to both. If we were using the Gini coefficient, we would take the absolute Gini, not dividing by the mean. In the case of health categories (ordinal data), the appropriate reference point should be the median, for reasons spelled out by Allison and Foster (2004), and invariance could be defined in relation to the median category.

The design of an inequality measure raises the issue of weighting. The weighting in the case of the standard Gini coefficient is implicit, whereas the notion of inequality aversion was introduced in Kolm (1969) and Atkinson (1970) to make explicit different weighting systems. With constant inequality aversion, the individual contribution of income $y$ to the inequality measure is given by $i(y) = 1/(1-\varepsilon) \cdot y(1-\varepsilon)$, which means that the marginal contribution is $y-\varepsilon$. The marginal value of an extra €1 falls with $y$ to a degree that depends on the parameter $\varepsilon$. This parameter captures different degrees of inequality aversion: $\varepsilon=0$ means adding up total income (distributional indifference, with an extra €1 valued the same whoever the recipient), $\varepsilon=1$ corresponds to the logarithmic case, and the measure becomes progressively more inequality averse as $\varepsilon$ rises, until as $\varepsilon$ approaches infinity we approach the Rawlsian focus on the least advantaged. A measure of overall inequality is reached by summing $i(y)$ over the whole population and comparing the total with the value that would be achieved if all incomes were...

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6 Using De l’Hôpital’s Rule. Strictly, this requires the subtraction of 1 from $y^{(1-\varepsilon)}$ and $y^{(1-\varepsilon)}$ before the application of the Rule.
equal. The difference is a measure of the loss from inequality, and this loss is typically expressed as a proportion of the mean income.\textsuperscript{7}

Should we do the same with the health indicator? Taking this for the moment to be a continuous variable, we could write \( j(h) = \frac{1}{1-\delta} \cdot h(1-\delta) \), so that the marginal contribution is \( h-\delta \). Where \( h \) is the age at death, a value of \( \delta = 0 \) means that the aggregate across the population corresponds to life expectancy. Where \( \delta \) is greater than 0, earlier deaths are given greater weight. If \( \delta \) is greater than \( \varepsilon \), then we are more health-inequality averse than we are income-inequality averse. On the other hand, the fact that \( h \) may take the value of 0 raises doubts about \( j(h) \), which, for \( \delta \) greater than 1, tends to minus infinity as \( h \) tends to 0. Should we consider instead the distance from the maximum age, \( h^* \), by considering \( k(h) = \frac{-1}{1+\gamma}[h^*-h](1+\gamma) \)?

The value rises from \(-\frac{1}{1+\gamma}h^*(1+\gamma)\) to 0, with the marginal weight falling from \(h^*\gamma\) to 0 as we approach \( h^* \) (It should be noted that neither of these formulations allows the marginal valuation to rise over certain ranges). The introduction of \( h^* \) does however raise the further question as to whether this should be a constant, or whether, as discussed above, \( h^* \) should be adjusted over time, or across countries, to reflect greater longevity.

2.4 Summary

The questions raised in this section demonstrate that moving to a multi-dimensional measure is not simply a matter of applying the same framework to a second dimension. The health variable, in its several forms, has to be treated in its own right. The same would have been true in reverse if we had added income to a study of health inequality.

So far, we have treated the two variables in parallel; in the next section I consider their aggregation.

3. Aggregation at the Individual Level

In this section, I am concerned with the aggregation of the two dimensions at the level of the individual. It should be emphasised that this is not the same as calculating separate scores for income and health and then combining these scores at the aggregate level. This second procedure, in effect what is done in the Human Development Index, is a different one, and raises rather different issues.

Why do we want to aggregate? Can we not simply report health and income deprivation/inequality separately, as with the EU social indicators? For many purposes, this may be quite sufficient; indeed the separate indicators may be more informative than an amalgam of the two dimensions. But there may also

\textsuperscript{7} The Gini coefficient, \( G \), can be given the same interpretation, as shown in the definition of ‘real national income’ by Sen (1976b). If \( \mu_Y \) is mean income, then real national income is \( \mu(1-G) \).
be situations where we have to trade one against the other. If we are designing government policy, then there are questions concerning its targeting that can only be answered by reference to a combined objective function.

3.1 Counting deprivations

The population is assumed to be distributed continuously over the two dimensions with a proportionate density \( f(h,y) \), where the cumulative distribution \( F(h,y) \) gives the proportion with health status \( h \) or lower and income \( y \) or lower. The fact that the density is defined as a proportion means that \( F(h^*,\infty) = 1 \), where \( h^* \) is the maximum health status. The marginal distributions are denoted by \( F_h(h) \) and \( F_y(y) \): i.e. \( F_h(h) \) of the population have a health status of \( h \) or lower, integrating over all incomes.

If, as in the previous section, we define a health status threshold, \( h_0 \) (for example those with very bad or bad health), then the percentage of the population deprived along the health dimension is \( F_h(h_0) \), with a corresponding proportion \( F_y(y_0) \) below the income poverty line. How can these be combined? Earlier I referred to the counting approach, as used in Vranken (2002). In that case, a person deprived on both health or income scores -2 and someone deprived on either health or income, but not both, scores -1. The social objective becomes that of minimising the deprivation score: i.e. minimising \( F_h(h_0) + F_y(y_0) \). Those in the overlap, \( F(h_0,y_0) \), appear in both marginal distributions and hence get counted twice.

The counting approach takes account of multiple deprivation but does not impose a penalty: two people with one deprivation count the same as one person with two deprivations. There are however good reasons why we may be more concerned about the latter case. This may be handled by attaching a weight \( \lambda \). A value of \( \lambda \) equal to 0 means that multiple deprivations are given no greater weight than a single deprivation. A value of \( \lambda = 1 \) corresponds to the counting approach just described. A value of \( \lambda = 2 \) means that a weight of 4 is given to people with both deprivations. As \( \lambda \) rises, we approach a situation where we are only concerned about those with multiple deprivations (a kind of Rawlsian solution).

How does this help the design of policy? Where we are concerned about the extent of multiple deprivation, then we can compare the degree of targeting achieved by operating on either the health or the income dimension. \( F(h^*,y^*)/F_h(h^*) \) is a measure of the effectiveness of health policy targeted at those with health status below \( h^* \) in reaching those with multiple deprivation, and \( F(h^*,y^*)/F_y(y^*) \) is a measure of the effectiveness of income transfers to those below the income poverty line. In both cases there are recipients who are suffering single but not multiple deprivation, but this is only a complete loss where \( \lambda \) is infinite, since with finite \( \lambda \) some positive value is attached to helping them.
3.2 Inequality index

I now turn to measuring overall inequality. Much of the literature on the measurement of income inequality is grounded in welfare economics and the assumption of a social welfare function defined over the well-being of individuals. This involves two steps. The first is the social evaluation of individual welfare, based on the observed characteristics, h and y, written as V(h,y). Secondly, we have to aggregate across individuals. If social welfare is assumed to be an additively separable function of the evaluations of individual welfare (not an innocuous assumption),\(^8\) then the social objective function becomes the sum (integral) of \(W\{V(h,y)\}\) where \(W\{\}\) is a social transformation applied to the evaluation of individual welfare. This apparatus allows us to identify the key elements. First, let us assume that the social transformation is simply linear, so that we are adding up \(V(h,y)\). This parallels a utilitarian position, although it should be noted that we are assuming the same representation of welfare for everyone: you cannot claim to be a more efficient pleasure machine (have a higher \(V(h,y)\) than other people with the same \(h\) and \(y\)). How is the \(V(h,y)\) constructed? The most obvious approach is simply to add the components \(j(h)\) and \(i(y)\) defined in the previous section, giving for the individual

\[
V(h,y)=\frac{1}{1-\delta}h(1-\delta) + \frac{A}{1-\varepsilon}y(1-\varepsilon) \tag{1}
\]

The constant \(A\) is a weighting factor, governing the relative contribution of the two domains. In that case, to obtain total social welfare, we sum (integrate) the two elements across the total population. Social welfare consists of two separate components, corresponding to the two dimensions. The aggregation can be made first across individuals and then across domains. The formulation just described is parallel to the counting approach, in that the level of social welfare does not depend on the degree of correlation of the scores on the two dimensions. They are evaluated independently. Expressed mathematically, the marginal social value of an improvement in health, \(\partial W/\partial h\), is independent of income (and vice versa). How can interdependence be taken into account? One way is to make the social transformation non-linear. Suppose that \(W\{\}\) is an increasing and concave transformation. Then \(\partial W/\partial h = W'.(\partial V/\partial h)\) and

\[
\partial^2 W/\partial h \partial y = (W'.(\partial^2 V/\partial h \partial y)) + (W''.(\partial V/\partial h)(\partial V/\partial y)) \tag{2}
\]

Where \(W'\) denotes the first derivative and \(W''\) denotes the second derivative. So that even if, as in (1), the cross-derivative of \(V\) with respect to \(h\) and \(y\) is 0, a strictly concave transformation of \(W\) (i.e. \(W''<0\)) means that the two evaluations are interdependent.

\(^8\) It rules out any specific interdependencies.
As has been shown in the literature on multivariate inequality measurement (Atkinson and Bourguignon 1982; Tsui 1995), the cross-derivative of \( W \) with respect to \( h \) and \( y \) being negative is equivalent (where the marginal distributions are identical) to a preference for a reduction in the degree of correlation. An aversion to multiple deprivation may therefore be seen as requiring that the expression in (2) be negative. This can be achieved either by the concavity of the transformation \( W \) or by a negative cross-derivative in \( V(h,y) \). To illustrate the former, suppose that we assume the form (1) and set \( \delta = \epsilon = 1 \) and \( A = 1 \). Taking the limit as \( \delta \) and \( \epsilon \) approach 1, we obtain \( V(h,y) \) as the sum of \( \log h \) and \( \log y \). Suppose further that \( W \) is a quadratic function: \( W = V - (\frac{1}{2}bV^2) \), where we consider only the values of \( h \) and \( y \) such that \( W' \) is positive. The level of social welfare depends then on the mean and variance of \( \log h \) and \( \log y \), and, negatively, on the covariance of \( \log h \) and \( \log y \). The more highly correlated are these variables, for given marginal distributions, the lower is social welfare.

The two methods of introducing interdependence are however different, as may be seen if we consider the introduction of a third dimension, \( z \). If \( \partial V / \partial z \) is positive then \( W'' < 0 \) means that the cross-derivative of \( W \) with respect to \( h \) and \( z \) will also be negative – even if there is no direct connection. The importance of the assumption that \( W'' < 0 \) is that the marginal benefit from an increase in \( h \) is lower if the person is better off, for whatever reason. It is a generalised effect: there is no specific health/income nexus. If we wish there to be a specific health/income interaction, then we have to do this via \( \partial^2 V / \partial h \partial y \).

From this discussion it should be apparent that we need to be careful as to how precisely we specify the social welfare function. At the same time, the formalism provides a framework for addressing some key questions. One of these is the response of policy choices as societies become richer (or poorer).

### 3.3 What happens as we get richer (or poorer)?

The trade-off between health and income inequality depends on the technical possibilities (the transformation of spending into improved health for individuals) and on the wealth of society. The technical possibilities determine the slope of the possibility line in Figure 2.1; the wealth of society determines how far out the line is located. The evaluation of different combinations of \( h \) and \( y \) received by a person is governed by the relevant component of the social welfare function whose properties we have been considering, shown by the curve in Figure 2.1. At the point chosen, \( P \), the slope of the social indifference curve is equated to the technical rate of transformation. In the case of function (1), with \( W \) linear, the slope of the social indifference curve is given by \( h\delta/(A\epsilon) \).

What happens as society gets richer? If the possibility line shifts outwards in a parallel fashion, then we can trace out the expansion path, with the point \( P \) evolving according to \( h \) being proportional to \( y\epsilon/\delta \). In this way, the slope of the social indifference curve remains the same (and equal to the slope of the possibility line). This means that, if \( \delta \) and \( \epsilon \) are equal, health and income improve at the same rate as society gets richer.
rate. This is shown by the heavy solid line. Additional resources are devoted to 1 increasing scores on both dimensions by the same percentage. Conversely, if we 2 get poorer, both should be scaled back proportionately. 3 4 However, there is no reason to set $\delta$ and $\varepsilon$ equal. It has been forcefully argued 4 in the health inequality literature that ‘we should be more averse to, or less tolerant 5 of, inequalities in health than inequalities in income’ (Anand, 2004, page 16). He 6 goes on to give the following reasons: ‘the status of health as a special good, which 7 has both intrinsic and instrumental value. Income, on the other hand, has only 8 instrumental value. [Health] directly affects a person’s well-being’ (Anand 2004). 9 10 In the terms set out above, this requires that $\delta$ (the degree of aversion to health 11 inequality) should be greater than $\varepsilon$ (the aversion to income inequality). It could 12 indeed be argued that health should initially have complete priority. Anand quotes 13 Descartes: ‘the preservation of health is … without doubt the first good’ (Anand 13 14 2004). If that is the case, then we have a lexicographic evaluation: first health, and 14 then income. 15 16 Income may indeed be instrumental, but if the variable $y$ is seen as a summary 16 of non-health dimensions of well-being that depend on income;” then the positions 17 just described seem too extreme. Nonetheless, it is instructive to consider their 18 implications, which are far from evident. To begin with, the lexicographic 19 evaluation could be applied in two different ways. The first assumes that the social 20 welfare function is concerned first with health and then with income. In that case, 21 we evaluate the health dimension on its own. In terms of country social indicators, 22 it means that we first rank countries according to health deprivation, and only 23 subsequently look at income poverty. The second interpretation applies the 24 lexicographic principle at the level of the individual: $W(V(h,y))$ is first a function 25 of health, but when the maximum health status is achieved, then we consider 26 income. In that case, people with $h$ less than the maximum value $h^*$ are evaluated 27 according to $h$, but those with $h=h^*$ are evaluated according to $h^*$ and $y$. 28 29 In the less extreme case where we are more averse to health inequality, and $\delta$ 30 (the degree of aversion to health inequality) is greater than $\varepsilon$ (the degree of aversion 30 to income inequality), we have to consider what this implies for the response to 31 rising wealth. From the formula given above, $y\varepsilon/\delta$, we can see that health will in 32 this case expand less than proportionately. The ratio of $h$ to $y$ will fall as we get 33 richer, as indicated by the heavy dashed line in Figure 2.1. This may at first sight 34 appear paradoxical. However, it reflects the fact that a higher $\delta$ means that we 35 devote more resources to health at low levels of wealth. When we are poor, we 36 give health priority, and it follows that its importance declines as we get richer. 37 38 39 40 41 42 43 44 9 This formulation was suggested to me by Andrea Brandolini, also see Brandolini (2008).
3.4 Summary

The move to two dimensions introduces new issues of aggregation. These issues have been addressed in different ways, and one of the aims of this section has been to elucidate the choices that have to be made. In particular, we need to examine the assumptions implicit in adopting a particular method of aggregation, such as the counting of deprivations. We have to consider the relative priorities attached to the two (or more) dimensions.

4. Health Equity and the Measurement of Interactions

‘Health equity cannot be concerned only with health ... [it] is most certainly not just about the distribution of health’ (Sen 2004). For Sen, health equity ‘must take into account how resource allocation and social arrangements link health with other features of states of affairs’ (2004). It is with this interaction that the present section is concerned. At the same time, the discussion is limited to the issues of measurement. It does not consider the causal connections between the two variables, h and y. Income may be a determinant of health, and health may influence income, but here I am concerned only with the extent of their correlation, not with their generation.

4.1 The health gradient

The correlation between health and resources is the way in which health equity has been operationalised. The Commission on Social Determinants of Health opens its ‘new global agenda for health equity’ with the statement that ‘in countries at all levels of income, health and illness follow a social gradient: the lower the socio-economic position, the worse the health’ (Marmot 2008). The report goes on to show, among other evidence, how in the United Kingdom mortality rates rise with deprivation, the population being divided into vintile groups (twentieths) of neighbourhood deprivation (Marmot 2008). Concern with such a health gradient corresponds to the specific interaction between h and y in V(h, y).

How does this relate to the measurement framework set out earlier? To begin with, use of the term ‘health inequality’ for the health gradient is potentially misleading, as health differences would remain even if the covariance between h and income rank were to be reduced to 0 (i.e. the slope is 0). Put another way, it obscures the fact that health equity is taken by many writers as going beyond health inequality. Suppose that we can write the health status hi of person i with income yi as βyi+ui, where β is the coefficient and ui is a random term distributed independently of y and with variance σ2. If we now consider social welfare purely in terms of health, and measure inequality in terms of the variance, then this is given by σ2h=β2σ2y+σ2, where σ2y is the variance of income. In this way, we can see that the coefficient β...
governs the excess inequality beyond that generated by random factors. It has been described as ‘avoidable’ health inequality or deprivation.

The interaction may therefore be seen as contributing one (potentially important) element in the generation of the overall inequality in health and income. However, we may want to go further than this. We may want to attach greater weight to that part of health inequality which is avoidable. In this respect, there is a difference between measures of current health/capacity to function, or age at death, and ex ante measures such as life expectancy. In effect, life expectancy takes the expected value of $h_i$, and the only remaining inequality is that due to the socio-economic gradient. This can be seen as the limiting case of attaching all the weight to the $\beta$ term and none to the random term.

We need however to question a little further what is meant by ‘avoidable’, since this is typically ill-qualified. The Commission on Social Determinants of Health says ‘where systematic differences in health are judged to be avoidable by reasonable action, they are, quite simply, unfair’ (Marmot 2008). What this means is that we cannot treat the gradient on its own; we have to consider the mechanisms by which the distribution could be changed, and the interpretation of ‘reasonable action’. But this would take us beyond pure measurement and would mean that we have to consider concretely the mechanisms linking income and health. What are the constraints on redistribution? Are these the same in all countries? These are important questions but pursuing this line may lead to a different role for social indicators. If we allow considerations of the transfer technology to enter our judgment about health equity, then societal context becomes important. A health gradient may be unacceptable in a society with an efficient administrative apparatus but accepted, reluctantly perhaps, in a society where transfers can only be made at great cost.

4.2 Health deprivation and targeting

Throughout this chapter, I have maintained two levels of analysis: deprivation at the bottom and inequality in the distribution as a whole. With the move to health equity we may appear to have abandoned the former. The health gradient is however very relevant to the study of health deprivation, where we are concerned with people whose health status is below $h_0$ (for example, the categories ‘very bad’ and ‘bad’ in self-assessed status). This is particularly the case when we consider the allocation of health spending. How far should this be targeted? It should be noted that I am not considering here the differential effectiveness of health spending on different groups – see Williams (1997).
1 health deprived who are excluded. There is a smaller percentage of false positives, but a larger proportion of false negatives. The pay-off to reducing the degree of targeting depends on the degree of correlation.

This argument suggests that we should focus on the first part of the health equity relationship. The whole range of the curve is however relevant to assessing the degree to which h can be raised. The asymptote h+ provides an objective towards which policy can be directed. The difference of h from h+ may be taken as a measure of the health shortfall that we are seeking to minimise. This in turn provides a means of updating the deprivation standard as overall societal conditions improve – the issue with which I began in Section 1.

5. Conclusions

The aim of this chapter has been to bring together two important dimensions of social performance: income and health. This has meant bringing together two different literatures. The mixture is in places rather hard to digest, but I hope that I have shown how they can be placed side by side. The extent of read-across is less than complete and one of the key messages of this chapter is that, when we consider multiple dimensions of deprivation and social welfare, it is important to consider the distinctive features of each dimension.

As the reader will have noted, I have given few definite answers to the questions posed in the chapter regarding multidimensional measurement; my purpose has been more to place these issues on the agenda. As it is well put by Williams, these are ‘not something that economists can decide, but it is something we can force into the open and seek to have clarified’ (1997). At the same time, my own understanding of the literature suggests that we should:

• use ‘health inequality’ to describe the differences between people in health status, recognising that such differences (e.g. in age at death) can be reduced but not necessarily fully eliminated;
• reserve the term ‘health inequity’ for the measured association between expected health status and income or socio-economic status;
• treat health deprivation thresholds, unlike income thresholds, as largely absolute, applying the same standards across countries and over time, with rare adjustments;
• use aggregate indices that reflect concerns about multiple deprivation and health equity (as just defined), which implies using weighted counting measures for deprivation and aggregate indices that allow for the specific interaction between health and income.
Figure 2.1 Health and income as society gets richer
Chapter 3
Making Poverty Analysis Richer:
Multi-dimensional Poverty Research
for Social Policy Design

Chris de Neubourg, Keetie Roelen and Franziska Gassmann

The information revealed by poverty estimates relying on multidimensional indicators on the number and the characteristics of poor people overlaps only partially with the information provided by poverty estimates based on money-metric indicators. The differences in outcomes between multidimensional and monetary approaches are substantial and guide social policy in different ways and along different alleys. This holds for nearly all countries, but is especially true for poverty in low- and middle-income countries, as is illustrated in this chapter on Vietnam and Congo.

Poverty estimates based on a monetary indicator basically identify everyone as poor whose income/resources or expenditures are lower than a pre-set income or expenditure level. These types of poverty estimates are most widely used in poverty analyses worldwide (Layte, Nolan et al. 2001; Ruggeri Laderchi, Saith et al. 2003; Redmond 2008) and are usually preferred for several reasons:

- There is a long tradition of poverty analyses based on money-metric indicators. This long tradition is, in turn, further reinforced by the use of cash transfers in social policy;
- Because of its long tradition, data on incomes and/or expenditures are widely available for many countries;
- Monetary values of wealth (and poverty) are believed to be easily comparable across the income distribution, across time and across countries;¹
- Money-metric poverty estimates usually lead to single indicators that lend

¹ This is only partially true. Monetary values use a cardinal scale, thus assuming equal distance between each consecutive unit of measurement (€, $, …) for the individuals/households involved; this disregards differences in the marginal utility of money along the income distribution and gave rise to an important literature on subjective poverty/wealth measures. Monetary values have to be corrected for price differences over time and over place; while there is extensive experience with corrections for inflation and international differences in price levels (Purchasing Power Parities or PPP’s), the problems associated with these corrections often introduce measurement errors which are difficult to understand,
Monetary poverty indicators implicitly assume that individuals/households with enough money can buy everything that they need for the fulfilment of their basic needs (Tsui 2002; Thorbecke 2008). This implicit assumption is most often criticised. The consumer sovereignty of individuals that forms the basis for this assumption is often not observed in the daily life of many and especially of poor households. The underlying rationale implies that all attributes can be purchased on markets and can be expressed in monetary terms. Markets for basic goods, however, often do not exist, are incomplete or function imperfectly (Tsui 2002; Bourguignon and Chakravarty 2003; Thorbecke 2008). Goods and services related to basic needs such as clean water, accessible healthcare and education are semi-public or public goods in many countries, thus making households dependent on the production of these goods and services by public authorities; the availability of purchasing power among households will not suffice to gain access to these goods since households may be restricted in their consumption by supply constraints. In other specific circumstances, some private goods, such as food, are not available due to extreme situations (draught, famine, natural disasters, refugees). Again, a higher disposable income will be of some help to households, but will not guarantee access to the basic goods and services due to rationed supply on private markets. Supply constraints are not very important in developed economies, but are in many cases significant in low- and middle-income countries.

Equally important for questioning the consumer sovereignty assumption is the fact that income and resources are usually measured at the household level, disregarding the intra-household distribution of income (Hulme and McKay 2008). Assuming that households with enough resources to cover their basic needs actually cover the basic needs of all their members implies assuming that either all household members have equal power (or at least enough power to secure the fulfilment of their own basic needs) or that there is perfect solidarity among the household members. The latter assumption is violated when the preferences of one household member dominate the consumption pattern of the household; this is for example the case when one of the household members is a substance abuser. In the latter case, the other household members are possibly deprived from the fulfilment of their basic needs, and can thus be considered as poor despite the fact that total even when the same methodologies are used to define poverty lines (e.g. see Notten, de Neubourg, 2007a and 2007b for details).

Moreover, it is difficult assign a monetary value to specific attributes (especially those related to aspects of social inclusion) deemed important to consider people as non-poor such as literacy, numeracy, life expectancy, social participation and access to information (Hulme and McKay, 2008; Thorbecke, 2008).

In fact, it is not entirely disregarded, since it is taken into account by relying on equivalence scales to estimate the resources assigned to each household member.
household resources theoretically would be sufficient to cover the basic needs of all household members. In this context, children are particularly vulnerable to deprivation of their specific needs. They can not be regarded as full economic agents exercising consumer sovereignty: they are not able to secure their own income/resources until a certain age, and they are not sovereign in taking consumption decisions (White, Leavy et al. 2003). Children are usually the weaker parties in the household. Moreover, for the fulfilment of their basic needs they have to rely more than adults on the production of goods and services by public authorities (especially in education and health, but also in water and sanitation) (White, Leavy et al. 2003; 2003a; Gordon, Nandy et al. 2003b; Waddington 2004; Minujin, Delamonica et al. 2005). The discrimination of girls compared to boys in some countries adds a specific gender dimension to the deprivation of children. The specific position of children justifies a careful poverty analysis based on alternative approaches. Following Sen’s seminal work on the capability approach (1976), the field of multidimensional poverty measurement has seen a wide expansion including basic needs approaches (Streeten 1981; 1984) or social exclusion methods (Marlier, Atkinson et al. 2007). Recent child poverty studies have also focused on more multidimensional aspects of poverty (Gordon, S. et al. 2003a; Bradshaw, Hoelscher et al. 2006). The comparison between monetary and multidimensional concepts has been the subject of previous research. Whilst some scholars have focused on the underlying conceptual and theoretical foundations of poverty measures (Sen 1976; 1982; Nussbaum 1992; 1993; Ravallion 1994; 2000; Ruggeri Laderchi, Saith et al. 2003; Thorbecke 2008), others have analysed poverty measurement from an empirical or applied perspective, largely focusing on the investigation of similarities or differences of poverty outcomes using different types of poverty measurement (Klasen 2000; Perry 2002; Baulch and Masset 2003; Bourguignon and Chakravarty 2003; Bradshaw and Finch 2003; Bastos, Fernandes et al. 2004). Findings in these studies generally suggest that the use of monetary and multidimensional poverty measures results in different pictures of poverty, pointing towards modest, if not very limited, overlap in results (Klasen 2000; Perry 2002; Baulch and Masset 2003; Bastos, Fernandes et al. 2004; Whelan, Layte et al. 2004). The development of a multidimensional poverty measure requires decisions to be made, each subject to their own advantages and disadvantages. Inherent to the construction of a multidimensional poverty measure are choices related to domains and indicators (Klasen 2000; Alkire and Foster 2008; Roelen, Gassman et al. 2008), which are often based on value judgments and context-specificity, making multidimensional poverty estimates susceptible to misinterpretation (Roelen, Gassman et al. 2009) and controversy (Klasen 2000). Other contentious issues that need to be tackled when constructing a multidimensional poverty measure are the so-called “poverty traps” and the mechanisms that lead to them. Corak (2006a) and DWP (2002) explain how these mechanisms lead to vicious circles and poverty traps.
measure include the weighting scheme for domains and indicators, as well as the construction of an aggregate poverty index (Klasen 2000; Atkinson 2003; Nolan and Whelan 2007).

In this chapter, we choose to avoid most of the problems related to multidimensional poverty measurement by focusing our analysis on the comparison of a monetary indicator with the domain-specific dimensions of child poverty, rather than with a composite index of child poverty based on a combination of dimensions. The latter analysis is made in Roelen et al. (Roelen, Gassman et al. 2009), studying the properties and results of a single multidimensional child poverty indicator approach with a composite index.

1. Concepts and Methodologies Used in this Chapter

Our measure of monetary poverty refers to poverty calculated on the basis of the poverty line as used by the General Statistical Office (GSO) of Vietnam and is generally referred to as the official poverty line. The monetary poverty line captures the cost of a food and non-food consumption basket, with the cost component of the food basket being based on a daily intake of 2,100 calories per person per day (VDR 2008). The poverty measure is based on per capita consumption expenditures as welfare measure. Finally, as monetary poverty is based on household poverty, monetary child poverty incidence is based on the percentage of children living in households that are monetary poor.

The multidimensional poverty method used in this chapter was developed to identify poverty among children in Vietnam. It is a child-specific, outcome-focused and country-specific approach that considers non-monetary aspects of deprivation that are especially relevant for children. Included items consist of education, health, child labour and water and sanitation, among others. A total of nine indicators distributed over six domains are chosen on the basis of stakeholder discussions, previous research and data availability, and are considered to appropriately reflect the poverty status of children in Vietnam (Roelen, Gassman et al. 2008). Domain deprivation is constituted by not meeting the threshold of at least one of the indicators within the specific domain, also known as the union approach (Atkinson 2003).

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5 A similar methodology is used by the research team of the Maastricht Graduate School of Governance to study child poverty in Congo (Notten et al. 2008; Notten 2008), in China (de Neubourg 2007) and in Kosovo.

6 Appendices 1 and 2 provide the details of the indicators and domains that are used, as well as the data compiled to estimate the poverty rates per dimension.

7 In Roelen et al. 2008, the overall poverty headcount is determined by deprivation on at least two domains, also known as the dual cut-off identification strategy (Alkire and Foster 2008).
Making Poverty Analysis Richer

Similar methods for the measurement of monetary and multidimensional poverty are used for the analysis of child poverty in Congo. This chapter compares the outcomes of six dimensions in child poverty with the outcome of monetary poverty for children in Vietnam and for adults in Congo. The analysis distinguishes the following dimensions (for the Vietnamese case): education poverty, health poverty, shelter poverty, water and sanitation poverty, child labour poverty and social inclusion and child protection poverty. We also use the data to identify pockets of concentrated deprivations by investigating how many children (adults) are simultaneously poor along different dimensions. Moreover, it is possible to investigate the drivers and determinants of various compositions of the different groups of poor. It is argued that monetary poverty counts cannot be regarded as good substitutes for poverty as measured by the non-monetary dimensions in the case of children in Vietnam and adults in Congo. Hence, the results and the analyses based on multidimensional poverty definitions provide richer information than simple monetary poverty estimates; they make it easier to identify policy priorities and to guide the design and composition of social policy measures.

2. Monetary Poverty and Domain Poverty Rates for Children in Vietnam

Column 2 of Table 3.1 provides the simple poverty rates as calculated for each domain separately and for the traditional monetary poverty indicator. It can be seen that poverty rates are of the same order of magnitude with respect to education, shelter and monetary poverty. A much larger proportion of children are deprived on health and water and sanitation, while the share of children deprived according to the child labour and social inclusion dimensions is much smaller in the case of Vietnam in 2006.

The main question to be answered in this chapter is to what extent the information provided by monetary poverty estimates can be used as a proxy for the other six domain poverty rates. A first indication is provided by the third column in Table 3.1; it is obvious that in many cases the overlap is limited, ranging from 33.6 per cent of overlap in the case of health-poverty and monetary poverty to 41.7 per cent of overlap in the case between shelter-poverty and monetary poverty. It is even as low as 18.9 per cent in the case of social inclusion-poverty. All in all, the overlap of children being deprived on one of the domains and those being monetary poor does not exceed 50 per cent. This implies that if social and economic

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8 For the Congolese case, nutrition is used as an additional dimension (see below).
9 It should be noted that the domain poverty rates in this chapter have to be interpreted with care: sensitivity analyses indicate that some of the individual rates are sensitive to small changes in the definitions and cut-off points. Moreover, not all dimensions can be observed or make sense for the entire population of children; see also below. For details see Roelen et al. 2008.
policy is targeted at the children being monetary poor, it leaves out a significant number of children who are not identified as poor using a monetary indicator, while nevertheless being deprived on at least one of the domains. However, the analysis can be taken even further.

Table 3.1 Monetary child poverty rate and domain child poverty rates: Vietnam 2006

<table>
<thead>
<tr>
<th>Domain</th>
<th>Percentage of children</th>
<th>Percentage of children in domains who are also monetary poor</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary poverty rate</td>
<td>22.6</td>
<td>22.6</td>
</tr>
<tr>
<td>Education poverty rate</td>
<td>18.4</td>
<td>34.5</td>
</tr>
<tr>
<td>Health poverty rate</td>
<td>47.8</td>
<td>33.6</td>
</tr>
<tr>
<td>Shelter poverty rate</td>
<td>21.0</td>
<td>41.7</td>
</tr>
<tr>
<td>Water and sanitation poverty rate</td>
<td>48.8</td>
<td>37.1</td>
</tr>
<tr>
<td>Child labour poverty rate</td>
<td>8.9</td>
<td>36.1</td>
</tr>
<tr>
<td>Social inclusion poverty rate</td>
<td>8.0</td>
<td>18.9</td>
</tr>
</tbody>
</table>

Source: Author’s calculations from VHLSS 2006.

As an example, Figure 3.1 compares the density distribution of the normalised per capita expenditures for all children and the same density function for the children deprived on the health domain. From the graph, it can be seen that the distributions have the same shape with a bias for the health-deprived children towards the left (lower-income groups). However, despite the fact that the bias indicates that relative more health-deprived children are found among the lower-income groups, the displacement of the two distributions is in fact very modest.  

The graphs of the other domains show very similar pictures; they are not presented here for convenience’s sake.
This is further illustrated by Figure 3.2, where the same density function for the health-deprived children as in Figure 3.1 is compared to the density distribution for the monetary-poor children only. The density function of the normalised per capita expenditures for the children that are monetary poor is by construction of a very different shape; it is truncated at the right hand side at the expenditure level of the poverty line and it has a sharp peak actually before the poverty line. From Figure 3.2, it can be seen that both graphs are not good representations of each other. More specifically, it can be seen that, relatively, there are almost as many children deprived on the health domain among the higher income groups as among the lower. This is further illustrated in Figure 3.3 depicting the proportion of children deprived on the health domain by income (expenditure) quintile. This graph clearly illustrates that as much as between 43 and 60 per cent of the children are deprived (poor) on the health domain in the 4th and the 5th quintile with the proportion in the 4th quintile even higher than in the 3rd quintile.

Please note that the seeming difference in the shape of the density function for the health deprived children between Figures 3.1 and 3.2 is due to scaling differences between the two graphs.
Figure 3.2 Normalised per capita expenditures for monetary poor children deprived in the health domain, Vietnam 2006

Figure 3.3 Proportion of health deprived children by income quintile, Vietnam 2006
Obviously, deprivation on the health domain is almost 100 per cent in the lowest income group, but still monetary poverty is not a good predictor of deprivation on the health domain for children in Vietnam, as is further demonstrated in Table 3.2. Considering the correlation between monetary poverty status and poverty on specific domains (Table 3.2), the correlations are very low. The association is strongest between monetary poverty and deprivation on the water and sanitation and shelter domains. However, with coefficients between 0.269 and 0.361, even these correlations have to be judged as very modest. The low correlation between monetary and (multi)dimensional poverty indicators is in line with evidence presented for other countries by other researchers. Klasen (2000) finds limited correlation between income and deprivation measures in South Africa. Furthermore, in a review of different poverty studies in OECD-countries, Perry (2002) as well as Layte et al. (2001) conclude that the association between monetary poverty and other measures of deprivation is much looser than is often assumed.

### 3. Monetary Poverty and Domain Poverty Rates for Adults in Congo

We argued above that domain poverty rates are especially important for children, since they occupy a special position within households and as (non-)sovereign consumers. Whether this is also true for adults, is an empirical question to be answered. The analysis for Vietnam did not address that issue, but research based on a similar definition of domains and a similar way of measuring poverty on these domains in Congo (Brazzaville) included adults as well. The main results are summarised in Tables 3.3 and 3.4.12

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12 For details on the Congo study see Notten et al. 2008 and Notten 2008.
From Table 3.3, it can be concluded that adults (both men and women) show high monetary poverty rates in Congo (respectively 46.2 and 47.8 per cent). The poverty rates are also high for nearly all the domains considered, with the highest figures for the water and sanitation domain and lower figures for the labour and the social inclusion domains. As was the case for children in Vietnam, the overlap between adults in Congo being simultaneously monetary poor and deprived on one of the domains is extremely limited (Table 3.4). Percentages of overlap are consistently higher for women than for men, but still very limited and nowhere higher than one percent.
third, indicating that monetary poverty is a poor predictor of deprivation on the other domains for adults in Congo (as was the case for children in Vietnam).

4. Making Poverty Analyses Richer by Providing More Detailed Information to Policy Designers

The above conclusions have serious implications for the design and the successful implementation of social policy. Focusing social policy on individuals (children and adults) who live in poor households according to a money-metric poverty measure may mean missing out on people who are seriously deprived on important domains such as health, education and access to clean water. According to our estimates presented here, and previous studies by other authors for other countries (see above), there are a lot of people who are not poor in the monetary sense, but nevertheless do not have access to basic goods such as basic health care, clean water and education. Given this conclusion, we plea for enriching poverty analyses by taking into consideration the additional and complementary information provided by multidimensional poverty analyses (as we plead elsewhere for using relative and absolute poverty lines alongside when considering monetary poverty – Notten and de Neubourg 2008). Obviously, this requires more data and more analyses and evidently, the analyses may look less streamlined and be less suitable for newspaper headlines. It can however be safely argued that social policy can gain in quality when the information from multidimensional poverty studies is taken into account.

Multidimensional poverty rates allow us to go beyond simple monetary poverty headcounts. In the remainder of this chapter, we elaborate on the search for overlap between the dimensions and on understanding the poverty profile that stems from a more detailed analysis of these dimensions.

While the headcount of people being poor along one of these dimensions tells you something on the severity of deprivation on these domains, the analysis can be taken a step further by studying the number of people that are simultaneously poor on more dimensions. Estimates of children in Vietnam being deprived on two dimensions simultaneously are given in table 3.5 (the overlap between the six dimensions and the monetary poverty rate is already given in Table 3.1). From Table 3.5, it can be seen that for Vietnam the overlap between the domains water and sanitation and shelter on the one hand, and health and education on the other hand, is largest. This tells us something about the physical living conditions of the children and their ability to gain access to health and educational services. The overlap between the child labour variable with the deprivation on education is amazingly low: it seems that at least part of the children with activities on the

13 This is different from a poverty severity index for the domains, although it is possible to calculate that figure, as is done in Roelen et al. 2009b. See also footnote 6.
labour market still go to school, suggesting that for those children child labour is an addition, rather than a substitute for being in full-time education.

Table 3.5 Proportions of children experiencing poverty in two domains: Vietnam 2006

<table>
<thead>
<tr>
<th></th>
<th>Health 2-4</th>
<th>Shelter 0-15</th>
<th>Water and sanitation 0-15</th>
<th>Child work 6-15</th>
<th>Social inclusion and protection 0-15</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Education</strong></td>
<td>X*</td>
<td>5-15, n=8326</td>
<td>5-15, n=8326</td>
<td>6-15, n=7800</td>
<td>5-15, n=8326</td>
</tr>
<tr>
<td></td>
<td>3.22</td>
<td>12.58</td>
<td>5.10</td>
<td>1.25</td>
<td></td>
</tr>
<tr>
<td><strong>Health</strong></td>
<td></td>
<td>2-4, n=1428</td>
<td>2-4, n=1428</td>
<td>X*</td>
<td>2-4, n=1428</td>
</tr>
<tr>
<td></td>
<td>11.55</td>
<td>23.93</td>
<td>6.27</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Shelter</strong></td>
<td></td>
<td></td>
<td>0-15, n=10696</td>
<td>6-15, n=7800</td>
<td>0-15, n=10696</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>18.72</td>
<td>3.08</td>
<td>1.34</td>
</tr>
<tr>
<td><strong>Water and sanitation</strong></td>
<td></td>
<td></td>
<td>6-15, n=7800</td>
<td>0-15, n=10696</td>
<td>2.99</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>6.51</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Child work</strong></td>
<td></td>
<td></td>
<td>6-15, n=7800</td>
<td>0.40</td>
<td></td>
</tr>
</tbody>
</table>

*Note: * This figure cannot be calculated since the health variable in the case of Vietnam is based on children aged 0-4; these children, however, do not go to school or cannot be active on the labour market and for that reason the overlap is zero.

*Source:* Author’s calculations from VHLSS, 2006.

Studying the same overlap for children in Congo in Table 3.6 basically reveals the same picture, only with much higher values and percentages, reflecting the fact that Congo is a poorer economy compared to Vietnam. Also, in the Congolese case the overlap with the monetary indicator is limited to less than one third (except for water and sanitation and shelter). But also the overlap of children being poor on any pair of two domains is limited, indicating that each dimension brings new information to the analysis. As in the Vietnamese case, the overlap between child labour and children deprived on the education domain is small; clearly, being engaged in child labour is also in Congo for at least part of the children a supplement rather than a substitute to full-time education. This is not to say that most of the children in Congo attend school: more than 52 per cent of the Congolese children are not properly attending school, as can be seen from Table 3.3. However, in most cases this is not due to the fact that these children are active on the labour market.
### Table 3.6 Proportions of children experiencing poverty in two domains: Congo

<table>
<thead>
<tr>
<th>Domain</th>
<th>Monetary</th>
<th>Education</th>
<th>Nutrition</th>
<th>Health</th>
<th>Labour</th>
<th>Water and sanitation</th>
<th>Shelter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Education</td>
<td>32</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Nutrition</td>
<td>27</td>
<td>25</td>
<td>26</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Health</td>
<td>26</td>
<td>28</td>
<td>26</td>
<td>–</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Labour</td>
<td>4</td>
<td>5</td>
<td>2</td>
<td>3</td>
<td>–</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Water and Sanitation</td>
<td>42</td>
<td>40</td>
<td>33</td>
<td>34</td>
<td>5</td>
<td>–</td>
<td>–</td>
</tr>
<tr>
<td>Shelter</td>
<td>37</td>
<td>37</td>
<td>31</td>
<td>31</td>
<td>5</td>
<td>54</td>
<td>–</td>
</tr>
<tr>
<td>Social Inclusion</td>
<td>24</td>
<td>20</td>
<td>19</td>
<td>18</td>
<td>2</td>
<td>28</td>
<td>26</td>
</tr>
</tbody>
</table>

**Note:** All children except for education (only children aged between 6-17) and for labour (only children aged between 10-14).

**Source:** Notten et al. 2008; estimates based on ECOM, 2005.

Tables 3.7 and 3.8 provide the same information for adult men and women in Congo. Striking are the small differences between men and women in general. However, when the differences are more outspoken, they reveal new information. The gender bias to the detriment of women is particularly outspoken for women who are deprived on the education domain; women with no formal education are much more often found among the adults that are monetary poor, suffer significantly more from malnutrition and have far less access to health services. The effect of having less education is far less outspoken for men in these domains. Since malnutrition, limited access to health care and less money for mothers usually also means malnutrition, limited access to health care and less money for their children, the observed gender bias is especially detrimental for children.
### Table 3.7 Proportions of adult women experiencing poverty in two domains: Congo

<table>
<thead>
<tr>
<th></th>
<th>Monetary</th>
<th>Education</th>
<th>Nutrition</th>
<th>Health</th>
<th>Labour*</th>
<th>Water and sanitation</th>
<th>Shelter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>19</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nutrition</td>
<td>25</td>
<td>19</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td>24</td>
<td>21</td>
<td>24</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labour</td>
<td>13</td>
<td>5</td>
<td>13</td>
<td>13</td>
<td>–</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water and sanitation</td>
<td>35</td>
<td>28</td>
<td>32</td>
<td>32</td>
<td>17</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shelter</td>
<td>31</td>
<td>27</td>
<td>29</td>
<td>29</td>
<td>13</td>
<td>13</td>
<td>49</td>
</tr>
<tr>
<td>Social inclusion</td>
<td>21</td>
<td>17</td>
<td>19</td>
<td>18</td>
<td>9</td>
<td>28</td>
<td>25</td>
</tr>
</tbody>
</table>

*Note: * Women aged 18-54 only.

*Source: Notten et al. 2008; estimates based on ECOM, 2005.*

### Table 3.8 Proportions of adult men experiencing poverty in two domains: Congo

<table>
<thead>
<tr>
<th></th>
<th>Monetary</th>
<th>Education</th>
<th>Nutrition</th>
<th>Health</th>
<th>Labour*</th>
<th>Water and sanitation</th>
<th>Shelter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monetary</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education</td>
<td>11</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nutrition</td>
<td>22</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Health</td>
<td>23</td>
<td>13</td>
<td>24</td>
<td>–</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Labour</td>
<td>12</td>
<td>4</td>
<td>11</td>
<td>13</td>
<td>–</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Water and sanitation</td>
<td>33</td>
<td>16</td>
<td>29</td>
<td>32</td>
<td>15</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Shelter</td>
<td>28</td>
<td>14</td>
<td>25</td>
<td>29</td>
<td>12</td>
<td>15</td>
<td>46</td>
</tr>
<tr>
<td>Social inclusion</td>
<td>16</td>
<td>8</td>
<td>14</td>
<td>16</td>
<td>7</td>
<td>21</td>
<td>20</td>
</tr>
</tbody>
</table>

*Note: * Men aged 18-54 only.

*Source: Notten et al. 2008; estimates based on ECOM, 2005.*
Making Poverty Analysis Richer

For policy design purposes, the analysis can be taken some steps further. Poverty profiles using the various dimensions can be constructed. The first step is the decomposition of the poverty incidence on the various dimensions for several subgroups in the sample. This is illustrated for Vietnam in Table 3.9, where poverty incidences on the six dimensions are broken down by gender, rural-urban settlement, region and age. This table reveals information which can guide social policy to target specific subgroups among the children or to abstain from targeting along a certain line. The difference between boys and girls is not very important in any of the dimensions. The differences between urban and rural areas, however, are striking, with children living in rural areas being much worse off except on the social inclusion domain. The differences on all other domains are large, but especially large with respect to water and sanitation and shelter. Still, the differences on the education and the health domains are substantial and should attract the attention of policy makers.

When disaggregating by regional level, the picture becomes more detailed. The North-West is the most problematic region in Vietnam, in the sense that for all dimensions (except social inclusion), children in that region are much worse off than their peers in the other regions. Almost 90 per cent of the children in the North-West do not have access to clean water; almost 70 per cent do not have access to decent health facilities, and more than one third of the children are not at school, or are lagging behind significantly. This is in contrast with the more prosperous parts of the country: the Red River Delta and the South-East. In these latter regions, relatively fewer children are deprived on the six domains. It should be noted, however, that this does not mean that child poverty is not a problem: even in the ‘best’ region of the country, a quarter of the children do not have access to clean water, and more than 1 out of 10 children is not at school. The North-East, the North-West and the North-Central Coast need special policy attention when it comes to health facilities: a large proportion (60 per cent or more) of the children do not dispose of accessible health facilities.

Looking at ethnicity, it is obvious that the conditions for children among Kinh and the Chinese are better than for the other ethnicities, while the age of the children does not have a large impact on the poverty incidence on the six dimensions. School drop-out is a problem at very young age and at older ages, while child labour increases with age.

While the information in Table 3.9 provides already useful pointers for social and infrastructural policy, the analysis can be refined further. The basis for refinement is given in Figure 3.4. The Venn diagram depicts the overlap between three domains for Congolese children: monetary poverty, education poverty and child labour poverty. Twenty-five per cent of the children in Congo are not deprived on any of these three domains; 3 per cent is deprived on all three domains simultaneously; 31 per cent are simultaneously monetary poor and education poor and 18 per cent are only education poor without being poor on one of the two other dimensions. Of course, this kind of diagrams can be constructed for all combinations of any number of dimensions; Figure 3.4 is given for illustrative purposes, indicating the
possibilities a multidimensional poverty analysis provides. The following step is to gain an understanding of the drivers behind the multidimensional poverty rates. This can be studied by estimating probit (logit) functions for some of the groups identified in the Venn diagram. First, the determinants of not being deprived on any of the domains are estimated; what makes these children so different from the others? Subsequently, any of the groups can be studied: for example, the group of children that suffer both from monetary and education poverty versus the group of children that are only education poor: what makes them special? How is it possible that children who do not live in monetary poor households are nevertheless deprived on the education domain? Some of these analyses are carried out in Roelen et al., 2009 and in Notten et al., 2008.

Figure 3.4 Overlap between the monetary, education and child labour poverty: Children in Congo 2005

### Table 3.9 Domain poverty rates for subgroups of children (VHLSS data), Vietnam 2006

<table>
<thead>
<tr>
<th>Gender</th>
<th>Education poverty</th>
<th>Health poverty</th>
<th>Shelter poverty</th>
<th>Water and Sanitation poverty</th>
<th>Child work</th>
<th>Social incl. and prot. poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male</td>
<td>19.5</td>
<td>49.8</td>
<td>20.5</td>
<td>48.5</td>
<td>9.2</td>
<td>7.8</td>
</tr>
<tr>
<td>Female</td>
<td>17.3</td>
<td>45.7</td>
<td>21.5</td>
<td>49.1</td>
<td>8.6</td>
<td>8.2</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Area</th>
<th>Education poverty</th>
<th>Health poverty</th>
<th>Shelter poverty</th>
<th>Water and Sanitation poverty</th>
<th>Child work</th>
<th>Social incl. and prot. poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Urban</td>
<td>11.9</td>
<td>38.1</td>
<td>7.8</td>
<td>15.7</td>
<td>2.8</td>
<td>13.7</td>
</tr>
<tr>
<td>Rural</td>
<td>20.2</td>
<td>50.9</td>
<td>24.8</td>
<td>58.3</td>
<td>10.6</td>
<td>6.4</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Region</th>
<th>Education poverty</th>
<th>Health poverty</th>
<th>Shelter poverty</th>
<th>Water and Sanitation poverty</th>
<th>Child work</th>
<th>Social incl. and prot. poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Red River</td>
<td>10.9</td>
<td>52.5</td>
<td>2.7</td>
<td>24.6</td>
<td>4.8</td>
<td>9.2</td>
</tr>
<tr>
<td>Delta</td>
<td>16.1</td>
<td>59.0</td>
<td>27.3</td>
<td>54.0</td>
<td>15.2</td>
<td>5.1</td>
</tr>
<tr>
<td>North East</td>
<td>34.3</td>
<td>68.8</td>
<td>47.7</td>
<td>88.6</td>
<td>19.7</td>
<td>2.4</td>
</tr>
<tr>
<td>North West</td>
<td>17.9</td>
<td>66.4</td>
<td>13.2</td>
<td>45.9</td>
<td>10.3</td>
<td>6.6</td>
</tr>
<tr>
<td>North Central Coast</td>
<td>14.1</td>
<td>41.6</td>
<td>9.1</td>
<td>42.1</td>
<td>5.1</td>
<td>5.5</td>
</tr>
</tbody>
</table>

### Ethnicity

<table>
<thead>
<tr>
<th>Ethnicity</th>
<th>Education poverty</th>
<th>Health poverty</th>
<th>Shelter poverty</th>
<th>Water and Sanitation poverty</th>
<th>Child work</th>
<th>Social incl. and prot. poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kinh/Chinese</td>
<td>15.3</td>
<td>46.3</td>
<td>16.3</td>
<td>40.2</td>
<td>6.6</td>
<td>8.9</td>
</tr>
<tr>
<td>Other</td>
<td>33.3</td>
<td>54.7</td>
<td>43.4</td>
<td>89.9</td>
<td>20.3</td>
<td>3.9</td>
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</table>

### Age groups

<table>
<thead>
<tr>
<th>Age groups</th>
<th>Education poverty</th>
<th>Health poverty</th>
<th>Shelter poverty</th>
<th>Water and Sanitation poverty</th>
<th>Child work</th>
<th>Social incl. and prot. poverty</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-2</td>
<td>–</td>
<td>45.5</td>
<td>21.3</td>
<td>49.6</td>
<td>–</td>
<td>12.8</td>
</tr>
<tr>
<td>3-4</td>
<td>–</td>
<td>49.0</td>
<td>23.3</td>
<td>49.2</td>
<td>–</td>
<td>12.1</td>
</tr>
<tr>
<td>5</td>
<td>40.6</td>
<td>–</td>
<td>22.6</td>
<td>49.7</td>
<td>–</td>
<td>9.4</td>
</tr>
<tr>
<td>6-10</td>
<td>7.3</td>
<td>–</td>
<td>22.5</td>
<td>50.0</td>
<td>1.3</td>
<td>7.7</td>
</tr>
<tr>
<td>11-14</td>
<td>17.9</td>
<td>–</td>
<td>19.8</td>
<td>48.4</td>
<td>11.3</td>
<td>5.5</td>
</tr>
<tr>
<td>15</td>
<td>42.6</td>
<td>–</td>
<td>17.2</td>
<td>44.6</td>
<td>23.9</td>
<td>6.8</td>
</tr>
</tbody>
</table>
5. Conclusions

Money-metric poverty measures provide useful information on the number of monetary poor people as well as on their profile. However, the information is limited because the headcount implicitly assumes that people living in households above the defined poverty line are able to afford the fulfilment of basic needs for all its members. It has been argued that this may not be the case, especially for children and adults living in low- and middle-income countries. Reasons are found in limited consumer sovereignty, supply constraints in basic (semi-)public goods and supply rationing on private markets.

In order to overcome the drawbacks of money-metric poverty measures, multidimensional poverty estimates are developed. They take account of deprivation on various domains to estimate the number of poor. Most multidimensional poverty estimates construct a composite index, which can then be used as an alternative to money-metric measures. Composite indices have their own disadvantages related to weighting and construction. In this chapter, we avoided most of these problems by focusing on the various dimensions separately.

The overall conclusions confirm the findings of previous studies that found that the overlap between monetary poverty measures and poverty estimates based on one or more other dimensions is surprisingly limited in the case of children in Vietnam and adults in Congo. Clearly, deprivation on one or several dimensions does coincide relatively little with being identified as monetary poor.

The analysis of separate dimensions provides useful policy information as to where to find the people that lack access to basic goods and services. The profile of people being deprived on several dimensions also reveals where to direct attention when designing social policy. In order to make these analyses possible, detailed data are needed as well as the calculation (estimation) of many tables, cross-tabulations, figures and diagrams. There is a trade-off between the richness of the analysis and inputs needed to produce this richness. It could even be questioned whether social policy should engage in this type of detail when designing new initiatives. Even when the full richness of the analysis cannot be used in designing policy, it can still be useful for policy monitoring and evaluation.
Making Poverty Analysis Richer

Appendix 1

Data

The data used in this study are from the Vietnam Households Living Standards Survey (VHLSS) from 2006. This household survey is based on the former Vietnam Living Standards Survey (VLSS), but has a larger sample size and is to be conducted every other year. The VLSS was conducted in 1993 and 1998 and the VHLSS from 2002 onwards every second year, by the Government Statistical Office (GSO), following the World Bank’s Living Standards Measurement Survey (LSMS) methodology. The VHLSS samples from 2002 to 2010 are drawn from a master sample, which is a random sample of the 1999 Population Census enumeration areas. The VHLSS 2006 contains 9,189 households with 39,071 individuals, including 10,696 children under the age of 16.

Household surveys like the VHLSS provide micro-data at the level of the household and its individual members on a range of issues related to children’s well-being and poverty as well as social protection. A number of limitations are also inherent to the use of the VHLSS and similar household surveys. The most notable one is that the sampling method causes a substantial group in society to be omitted from the sample and subsequent data (Evans and Harkness 2008). The survey sample is constructed on the basis of the official lists of registered households in communes and urban wards in Vietnam that have lived in the enumeration area for at least six months (Pincus and Sender 2006). This implies that households or individuals that have recently migrated are not included in the sampling frame (Edmonds and Turk 2004). Further, due to the strict household registration system, or ho khau system, many households and individuals do not satisfy the necessary criteria to newly register and stay unregistered (Pincus and Sender 2006). But also migrants that have temporary forms of registration appear to be under-represented in the sampling frame (VDR 2008). The omission of these groups in society is not only an important issue to point out because of their suspected significant size, but even more so because of the denial of social and public services they experience due to their status. The structural exclusion of the unregistered migrant group from the data will most likely present us with underestimation concerning (child) poverty.
## Appendix 2

### Domains and indicators, multidimensional child poverty approach for Vietnam

#### Table 3.10

<table>
<thead>
<tr>
<th>Domain</th>
<th>Indicators</th>
<th>Definition of indicator</th>
<th>Definition of threshold and remarks on indicator definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>Education poverty</td>
<td>Enrolment poverty rate</td>
<td>Children aged 5 not attending pre-school as a percentage of all children aged 5</td>
<td>Age definition used for calculating net enrolment rate per level of schooling; taking into account birth date and start of school year, including over-achieving children that are in a higher grade than appropriate for their age</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Children aged 6-10 not attending primary school as a percentage of all children aged 6-10</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Children aged 11-15 not attending lower primary school as a percentage of all children aged 11-15</td>
<td></td>
</tr>
<tr>
<td>Completion poverty rate</td>
<td>Children aged 11-15 that have not completed primary education as a percentage of all children aged 11-15</td>
<td>All children aged 11-15 at the time of interview are considered vulnerable when they have not completed primary school</td>
<td></td>
</tr>
<tr>
<td>Health poverty</td>
<td>Health visit poverty rate</td>
<td>Children in aged 2-4 not having visited a professional health facility in the last 12 months as a percentage of all children aged 2-4</td>
<td>Professional health facilities include village health centre, commune health centre, regional general clinics, district hospital, provincial hospital, central hospital, other state-owned hospital, private hospital, other hospital and private clinics. Traditional herb doctors and other health centres are excluded</td>
</tr>
<tr>
<td>Shelter poverty</td>
<td>Electricity poverty rate</td>
<td>Children living in a dwelling without electricity as a percentage of all children aged 0-15</td>
<td>Proper dwellings include villas, strong houses with private and shared facilities and semi-permanent houses. Shift-made or other houses are considered improper dwellings</td>
</tr>
<tr>
<td></td>
<td>Housing poverty rate</td>
<td>Children not living in proper housing as a percentage of all children aged 0-15</td>
<td></td>
</tr>
<tr>
<td>Domain</td>
<td>Indicators</td>
<td>Definition of indicator</td>
<td>Definition of threshold and remarks on indicator definition</td>
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<td>------------------------------------</td>
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</tr>
<tr>
<td>Water and sanitation poverty</td>
<td>Sanitation poverty rate</td>
<td>Children living in a dwelling without a hygienic sanitation facility as a percentage of all children aged 0-15</td>
<td>Hygienic sanitation includes flush toilet, sui labh and double vault compost latrine. Toilets directly over water, other facilities or no toilet are considered unhygienic.</td>
</tr>
<tr>
<td>Water and sanitation poverty</td>
<td>Water poverty rate</td>
<td>Children not drinking safe drinking water as a percentage of all children aged 0-15</td>
<td>Safe drinking water sources include private tap water from inside and outside the house, deep drill wells, hand-dug and reinforced wells, hand-dug, non-reinforced and covered wells, protected springs, rain water and bought water. Unsafe drinking water includes unprotected springs, small water tank, water tank, rivers, lakes and ponds and others.</td>
</tr>
<tr>
<td>Child work</td>
<td>Child work rate</td>
<td>Children aged 6-15 that have worked for an employer or in household production in the last 12 months as a percentage of all children aged 6-15</td>
<td>Child work includes having worked for wage/salary, household production or trading or business for the household regardless of the number of hours or days worked.</td>
</tr>
<tr>
<td>Social inclusion and protection poverty</td>
<td>Caregiver poverty rate</td>
<td>Children aged 0-15 living in households with heads that do not work due to disablement or old age, aged 0-4</td>
<td>Includes heads of household that cannot work due to disablement, old age/retirement.</td>
</tr>
</tbody>
</table>
Chapter 4
EU Redistributive Social Policy:
Social Exclusion Transcended
Jos Berghman and Annelies Debels

1. Introduction
Recently, social policy at the level of the European Union (EU) has often been brought up in the same breath as poverty and social exclusion policy. For example, when Marlier et al. (Marlier, Atkinson et al. 2007) discuss the history and current state of EU cooperation on social policy, they refer to the early EU poverty programmes as well as to the more recent Social Inclusion Process. Daly (Daly 2006) even argues that the concept of social exclusion has functioned as a template for EU social policy.

The European commitment to the themes of poverty and social exclusion certainly may have led to some advancement in the delineation of a European social policy. Daly (Daly 2006) identifies two advantages of the social exclusion concept in this respect. One is that the concept is politically neutral and not tied to any particular national tradition. For this reason, it was more easily accepted by the Member States, certainly when conceived in line with the principle of subsidiarity. Another advantage is the malleability of the concept, a characteristic which also eased its introduction and application by policy makers. Daly argues that it is because of these characteristics that the social exclusion concept served as an impetus for the recent expansion of EU social policy.

However, whether the focus on poverty and social exclusion has been merely beneficial for the delineation of a European social policy, is questionable. In this chapter, we evaluate to what extent it is logical to view EU social policy through the lens of poverty and social exclusion. This evaluation is performed with a reference to the social insertion mould underpinning social policy (Berghman 1995). Furthermore, it is framed in the context of recent developments in post-industrial societies. Finally, we examine whether it makes sense to approach EU social policy through the lens of flexicurity. In particular, we ask which perspectives the concept of flexicurity provides for European social policy. The flexicurity concept is currently enthusiastically embraced in the EU labour market and employment policies context, and links these policy fields to that of social

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1 Funding received from the ‘Fonds National de la Recherche (Luxembourg)’ is gratefully acknowledged.
This contribution begins with a characterisation of EU redistributive social policy in general and of EU poverty and social exclusion policy in particular and tries to establish the link between both. We then turn to our central argument in which we point out certain illogical elements in the focus of EU social policy on poverty and social exclusion. We also examine the implications of this illogicality in the context of globalisation and the need for more labour market flexibility in post-industrial societies. Finally, we deal with the possibilities and pitfalls offered by the relatively new flexicurity approach.

2. Redistributive Social Policy and Social Exclusion Policy in Europe

Before establishing the link between social policy and the concepts of poverty and social exclusion, we should consider the status of social policy in the EU. The relationship of the EU with the idea of social policy is a highly ambiguous one. On the one hand, social policy is a distinctive and pronounced feature of the EU. A shared social policy inspiration distinguishes the European social model from many other social models, in particular the American one. On the other hand, the EU has been criticised for its relative neglect of social as opposed to economic integration policies (Leibfried 2005; Bailey 2008). In this view, social policy in the EU remains underdeveloped.

Some scholars believe that EU social policies are distinctive enough to talk about a European Social Model, or ESM (Berghman and Verschaeren Forthcoming). They argue that the ESM refers to a dynamic and dialectic process combining ‘a diversity of national welfare regimes that nevertheless testifies of a common patrimony, on the one hand, and a shared EU social policy profile that remains fragile but is gradually getting shape, on the other’ (Berghman and Sakellaropoulos 2004: 242). The shared patrimony of the ESM is visible in common normative and cognitive presuppositions throughout Europe, such as a commitment to social justice and social citizenship and the recognition that social justice can contribute to economic efficiency and competition (Hemerijck and Berghman 2004: 14-17). Moreover, it is demonstrated in national institutional arrangements comprising the welfare state (social security transfers, social services) and in the system of labour relations (collective bargaining, strong unions, labour law) (Berghman and Verschaeren, forthcoming).

While these institutional arrangements are well defined at the national level, and may thus be seen as constituting a common EU social patrimony, it is more difficult to distinguish a common social policy at the EU level. On many occasions, it has been argued that ‘social Europe’ has remained underdeveloped (Streeck 1996; Scharpf 2002; Begg 2004). Thus, in this respect, the argument for the
validity of the European Social Model is far less convincing. One important reason for the underdevelopment of a social Europe is that some areas usually considered as the core business of social policy in European countries, have received little attention at the EU level. Traditionally, two areas have been associated with the core business of social policy: firstly, the area of working conditions (labour law) resulting from the system of labour relations, and, secondly, the area of income protection, organised through social protection systems. Working conditions refer to wages and additional, occupational provisions; social protection refers to redistributive social policy by minimum income schemes and earnings-related provisions aimed at safeguarding the acquired standard of living. While both areas have their corresponding institutional arrangements at the national level, involvement in these areas at the supranational level has remained limited.

The relative neglect of these core social policy areas at the EU level is caused by adopting a competence division approach with respect to social policy in Europe. This competence division follows the principle of subsidiarity, which prescribes that tasks should be performed at the EU level only if they cannot be effectively performed at the national level. As a result, competences relating to the core social policy areas of social protection and working conditions, traditionally organised at the level of the individual Member States, have remained with the national level. Yet, the effectiveness of national policies has never been corroborated – the continued existence of social exclusion rather testifies to the opposite in many cases. In any case, EU initiatives in these fields have not been based on full, formal competences, but rather on informal agreements and the goodwill of the individual Member States. (Far-reaching competences have been given to the EU level from the start only in the area of safety in the work place because the absence of common regulations might otherwise undermine fair competition in the common EU market.)

This does not mean that the EU has not been aware of the social dimension. However, this social dimension seems to have taken shape indirectly, without affecting the core business of social policy in any important way. In this respect, it has been argued that the last few decades have shown a double evolution (Berghman 2009). First, the inadequacy of existing provisions, as testified by enduring and multidimensional situations of unemployment, poverty, deprivation and social exclusion, have prompted the EU to put social policy issues more explicitly on its agenda. And second, many Member States developing from an industrial to a post-industrial setting have become aware of the need to better coordinate their employment and incomes/social protection policies with education policies and training initiatives, safety measures at the work place and risk prevention.

The fight against poverty, and later, against social exclusion, has received disproportionate attention within the EU. Apparently, programmes in this subfield of social policy have been easier, mainly for political reasons, to implement than ____________

2 For a more complete discussion on the causes of the underdevelopment of ‘social Europe’, please refer to Bailey (2008).
in other social policy fields (Berghman 1995; Daly 2006). Since the 1970s, the European Commission has sponsored several antipoverty programmes. These programmes contained a mixture of action projects, research and statistical harmonisation in the field (Room 1995). Gradually, the focus shifted from the narrow and static definition of poverty to the multidimensional and dynamic concept of social exclusion (Berghman 1995). In 1992, the Maastricht Treaty, in particular its Protocol and Agreement on Social Policy, demonstrated the growing concern about the social dimension of the EU. Again, however, the fight against exclusion was easier to legitimise than other social policy areas.

The awareness of the need to foster a transition to a post-industrial, knowledge-based society culminated in the Lisbon Summit in 2000. The Lisbon Summit carried the commitment of the EU to poverty and social exclusion issues one step further by instigating the Social Inclusion Process for combating social exclusion and eradicating poverty by 2010. This was followed by the Council and Parliament’s approval of a five-year Community Action Programme to combat social exclusion (2002-2006).

Yet, the Lisbon Summit was not only ground-breaking in terms of conceptualising EU’s ambition to modernise itself, it also introduced a new method of decision-making, the ‘Open Method of Coordination’, or OMC (Berghman 2009). This method was congruent with the half-hearted, midway position that had to be taken by the EU in the social policy field: confronted with the new challenges of globalisation, ageing, and technological change, a concerted action was deemed necessary, but the formal competences would continue to reside with the national authorities. The OMC, an intergovernmental device, was an attempt to reconcile both elements.

A much quoted definition by Vandenbroucke (2002), the Belgian Minister of Social Affairs at that time, presents the OMC as ‘a mutual feedback process of planning, examination, comparison and adjustment of the EU Member States, all this on the basis of common objectives’. The idea is that Member States are involved in a mutual learning process in which best examples and positive practices can be identified and reproduced through coordination and exchange of information. The open and participatory character of the process presupposes and entails the mobilisation of every single actor at both the European and the national level. The participation of social partners and local communities, both at the stage of policy planning as well as the stage of policy implementation, is stressed (Sakellaropoulos 2004). The activities under the OMC are reported in bi-annual National Action Plans (NAPs) that are prepared by each of the Member States. On the basis of these plans, processes such as peer review, benchmarking, the transfer of information on best practices and positive objectives, take place. The OMC’s success, then, should be assessed in terms of getting the national authorities to deploy the necessary policy initiatives and in terms of its contribution to getting national initiatives coordinated into actions to safeguard, bolster and recalibrate the common European social patrimony, just as the Lisbon Summit envisaged.
In conclusion, the underdevelopment of social policy in the EU does not mean that there has been no attention paid to social topics. Neither does it imply that no policy instruments have been developed in this area. Rather, it means that the core areas of redistributive social policy have remained relatively untouched at the EU level. Hence, it can be argued that EU social policy has first and foremost been concerned with poverty and social exclusion policy. Yet, even so, poverty and social exclusion policies have received relatively minor attention compared to other, that is, non-social, policy areas. Moreover, by now, the policy instruments at hand in the area of social exclusion are based on the OMC and are thus soft, non-compulsory, instruments. The effectiveness of these instruments has often been questioned, which in turn has been identified as a major reason for the comparatively slow process of change in the social field. So, even though the EU has shown considerable interest in the problem of poverty and social exclusion, in practice, this commitment has not resulted in anything more than keeping the exclusion issue on the European and national agendas.

3. The Illogicality of the Poverty Focus

3.1 The illogicality

As shown in the previous section, the focus of European redistributive social policy has rested mainly on poverty and social exclusion. Apart from the criticism that this focus has hardly resulted in effective policies, another, more fundamental criticism can be raised, in particular, that the most outspoken, discretionary, local and multifaceted part of social policy, namely social exclusion, figures highest on the EU agenda. This is first of all illogical in light of the subsidiarity principle, mentioned above, which would seem to allocate competence in such a local matter to the national states or to even lower levels of governance. Moreover, the European dedication to poverty and social exclusion is illogical for a second reason. In particular, this dedication is not in line with the social insertion mould underpinning redistributive social policy (Berghman 1995). This mould holds that we educate and train people to ensure that they can be adequately inserted into the labour force. Such an insertion should give people the opportunity to gain a primary income. This income in turn enables them to command resources to guarantee their social participation. When this process is interrupted, however, due to unemployment or inability to work, social protection systems operate to provide a replacement income in order not to endanger social participation. Meanwhile, remedial actions, such as work mediation, retraining and even partial reemployment schemes, are activated with the aim of securing rapid reinsertion into the labour market, thereby restoring the logic. When both the reinsertion devices and the income protection schemes are inadequate, however, the risk of exclusion materialises. It is astonishing, therefore, that in the European...
approach, exclusion, the last step in the social insertion logic, can more easily be addressed at the European level than the phases that precede it. Empirical research confirms that poverty and social exclusion are the outcomes of a long-term process. This is especially apparent from dynamic poverty research, which has seen a boom in recent decades thanks to the proliferation of longitudinal datasets. These datasets made it possible to show that poverty and social exclusion are (the result of) inherently dynamic processes and not just static states in which people find themselves. For example, it became clear that more people are touched by poverty than cross-sectional poverty rates had ever suggested (Bane and Ellwood 1986; Duncan, Gustafsson et al. 1993; Walker 1994; Stevens 1999; Oxley, Dang et al. 2000). Moreover, for a majority of European citizens, poverty spells appear to be short-lived, while only a small number of citizens are confronted with longer-term poverty and deprivation.

In addition, empirical research into poverty dynamics supports the idea of the social insertion mould. Indeed, studies have revealed that a substantial amount of poverty entries and exits are initiated by micro-social events, sometimes also called life (course) events (Debels 2008a). The most important predictors of poverty transitions are changes in household composition (for example, divorce, birth, marriage) and changes in the employment situation of household members (for example, obtaining or losing a job) (Bane and Ellwood 1986; Duncan, Gustafsson et al. 1993; Stevens 1994; Oxley, Dang et al. 2000). Several authors have found that labour market events are clearly more important than demographic events (Jenkins 2000; Layte and Whelan 2003), which emphasises the importance of labour market insertion in poverty prevention.

However, in case of labour market insertion failure, the welfare state and social security institutions available in different countries have a substantial impact on the risk of poverty and social exclusion. A consensus has by now emerged that substantial differences in poverty risks across countries exist and that these differences can be attributed to the degree of welfare state decommodification. Poverty and deprivation are most successfully avoided in the more generous and decommodifying welfare states, namely, the social-democratic and corporatist countries of the EU; the less generous and less decommodifying welfare states of the liberal and the southern countries perform worse in this respect (Goodin, Heady et al. 1999; Heady, Gooding et al. 2000; Muffels and Fougère 2002; Muffels and Fougère 2004). Similar results have been found for poverty duration, with the percentage of people in persistent poverty and deprivation being highest in the liberal and southern countries perform worse in this respect (Goodin, Heady et al. 1999; Heady, Gooding et al. 2000; Muffels and Fougère 2002; Muffels and Fougère 2004). All these findings seem to point in the same direction: in order to avoid poverty and social exclusion, the traditional labour market and social security instruments figuring in our social insertion mould are crucial. Therefore, focusing on poverty and social exclusion without focusing on the prior phases in the social insertion process is illogical. Nevertheless, it seems that this is what European social policy has been doing in the past decades.
3.2 Towards an alternative logic

The EU commitment to issues of poverty and social exclusion is also illogical for a third reason. Because of its focus on the specific poverty consequences and its failure to incorporate prior steps of the social insertion mould, EU social policy fails to shed light on consequences other than poverty and social exclusion that might nevertheless be important for European citizens. It can be expected that failures to take into account the preliminary steps of the social insertion mould – in the education and training system, in labour market insertion or in the social security system – may lead to socially undesirable consequences other than just poverty and social exclusion.

Poverty is often thought of as a situation involving a certain income threshold, while social exclusion might be understood as a multidimensional and dynamic process leading to multiple deprivations (Berghman 1995). However, people can experience substantial hardship without falling below any poverty line. Sudden drops in the income level of a household as a consequence of job loss, for example, may require substantial adjustments in the usual living patterns of individuals.

This may lead to felt poverty or relative deprivation, even if these people would never be classified as poor or as socially excluded. This is not to argue that the situation of these people is more deplorable than that of the ‘real’ poor. Yet, it is an argument in favour of a more open view on the social consequences of failures in the social insertion logic.

More generally, income instability may lead to feelings of insecurity and to postponing important life course decisions such as the formation of an independent household, investments in housing, having children, and so on. Hence, multidimensional as the concept of social exclusion may be, it is not multidimensional enough to capture the consequences of life course decisions that cannot be made due to income uncertainty.

Recent research (Debels 2008a; Debels 2008b) on the poverty risk of temporary and permanent workers in several European countries illustrates the point we are trying to make. This research compares the poverty risks of workers employed on temporary and on permanent contracts. It shows that in the northern belt of countries, poverty risks are larger when people are employed on a temporary contract. This can be explained by referring to failures during the preliminary phases of the social insertion mould: temporary workers face more unemployment spells, which leads more often to poverty within the same year. In the southern belt of countries, however, Debels comes across an unexpected finding. While temporary workers living in households with other working family members still face higher poverty risks than permanent workers, this is not the case for temporary workers living in independent households (with no other working members). She explains this as a selection effect, in which only those workers that earn enough to avoid poverty can afford to form independent households. The former temporary workers postpone such life course decisions until they become economically less insecure. In other words, in the southern countries, temporary workers are
economically dependent on other household members, which limits their freedom of choice with respect to household formation and probably also with respect to other life course decisions. This shows that poverty is only one side of the issue, autonomy is another. Moreover, it is not surprising to encounter such effects in the southern countries, but not in the northern countries. In the southern countries, safety nets in the social security system are significantly less tightly woven. This again stresses the importance of the preliminary phases in the social insertion logic. Finally, it demonstrates that a focus on these preliminary policies would result in beneficial consequences for a wider range of people than just the poor or the socially excluded. It would enable policies to tackle the obstacles that people face during their life course, even if these people are not officially considered as poor or socially excluded.

It needs to be stressed that our point is not to criticise the attention given to social inclusion. Rather, we advocate that complementary attention be paid to the policy realm that is at the heart of the Lisbon agenda – that is, activation, a capabilities approach and knowledge building – by the EU governance level (Berghman 2009). Parts of this field are covered, in a rather dispersed way, in employment policy, but large and crucial parts that refer to the major social security schemes, to education and training, to monitoring labour supply and labour organisation, are not really taken into account. The effect of this is that the poor may feel addressed by the EU, but the bulk of citizens and of the working population does not. With regard to the latter, the EU is not really taking care of the major social correction instruments needed to cope with the dysfunctional effects of economic development and the common market in a globalising world. Yet, when the major institutions in the social field are taken care of, the more minor institutions, which focus on social exclusion, will automatically be incorporated. The reverse, however, does not automatically work. The fight against social exclusion provides no guarantee for safeguarding the major social protection programmes.

The arguments above gain even more momentum when viewed in the contexts of globalising markets, increasing economic uncertainty and higher needs for flexibility of workers. These changing contexts, which are often summarised under the heading of a transition to post-industrial labour markets and societies, present European citizens with so-called ‘new social risks’ (Taylor-Gooby 2005; Jenson and Saint-Martin 2006). In formerly industrial societies, security depended upon the employment of a salaried or independent worker (Berghman and Verschaeren Forthcoming). This worker was usually a male breadwinner, earning enough to support a family. With this model in mind, social policy used to address the need to compensate for unemployment, sickness, retirement or absence of this male breadwinner. Yet, during the last few decades, the model of the male breadwinner has become less dominant in two ways. Firstly, rising rates of female employment reduced...
1 the importance of the male breadwinner and secondly, the restructuring of wages 1
decreased the capacity of families to live on a single wage (Esping-Andersen 1999; 2
Jenson and Saint-Martin 2006). As a result of these changes, new ways of thinking 3
about security and social policy arose (Berghman and Verschaeren Forthcoming). 4
Policy analysts now claim that individuals’ security depends less on protection 5
from threats to male breadwinning and more on the capacity to confront problems 6
and adapt successfully to challenges over the life course or challenges arising from 7
unstable labour markets (Schmidt and Gazier 2002; Jenson and Saint-Martin 2006). 8
Welfare states and labour market institutions should help individuals to navigate 9
transitions between different phases of life, such as entries into school, the school- 10
work transition, the breakdown of a couple relationship, and so on (Schmidt and 11
Gazier 2002). Adaptation to these key life challenges comes first of all from an 12
increase in the capacity of all adults to be actively engaged in the labour market, 13
and second, from increasing individuals’ own adaptive skills, primarily via the 14
habits of learning. Such habits foster the acquisition of new skills or the updating 15
of old skills and may also enhance flexibility in workers. The advanced levels of 16
training and expertise that are needed in a highly developed, knowledge-based 17
society make investment in training of the younger cohorts, and in re-training 18
schemes for those of active age, an absolute priority. 19
This requires more pronounced attention to and investment in children. Esping- 20
Andersen (2005: 147) commented that:

21 current policy fashion advocates activation, retraining and life-long learning as a 22
way to combat entrapment, but it is well documented that remedial programmes 23
are very ineffective unless participants come with strong and motivational 24
abilities to begin with. Mobility is a realistic possibility only for those who 25
already possess skills from youth.

26 So, education and training programmes, income protection during periods 27
of retraining and parental leave and the provision of child care services become 28
crucial for a European social strategy (Berghman and Verschaeren Forthcoming). 29
Moreover, the importance of sound labour market and social security policies 30
becomes obvious when we look at the need for more flexibility in workers on current 31
labour markets. This is because more flexibility often presupposes basic levels of 32
security. Security may even become a prerequisite for flexibility: if employees 33
know that their chances of re-employment are high and that their income will not 34
drop too low while being unemployed, they may become more willing to engage 35
in risky transitions in the labour market, to engage in job mobility and in different 36
types of flexible labour contracts. For example, a recent study (Debels 2008a) 37
examined the group of insecure workers in several countries that were hopping 38
between temporary jobs and spells of unemployment, but that were nevertheless 39
satisfied with the job security offered by their temporary jobs. It showed that this 40
group was twice as large in Denmark as in France, Spain or the United Kingdom. 41
So, Danish workers seem to have fewer problems with labour market insecurity 42
than other workers. What distinguishes the situation of Danish workers from the workers in other countries has been described abundantly in the literature: Denmark is well known for its golden triangle of flexicurity, defined as the combination of a highly flexible labour market with high unemployment benefits and an activating labour market policy (Madsen 2003). Again, what appear to be important are the traditional social policy instruments of social security and active labour market policy. These instruments are important not only in order to capture the negative consequences of increasingly flexible and globalising labour markets, but also in order to enable the introduction of more flexibility into these markets.

4. Flexicurity as an Alternative Logic?

The preoccupation of combining the new requirements of labour market flexibility with sufficient levels of security for workers has resulted in the concept of flexicurity. In the following paragraphs we will try to answer whether this relatively new concept offers better perspectives for developing an adequate social policy at the EU level than the concepts of poverty and social exclusion have done so far. The EU has enthusiastically embraced the flexicurity concept. The idea of striking the right balance between flexibility and security was already present in its White Paper on Growth, Competitiveness and Employment of 1993 (Wilthagen and Tros 2004). The idea also figured in the Lisbon Treaty of 2000 and has become one of the main objectives of the European Employment Strategy. Its goal is to create more and better jobs by replacing job security by more general employment security. It contains four policy components:

- Flexible and reliable contractual arrangements (…) through modern labour laws, collective agreements and work organisation;
- Comprehensive lifelong learning (LLL) strategies to ensure the continual adaptability and employability of workers, particularly the most vulnerable;
- Effective active labour market policies (ALMP) that help people cope with rapid change, reduce unemployment spells and ease transitions to new jobs;
- Modern social security systems that provide adequate income support, encourage employment and facilitate labour market mobility. This includes broad coverage of social protection provisions (unemployment benefits, pensions and healthcare) that help people combine work with private and family responsibilities such as childcare (Commission of the European Communities 2007: 5).

These four policy components refer to the preliminary phases in the social insertion logic, which have been neglected in EU social policy because of the EU’s focus on poverty and social exclusion. For this reason, the flexicurity approach is a more logical approach than the poverty and social exclusion approach. It holds
Promising though flexicurity as a basis for an EU social policy might look like, there are also a number of pitfalls to consider. First, the flexicurity approach runs the danger of becoming an empty phrase rather than a genuine policy tool. This is because the tools for implementing the idea of flexicurity are soft law tools, meaning that they cannot be enforced. This may lead to a situation of ineffectiveness similar to that discussed above, regarding the field of poverty and social exclusion policies.

A second problem with the flexicurity approach is that some authors have tried to delineate the concept in a quite narrow sense, moving the focus towards existing institutions, such as the social security system. In particular, Wilthagen and Tros (Wilthagen and Tros 2004) define flexicurity as ‘a policy strategy that attempts, synchronically and in a deliberate way, to enhance the flexibility of labour markets, work organisation and labour relations on the one hand, and to enhance security – employment security and social security – notably for weaker groups in and outside the labour market, on the other hand’ (Wilthagen and Tros 2004). This definition was inspired by the Dutch Law on Flexibility and Security (1999, the so-called Flex Wet), which, among other things, allowed more flexibility in the use of temporary contracts, but also strengthened the security position of flexible workers (Van Oorschot 2004). However, this is a dangerous definition because policies need to address flexibility and security simultaneously and need to be introduced deliberately for that purpose in order to fall under the definition. It remains unclear then whether the traditional social security system, which was not deliberately installed to simultaneously enhance flexibility and security, can effectively be part of a genuine flexicurity policy. This is why we plea for a more open definition of flexicurity in terms of policies that – deliberately or not – help to strike a better balance between flexibility and security.

Third, it should not be the intention to reduce EU social policy to employment policy. Because the concept of flexicurity is inherently tied to the functioning of labour markets, it runs the risk of being reduced to labour market and employment policies. This may lead to the idea that all problems related to social exclusion will be solved by activation or re-employment policies. However, research has demonstrated that there tends to remain a ‘residual’ group of unemployed who are not (easily) activated (Van Berkel and Hornemann Moller 2004). These are people who cannot be reached by activation programmes or who drop out during the process. An adequate social policy should also be able to address these people.

Alternatively, people that are employed or activated may nevertheless be socially excluded in other areas, such as housing, health, social participation, and so on. A social policy that is too narrowly focused on re-employment, will miss out on these relevant social aspects.
Two observations are reassuring in this respect. First, the issues of poverty and social exclusion are not discarded by the flexicurity approach. Rather, they are placed within the appropriate context. For example, Wilthagen and Tros (Wilthagen and Tros 2004), in their influential definition of flexicurity, argue that special attention is required for weaker groups inside and outside the labour market. This means that the flexicurity approach is not only about getting people into jobs, but also about what should happen when people drop out from the social insertion logic.

Second, the flexicurity approach is not directed only at labour market institutions, but also at social security institutions, which form a by-pass in the social insertion mould. Despite these reassurances, we believe that the flexicurity approach should be seen as complementary to the social exclusion approach.

This brings us to a final pitfall in the flexicurity approach. Specifically, the flexicurity approach does not provide specific guidelines for policy makers as to where exactly the right balance between flexibility and security lies. As a consequence, flexicurity might appear as an empty policy concept. This is where the involvement of the social partners can play a role. The need for such involvement is explicitly acknowledged by the EU: ‘Active involvement of social partners is key to ensure that flexicurity delivers benefits for all’ (Commission of the European Communities 2007: 8). Moreover, it is in line with the European Social Model, which puts strong emphasis on social dialogue and social partners, and it might help to enhance the legitimacy of a European social policy. But, at the same time, it implies that a successful policy is based on the willingness of the social partners to negotiate and on the ability to reach a consensus in the often sensitive realms of social security and labour market policy. Adherents believe that flexicurity automatically implies a win-win situation for both employers and employees. Yet critics argue that win-win situations might be the exception rather than the rule and that flexicurity will more often be the result of compromises involving a quid pro quo (Kollonay Lehoczky 2009). This jeopardises the belief that the flexicurity nexus is inherently different from the classic labour-capital nexus with its implied antagonisms (Debels 2008a). Flexicurity is interesting because it implies that there is an opportunity to re-launch the debate on traditional social policy institutions such as the labour market and the social security system. However, it needs filling in from the bottom, otherwise it risks ending up as an outmoded catch-all term that has made no contribution to the development of the European Social Model.

5. Conclusion

In this contribution, we have shown that attention to redistributive social policy at the level of the EU has been first and foremost focused on poverty and social exclusion policy. Yet, in spite of this, poverty and social exclusion policies have remained of relatively minor importance compared to other, non-social policy areas. Moreover, the policy instruments at hand in the fight against poverty and
social exclusion are soft, non-compulsory instruments leading to low policy effectiveness. Additionally, the EU commitment to social inclusion has not in practice been carried further than keeping the issue on the European and national agendas. Still, it has been easier to draw attention from the EU to poverty and social exclusion than to the core areas of social policy, in particular working conditions and income protection.

According to the central argument of our contribution, the EU's particular focus on poverty and social exclusion is illogical in three main respects. First, it is illogical in the light of the subsidiarity principle, which would allocate competences on such a local, multifaceted and discretionary part of social policy to lower levels of governance.

Second, as we have argued, it is not in line with a logical policy approach. Such an approach would take into account the social insertion mould underpinning social policy. Poverty and social exclusion may be the final steps in this logic, but are not central. Instead, we emphasised the importance of social protection and of labour market reinsertion systems. Empirical research into poverty dynamics tends to corroborate this logical policy approach: poverty and social exclusion are indeed the results of a longer process and labour market insertion is the most important predictor of poverty spells on the individual level, while welfare and social security institutions have a significant impact on poverty risks in case labour market insertion fails. Thus, it is surprising to see that the EU has focused on the outcome of failures in the social insertion mould, while the roots of the problems have remained unaddressed.

Third, the focus on poverty and social exclusion is illogical because it blinds policy makers to other socially undesirable consequences of failures in the social insertion logic. Feelings of insecurity, income instability and the lack of autonomy in making crucial life course decisions are just a few of the consequences that are missed by focusing too strictly on poverty and social exclusion. An approach that considers these aspects requires a policy directed at social security schemes, education and training, and labour supply and organisation.

Furthermore, we argued that the need for a sound labour market and social security policy is even more pressing in light of recent societal changes. In particular, the globalisation of markets, increasing economic uncertainty and the increased need for flexibility, confront workers with new social risks that need not only to be remediated but also to be anticipated. In particular, sufficient levels of income and employment security have become a prerequisite for the introduction of more flexibility.

Given the problems with the focus on poverty and social exclusion in the field of EU social policy, we have examined the possibilities offered by the relatively new concept of flexicurity. Because this concept is enthusiastically embraced by most EU policy makers, it is a suitable candidate for stimulating social policy at the EU level. Moreover, it involves the institutions that are central in the social insertion mould: the labour market, the re-employment system and the social
security system. The concept, therefore, offers an opportunity to divert the attention of social policy makers in the EU back to where it belongs in the first place.

Still, there are a number of pitfalls in the flexicurity approach. First, the soft law tools available for implementing the flexicurity idea may lead to a situation of ineffectiveness similar to that in the field of poverty and social exclusion. Second, a narrow interpretation of the flexicurity concept may reduce social policy to re-employment policy and the multidimensionality of social problems in European societies may fall out of sight in this process. For this reason, we believe that flexicurity should be seen as a complementary rather than as an alternative approach to the classical social exclusion approach. Finally, the concept of flexicurity needs more specific filling in from the bottom, otherwise it risks ending up as an empty catch-all term that will contribute nothing to the development of European social policy. But then, should we ask from the flexicurity focus more than what we got from the social exclusion focus? Yet, the complementarities of both approaches would at least bring more balance in EU social policy involvement.
Chapter 5

Care Partnership, Welfare and Work: A Historical Perspective

Catharina Lis and Hugo Soly

Arguments have always been adduced against the welfare state in all its varied forms and manifestations, but since the late twentieth century those criticisms have become more frequent and more acute. The broad political consensus concerning the value of such social systems is being eroded, due not just to the impact of demographic and social changes but also in response to economic and, especially, financial motives. Some critics have put forward ideas and proposals which assign a greater role to market forces within an ‘insurance state’. Other commentators hope for the restoration of what they call ‘a caring society’: the cold welfare state must yield to warm, interpersonal arrangements for providing care, to a society ‘in which it is not the government that cares for the people, but people who care for one another’. However, supporters of this idea assume all too easily that to loosen the safety net of social security – a safety net some regard more as a hammock – would be to promote the return of that caring society. They presuppose that family and community-based organisations have an intrinsic capacity to provide care, and that this capacity has shrunk to negligible proportions under the influence of government intervention. Promoting this underdeveloped capacity to provide care would yield not only financial benefits but also help alleviate an emotional deficit: there would, once again, be a role for familial care and neighbourhood support, for private foundations and gifts, for interpersonal solidarity. This is nothing new, it is argued; it is a return to a world have we lost.

The discourses and policy options that refer, directly or indirectly, to a past society characterised by widespread feelings of solidarity and a willingness to care for one another seem to be supported by historical research. One can indeed find examples which imply that informal support in preindustrial society was of great importance (Krausman Ben-Amos 2008). Nevertheless, one needs to be very cautious in interpreting such ‘evidence’, since similar indications can actually be found for every historical period, including our own. The context of these indications is all important; in other words, one needs to inquire what forms of informal care were, or are, available, to whom, under what circumstances, and why.

One must not forget that the formal care provided by ecclesiastical institutions and 1

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1 The phrase was coined by the Dutch politician Elco Brinckman, Minister of Welfare, Health and Culture in the Netherlands from 1982 to 1989.
increasingly the secular authorities in the Late Middle Ages and the early modern period formed the principal and most stable sources of material support for many of the indigent. Some authors have claimed that the Elizabethan Poor Laws, which remained in force in England until 1834, in practice functioned as a ‘welfare state in miniature’ for many relief recipients (Sokoll 2001). Moreover, recent studies show that, for centuries, income from work continued to underpin the survival strategies of poor households, and, furthermore, that regular work for able-bodied men and women was almost always an essential condition for eligibility for public relief. In the present essay, we intend to make it clear that the concept of a ‘caring preindustrial society’ needs to be qualified in several essential respects: one must not overestimate the significance of family and neighbourhood as channels of informal support in early modern Europe, but nor should the significance of formal poor relief be underestimated.

1. Family and Kin as Sources of Help

‘For though I had nurtured her […] when I was stricken with bodily infirmity and my eyesight became enfeebled she would not furnish me with the necessaries of life’ (Horden 1998), a mother complained of her daughter in post-Pharaonic Egypt, and even by the end of the Ancien Régime familial assistance in Europe was still not something that could be taken for granted. In 1787, an Amsterdam citizen refused to help his brother since, he wrote, ‘I do not regard myself under any obligation in that respect, since he has never shown me any friendship, and he never took care of my mother’ (Van Leeuwen 2000). Perhaps we shall never be able to determine how frequent such cases were, but we do know that in large parts of Western Europe during the early modern period, relationships between family and kin were affected by a high degree of geographical mobility and, above all, high mortality rates. The average number of surviving children per family among the less prosperous social classes was relatively low, a product of their late age at marriage and the extremely high rates of infant and child mortality. Computer simulations show that in sixteenth- and seventeenth-century England a third of people older than 65 had no surviving children (Botelho 2004). Familial support was most difficult to come by when families had children who were still too young to contribute to the income of the household and at the same time had to care for elderly parents. Such stages in the life cycle confronted poor families with material problems that could seldom be resolved through informal support, for shared poverty led to networks lacking in resilience. Analyses of ‘poor lists’ show that recipients of relief generally had close relationships with family or kin in the same locality, but that the latter were either themselves in receipt of help from poor relief agencies or were in no position to offer informal help (Lis 1986; Barrett 2003). Nor, for other reasons, could familial support necessarily be found among other relatives.

2 Used here in the sense of Europe west of the Elbe.
the more prosperous social classes. The painting by Pieter Pietersz, Poor Parents, can be interpreted as a biting satire on the social contrast between a man and woman of middle age and their elderly parents or parents-in-law, but it also seems to be making a declaration, informing the observer on to the responsibility of the younger couple for their numerous descendants, the third generation.

The authorities did not fail to impress upon both parents and children their obligations towards one another. The Elizabethan Poor Laws of 1598-1601 were formal: ‘The father and grandfather, mother and grandmother, and children of every poor, old, blind, lame and impotent person, or other poor person not able to work, being of sufficient ability, shall at their own charges relieve and maintain every such poor person.’ The requirement that children must assume responsibility for their aged parents and that community provision was intended to be a last resort, remained entrenched in English statute right up until 1948, and some prominent legal scholars have argued that social practice corresponded closely to statutory provisions. Historical research has also shown that, given the many restrictions and conditions imposed, obligations to support one’s aged parents could be enforced only in exceptional circumstances. In the nineteenth century the Poor Law authorities were seldom able to reclaim costs from relatives, and even then that group of relatives was very limited, comprising unmarried sons, married sons only in very special circumstances and, in extremely rare cases, unmarried daughters (Thomson 1984).

Whether familial support was a feature depended not so much on variations in the legal context as on the degree to which relationships of reciprocity could develop. In some rural areas inheritance systems greatly influenced the willingness of children to take on responsibility for their elderly parents. The possibility of inter vivos transfers explains for example why in the mid-eighteenth century no less than a fifth of all rural households in Overijssel in the Netherlands contained co-resident kin, and in two out of three cases those were parents. Similar forms of co-residence could be found in a number of German territories too, in Austria and in Sweden. In all those areas, it was fairly common among farmers for an older man to give his son or son-in-law the right to use his land in exchange for a ‘pension’. From the Late Middle Ages onwards, such arrangements were enshrined in written contracts, which could be enforced through the courts and which stipulated in detail what items of property and services the ‘heir’ was obliged to supply each year (Gaunt 1983; Van Leeuwen 2000). Naturally, not all of the elderly with property or financial means either could or would live with their families. The larger and medium-sized towns had hospitals and almshouses which admitted elderly individuals or the long-term sick as proveniers – paying residents or testators. In late medieval Bruges, many wealthy elderly individuals made gifts to such institutions, in exchange for shelter and care (Maréchal 1978).

3 An inter vivos transfer is a transfer of property made between living people.
In urban societies, the impecunious elderly lived with family or kin largely when the elderly individuals were able to fulfil a caring or economic role in the household, which was generally more likely to apply to women than men. For nineteenth-century Preston, in Lancashire, Michael Anderson has identified a correlation between the co-residence of elderly women and the employment situation of young mothers: where young mothers worked outside the home, especially in the cotton mills, co-residence was advantageous for both. The same was true in cities, where elderly women could find a source of income relatively easily and consequently contribute, however modestly, to household income (Anderson 1971). It is no coincidence that the vast majority of the elderly, whom the urban poor law administrators boarded out in rural areas, because they could neither live with their relatives nor be given places in any institution, were men. During the second half of the nineteenth century, Antwerp’s Commission for the Civil Hospices boarded out three times as many elderly men as women to rural families, who were willing to give them shelter in return for an allowance (Vercauteren 2001). What that suggests is that research into the need of the elderly for informal and formal care must take account of the extremely different circumstances facing men and women.

If the elderly had no income of their own, or were unable to look after young children or take on other time-consuming domestic work, then they had little chance of being taken in by their sons or daughters, unless it was in return for some kind of financial compensation. Once again, that points to the interaction between formal and informal care. Where institutions were prepared to provide an allowance, the lower social classes were more willing to take in an elderly person, as a boarder. The fact that during the first half of the nineteenth century co-residence among the elderly was much less common in Antwerp than in Preston was due not only to the more limited opportunities Antwerp’s young women had to obtain work outside the home, but also to the fact that the Charity Bureau provided less and less financial support to those elderly incapable of working. Initially, the poor relief authorities attributed the refusal of growing numbers of poor families to take in an elderly parent to immorality and selfishness, but they also had to concede that low wages and the extremely irregular opportunities for work meant that many families were simply unable to feed an extra mouth (Lis 1986). In England too, the reduction in formal support led to a decline in the willingness of families to take an elderly person into their home. During the second half of the nineteenth century a group of moral crusaders successfully argued for the ‘restoration’ of family values at the expense of formal care arrangements, and that precipitated a dramatic fall in the number of elderly entitled to a pension. As a consequence, many working-class families declined to look after their elderly parents because they were unable to meet fully the costs of maintaining them. The measure had to be retracted after a while, but by then thousands of elderly paupers had been forced to spend their last days in the much-despised workhouse (Thomson 1984).

For the eighteenth and early nineteenth centuries, England offers examples of a very different social policy. Some social historians have argued that many local...
poor law authorities at the time endeavoured to create a ‘care partnership’ between indigent families and community resources. The help offered to Ann Kitchen in the small market town of Garstang, Lancashire, in the 1810s, is a case in point: she would receive a weekly dole only if she was prepared to give shelter to her parents-in-law, for each of whom she would then receive a modest allowance to supplement her dole. The intention of the local authorities was ‘to bolster a primary kinship connection through imaginative use of small relief payments’. Kitchen was not an isolated case; there were places in Lancashire where no fewer than 15 per cent of the population consisted of ‘sojourners’ or ‘tablers’, as the elderly (and sometimes younger people) who lived with immediate family or other relatives in return for financial support from the vestry were called (Hanly 2003).

Close family and further kin could thus be important sources of informal help, but the likelihood of informal help being available was related to the scope for reciprocity. In many cases, relationships of reciprocity could not be built up and maintained without some external encouragement, and formal support from a poor relief authority was required to strengthen the position of the weakest party and so create a ‘care partnership’. Calculating behaviour – often dictated by bitter necessity – was typical not just of north-western Europe, contrary to what several authors have claimed. In the case of northern Italy in the seventeenth and eighteenth centuries, Sandra Cavallo has pointed out that the family did not act as the principal provider of protection for its members: ‘It is mistaken to view it as a locus of “disinterested” relationships untouched by contractual mechanisms and to assume solidarity between blood-relations. This would be to ignore the often discordant relationships and the power inequalities which cut across the family group’. Where families were unable to carry the burden of some of their members – children, the elderly or the ill – or where the cost of doing so was too high, those members would be cast out for a shorter or longer period, which generally implied their being admitted to an institution. In the eighteenth century the Ospedali di Carità, the hospitals for the poor, which existed in almost all large and medium-sized cities, acted as temporary shelters, thereby playing a crucial role in the complex survival strategies of indigent families. Many men and women spent the winter there, returning home once agricultural work became available or they could take to the road again as hawkers, or, in the case of the elderly, once the day they worked, in exchange for food and warmth, returning to their homes at night (Cavallo 1998).

For no social class in the early modern period or the nineteenth century should the social significance of family be measured solely or even in the first instance for a synthesis, see Barrett, ‘Kinship’, pp. 200-1, with references to the studies of Lynn Botelho, Steven King, Lynn Hollen Lees and Pat Thane.

4 For a synthesis, see Barrett, ‘Kinship’, pp. 200-1, with references to the studies of Lynn Botelho, Steven King, Lynn Hollen Lees and Pat Thane.
in terms of the degree to which they were a source of direct material help for weaker or poorer relatives. That was not necessarily the main function of those families, not even among the less prosperous social classes. Family and relatives could give newcomers valuable information, ease the process of chain migration, guarantee a person’s good reputation and respectability and offer access to social networks. That was all of the greatest importance in finding work, obtaining credit, and ensuring eligibility for private charity. Most charities were almost exclusively aimed at residents, in other words the settled members of the local community. A study of six townships in the West Riding of Yorkshire, a textile region, in the period 1700-1820 revealed ‘a broad positive relationship between kinship density and receipt of charity’ (Barrett 2003). It should be stressed though that the term ‘family’ should not be used indiscriminately, assuming all relations were of equal importance. Few historians have investigated whether certain types of kinship formed a stronger buffer against indigence than others, but the data available do at least suggest that male kin on the father’s side were of great importance as sources of material help (Barrett 2003).

2. Neighbourhood Solidarity

A violent hailstorm has sheared off our standing grain, and there is nothing left to keep us from famine. Because we have no money we cannot buy imported wheat. But I hear that you have something left over from last year’s good harvest. So please lend me twenty bushels, to give me the means to save my own life and that of my wife and children. And when a year of good harvest comes along, we will repay you […] Please do not let good neighbours go to ruin in times such as these.

A Greek writer of the second century AD imagined those words being spoken by a peasant farmer (Horden 1998). Whether his plea for help was answered we do not know, but the quotation is evidence both of the great importance of neighbourhood solidarity, with its ethos of calculation and instrumentality, as well as of its uncertain character. Things were no different in subsequent centuries. If the all too idyllic picture of close family and kin as sources of help needs to be substantially qualified, so too does that of neighbourhood solidarity, because in various ways a distinction was made between insiders and outsiders, often resulting in those most in need being excluded.

In the early modern period, several cities in the Low Countries had gebuarten (neighbourhood communities), to which all the residents of a number of adjacent houses or streets belonged. They were not purely administrative units, such as the wards or quarters created by the urban authorities, but small-scale organisations set up in the Late Middle Ages or in the sixteenth century by neighbours themselves and which were recognised by town councils. In 1675, the more than 50,000 inhabitants of Leiden were spread across 208 gebuarten, each with its
of one administrative body, headed by a heer [lord] selected by the town council from among three candidates nominated by the neighbours of the gebuurt. The Generale Ordonnantie of 1593 gave the gebuurt the responsibility for maintaining friendship and unity, managing conflicts, and settling disputes; it mandated their presence at the funeral of a deceased neighbour, and devolved onto them the task of fighting fires and keeping streets in a state of good repair (Walle 2005). Similar organisations and regulations existed elsewhere too. In some towns and cities, the residents of a neighbourhood signed a charter undertaking to behave cordially to one another. It is unclear to what extent the gebuurt retained their capacity for self-regulation, but in many places they increasingly operated as extensions of the urban administration. The authorities understood very clearly that such organisations would enable them to keep a watchful eye on the goings on of residents as well as newcomers. In Leiden, the officers of the gebuurt were required to ensure that no one offered shelter to immigrants who did not have a written guarantee that the township from which they had come would provide relief in the event of the immigrant becoming indigent. In Utrecht, they were required to register indigent aliens systematically; in some other cities they actually had to register all paupers in order to identify indigent newcomers in time (Van Leeuwen 2000). Those officers were well-informed about each individual family, and so were in a position to report on the morality of the individuals concerned, enabling the officers to ease or prevent access to the formal relief provided by the poor law authorities. In short, everything suggests that the officers of the gebuurt operated in a manner similar to the wijkmeesters, wardens, appointed by the local authorities, especially as regards their policing role.

As geographical mobility increased, the question of who should meet the cost of maintaining immigrants in need of relief became more pressing. From the sixteenth and especially the seventeenth centuries onwards, the secular authorities attempted to resolve that by implementing a series of complex administrative regulations, the essence of which involved ascertaining who should actually support the individual involved. The relevant statutory regulations differed from country to country, and although theoretical and practical differences could be considerable, the criteria applied generally became more restrictive everywhere.

Durations and modalities were specified for indicating precisely who would be eligible for formal relief, and in what circumstances, and, above all, who should bear responsibility for meeting the cost of that relief. Local governments began to require warranties, documents in which the overseers of the poor in the parish in which the immigrant was born – or, sometimes, the parish in which he had lived for a long period – undertook to assume responsibility for his relief; those immigrants unable to submit such a certificate risked being sent back to their original parish. The administrative work involved in that was considerable, but it also caused great uncertainty and much human suffering. All the more so, since the town councils gradually raised the number of years an individual was required to have resided in his new parish before he could be eligible for public relief. One should not conclude from this that the settlement laws were applied blindly. In industrial
centres, labour market regulation generally played an important role, which meant account was taken of the economic situation and of the types of migrant. In other towns and cities, policy was often determined by expenditure on poor relief. In Rotterdam, for example, it was emphatically claimed in 1697 that too many ‘poor and good-for-nothing individuals’ had settled in the city, becoming a burden on the charitable institutions, whose financial resources were subsequently melting away, ‘to the great disadvantage of the poor resident citizens, who are the sole individuals entitled to these provisions’ (Van Leeuwen 1996; King 2000; Winter 2008).

In regions or towns where a number of religious denominations co-existed – whether recognised officially or tolerated de facto – such distinctions created insiders and outsiders. Seventeenth-century Amsterdam had no fewer than eight religious denominations, each offering its own patronage and protection. Each had its own system of charitable giving, operating alongside civic poor relief (Van Leeuwen 1996). One consequence was that care in general and relief in particular had an advanced face-to-face character, which implied that applicants for relief would be subject to stronger invasive monitoring and required to conform to certain religious and moral criteria. In other words, inclusion and exclusion characterised all aspects of this confession-based system of care. Amsterdam is an extreme example, but things were fundamentally no different in other cities of the United Provinces. Almost every town and city had parallel poor relief bodies whose principal source of income was voluntary gifts and which were administered by wealthy and respected citizens. Religion as a dividing line in poor relief was by no means just a Dutch phenomenon. In early modern England too, religious denomination could be the deciding factor in providing alms to an individual or a family, as research into active Puritan communities has shown: shared religious beliefs divided those who received relief from those who remained destitute (Sharpe 2002; Botelho 2004).

Did the rituals organised by urban neighbourhood communities to commemorate a birth or death promote solidarity? For the more or less well-to-do citizenry, they probably did, but that solidarity was not sufficiently powerful to bridge well-defined social distinctions. The officers of some gebuurt en explicitly excluded less wealthy individuals and families from membership, which relieved them of any financial obligations, but also isolated them from their more prosperous neighbours. Moreover, studies indicate that in the cities of the Low Countries only the well-to-do citizens could afford to participate in the neighbourhood feasts organised by the gebuurt en. In the course of the eighteenth century, such festivities took on a more exclusive social character (Roodenburg 1992; Deceulaer 1995; Bogaers 1997).

It does not follow that neighbourhood help was not a feature in the towns and cities of the early modern period, but one does need to investigate the forms that assistance took. In the case of immigrants without any family in their new locality, the neighbourhood could be a life-buoy insofar as immigrants could integrate with others from the same ethnic, religious or geographical background. For the very
1 poorest – immigrants as well as those born locally – it was of great importance to
2 seek security by living with others. In many cities ‘sojourners and lodgers’ were
3 a common phenomenon, a form of co-residence that could be characterised as
4 ‘pseudo-kinship’ and that made it possible to construct and maintain a basic social
5 network. All parties benefited from such arrangements, which were of particular
6 value when making ends meet was a necessity. Taking in a lodger who perhaps
7 wanted just a bed provided a source of regular income for the landlord, while also
8 enabling the lodger to save on the cost of housing (Anderson 1971; Ehmer 1981;
9 Wright 1990). Looking at the passages and alleys which were already so numerous
10 in the large cities of the early modern period and which multiplied considerably
11 in the nineteenth century, it would seem that, in poorer neighbourhoods, no one
12 lived alone and that consequently neighbourhood help was within easy reach. That
13 was indeed true, though there was an understanding that any help had to be repaid
14 in some way or other before too long, and thus that any help was intended to be
15 reciprocal. In the eighteenth and nineteenth centuries, the provision of help in
16 poor neighbourhoods was based chiefly on ‘short-run bargains’: it existed when all
17 parties could expect reciprocal help in the short term, which presupposed people
18 knew and trusted one another sufficiently. Transparency was absolutely necessary.
19 In poor neighbourhoods, there was no room for privacy, not only because the
20 material opportunities for it were lacking, but also because individuals had to be
21 seen to be trustworthy. Eligibility for all sorts of help and for purchasing goods and
22 merchandise on credit entailed earning the trust of one’s neighbours (Lis and Soly
23 1993), hence the sceptical attitude of the lower social classes to individual social
24 mobility. They were convinced that ‘there was more promise in the resources of the
25 neighbourhood than in the chimera of individual mobility’, as the files compiled
26 by external social workers show. That meant, in concrete terms, that ‘the street’
27 could ‘eat away’ the meagre surplus of a family (Ross 1983).
28 The help of neighbours was certainly significant for those at the bottom of
29 the social ladder living in cities, but in both a material as well as an emotional
30 sense there were conditions and restrictions attached to that help, which meant it
31 could not serve as a very resilient safety net. Often, poverty was shared within a
32 group, whose members could keep their heads above water only with difficulty. 32
33 Relationships of reciprocity were important not only because one could exchange
34 modest gifts and services with neighbours, but also because neighbours kept an
35 eye on things, were sources of information (and gossip), and, last but not least,
36 could give evidence in one’s favour if one’s reputation was at risk. Here too,
37 though, anyone abusing the trust of his neighbours would be ostracised (Lis and
38 Soly 1996).
39 Looking for examples of a caring society in the past, one is generally tempted
40 to consider small-scale village communities. Undoubtedly, many rural areas of
41 Western Europe were characterised by an ‘obligation to one’s neighbours’ in
42 relation to birth, illness and death, but it is unclear what precisely that obligation
43 entailed, or, to put it another way, what it actually meant in terms of informal
44 help, and for whom. Recent research on early modern England has shown that
45
the rural parish ‘had both margins and boundaries, and that becoming a member of, and belonging to, the parish community were transactions which entailed the negotiation of relativities of status and of space’. In theory, the Christian ethos of community involved charity, neighbourliness and mutual obligations between rich and poor, but in practice that was no more than an ideal. One effect of the economic and social differentiation after 1550 was that the concept of neighbourliness became fragmented and marginalised, and increasingly became restricted to certain categories of inhabitants. The Elizabethan Poor Laws accentuated that development, since the more prosperous villagers, those paying taxes, all had a vested interest in keeping expenditure on relief to a minimum, and so consequently in tightening eligibility criteria. Influenced in part by a Calvinist rhetoric of guilt, the class of ‘the deserving poor’ was defined as narrowly as possible. The overseers were instructed to set all the indigent to work, including their young children: they were forced to learn to spin or knit; those regarded as idlers risked being sent to a workhouse (Wrightson 1996; Hindle 2000).

Within the villages, not only did a process of social polarisation take place, sharper divisions between those included and those excluded were also drawn. Poor migrants could not be categorised as ‘undeserving’ simply because they came ‘from outside’, but most taxpayers were inclined to regard them as unwelcome strangers, since it was easy for disagreement to arise about in which parish they would be eligible for relief. That accounts for the measures taken to ‘protect’ the local community, which in practice meant criteria were applied which made it possible to expel indigent outsiders. Unmarried mothers and newly married migrant couples were sometimes simply chased away. Clearly, not all the settled inhabitants took quite the same view. Landowners and large farmers for example benefited from the presence of certain migrants, especially casual labourers, who lived as sojourners or lodgers with local families (Hindle 1996), while other citizens were more worried about the detrimental effect on their ‘exclusive’ right to use the commons. After 1700, many rural and cottage-industrial regions of England saw the development of norms and practices which Keith Snell (2003) argues were characteristic of a ‘culture of local xenophobia’. Squatters and the poor from neighbouring villages were denied access to scarce commodities such as work, common land, charities and gleaning rights. In some places, and in some periods, they could not be given employment if doing so deprived local citizens of work and rendered them destitute. In the century after 1750, growing rural poverty and rising expenditure on poor relief aggravated the tendency to parochial xenophobia and exclusion, and the settled poor were vociferous in stating their views. Though their motives were completely different, their purpose was the same as that of many taxpaying fellow-villagers – to prevent poor newcomers from settling legally in the parish, with all the rights such settlement implied. The formal agreement concluded by the inhabitants of a Leicestershire village in 1835 is highly revealing:
“We […] agree not to employ any labourers who do not belong to this parish or any whose settlement there may be any doubt of” (Snell 2003; Hindle 2007). The settlement laws thus had unintended consequences which worked to the disadvantage of many destitute migrants. Naturally, there is also evidence of informal networks existing at the village level, both in England and on the Continent, both in preindustrial times and in the nineteenth century. But the question remains: for whom were they intended, and what was their significance as a form of material support? It is easy to point to displays of conviviality in the form of drinking bouts and feasts, but in themselves those say nothing about their social dimension. In medieval rural England, in the event of fires or other disasters, gifts were quickly and efficiently collected through ‘help-ales’, drinking parties organised for the benefit of those affected; the beneficiaries of that sort of charity did not regard its receipt as in any way demeaning. Since, in principle, anyone might be donor or recipient, the ‘help-ales’ expressed a generalising and mutual form of reciprocity, at least for the settled inhabitants of the local community, since newcomers were excluded. It would seem that during the early modern period well-to-do villagers gradually distanced themselves from such collective activities, thereby weakening the social base underpinning relationships of reciprocity: with the less prosperous villagers being forced more and more to rely on one another, mutual support increasingly became tantamount to shared poverty (Heal 1990; Bennett 1991; Krausman Ben-Amos 2008).

However deficient historical research into neighbourly help might be, all the evidence points in the same direction: as a type of informal support it was subject to many restrictions, and those restrictions became more numerous and more prescriptive in the course of the early modern period. We would endorse Peregrine Horden’s conclusion then regarding the importance of informal networks for the lower social classes, from antiquity to the present, a conclusion as appropriate to neighbourly help as it is to familial help. The existing studies do indeed offer numerous witnesses to the fragility and unpredictability of support networks among the poor; to the calculating, instrumental manner in which transactions are undertaken; to the narrowness of the sphere within which support may be hoped for […] and finally, crucially, to the frequency with which the ‘horizontal’ world of informal networks is very seldom self-contained but continually intersects with the ‘vertical’ world of patronage and institutions (Horden 1998). That intersection warrants a great deal of attention, because formal poor relief has never operated as a ubiquitous and comprehensive safety net.

3. Poor Relief

No consensus has emerged regarding the significance of poor relief in preindustrial Europe. There is a growing scepticism about the idea posited by some historians...
that the Old Poor Law turned early modern England into a sort of welfare state in miniature. England was the only nation that might possibly have been characterised as such anyway, since it was the sole country in which, around 1600, national legislation was enacted, remaining in force for over two centuries, which compelled local parishes to levy a tax to provide relief for the deserving poor. No one denies the progressive character of that legislation – certainly when compared with other European countries – but critics do question the term ‘welfare state in miniature’. They have argued that the poor laws did not necessarily lead to the creation of a reliable ‘system’ of poor relief. Research at the local level has demonstrated that only a minority of the destitute received an allowance, that it was virtually impossible to support an individual or a family on that allowance, and, moreover, that relief was intermittent – in short, that the Old Poor Law was of limited significance (Innes 1996; King 2000). It is not our intention here to assess the relative merits of those arguments stressing the importance of poor relief and those questioning its efficacy. Instead of inclining towards one or the other, it is perhaps more useful to emphasise the many dimensions of how different sources of help interacted. Forms of care partnership, where formal and informal care were interwoven, have already been considered. Here, we want to emphasise the interaction between formal care and work, our hypothesis being that in the preindustrial period and the nineteenth century, work was the primary key to poor relief. In that respect, one can speak of a work-welfare nexus (King 2002; Hanly 2003).

The distinction between deserving and undeserving poor is one that goes back to the twelfth century, and the Decretum Gratiani, a collection of canon law. In the world view of the clergy, there was no place for involuntary unemployment, which implied large numbers of the destitute were ineligible for charity. The church’s view was – and remained for many centuries – that all those who were able bodied and wished to work would be able to find work. Only those unable to work because of some physical infirmity, illness or old age were justified in appealing for relief (Tierney 1959). But while the Church accepted the right of the deserving poor to seek material help, humanists took a quite different view. In 1526, Juan Luis Vives, a friend of Erasmus and Thomas More, swept aside the traditional credo and declared that all the poor, including the lame and the elderly, should be compelled to work. He fulminated against beggars, whom he portrayed as deceitful tramps. They are people, he wrote, who work so grudgingly and who are so fond of indolence that they make a profession of their mendicancy, a practice he regarded as all the more reprehensible since many employers were unable to find labourers. Idle hands could be put to use at all times and everywhere. Those too slow to learn could do something useful, such as ‘digging, drawing water, carrying loads, pushing a wheelbarrow, attending a magistrate, acting as messengers, carrying letters and commissions’. The condemnation of mendicancy was an age-old one, but in his De Subventione Pauperum [On Assistance to the Poor] Vives struck a new note by contending that the disabled poor should also be obliged to carry out useful work: ‘I should not allow the blind to sit around or
wander about idly. There are many things in which they could be employed’, and he offered a number of examples:

Some can turn the grain-mills, others work at the presses; others can blow the bellows in the forges. We know that the blind can make little boxes, chests, baskets, and cages; blind women spin and wind yarn. Let them not wish to be idle or avoid work; they shall easily find things with which to occupy themselves.

Laziness and sluggishness are the reason why they say they cannot do anything, not a physical defect. (Vives 2002)

Vives contended that the secular authorities were responsible for poor relief, and exhorted them to centralise all relief funds to ensure they were applied more efficiently and put forward a crucial argument for limiting relief to the bare minimum: namely, that work was the sole remedy for almost all the destitute. His ideal was one of a society engaged to the full, or, as one author has less sympathetically phrased it, a society resembling a giant anthill (Martz 1983). His view was destined to become highly influential.

In the course of the early modern period, calls for poor relief to be based on the principle of labour participation became louder, and increasingly they were translated into practical coercive measures. At the end of the seventeenth century the English scientist Nehemiah Grew drew up lists of occupations suitable for all possible categories of poor, including young children, the maimed and the blind. Half a century later Malachy Postlethwaite contended that the object of social policy should not be to help the poor obtain an income, but to ensure they obtained an income in a manner ‘useful to society in general’. That everyone, literally without exception, should do something useful became an obsession in the eighteenth century. There were authors who did not hesitate for example to propose a way ‘how any person, past twelve years of age, that had neither eye, nor hand, and but one foot, by the motion of that foot, twelve hours in a day, and without much force, should get six pence per day’ (Johnson 1937). In France, similar proposals were volunteered. One of the many essays on the subject claimed that ‘those who have only one leg can do tasks requiring their hands; those with only one arm can drive wagons, stand guard at houses, and watch over vineyards and flocks’. In the Dépôt de Mendicité [beggars’ asylum] in Tours, hand-mills were installed so that ‘even one-eyed and crippled inmates could grind away on an ‘ouvrage de force’. That such activities had no economic significance was less important than the fact that everyone should continue working, it was claimed (Koepp 1992).

Precisely because formal help had to remain inseparably linked to work, those elderly who applied for relief were, by definition, expected to continue working, even if they were scarcely able to earn an income. If they were no longer able to offer their labour, they were required at the very least to prove that they had led an industrious life. In letters from very elderly paupers in the early nineteenth century addressed to the poor law authorities and seeking relief, applicants stressed the fact that they had done literally everything possible to continue earning even a
little money. They left no doubt that they had toiled arduously their entire life, and
that it was only because their physical powers were in decline, because they were
weakened, that they were no longer able to find work or earned too little to provide
for their own subsistence. At the same time, these pauper letters made it clear that
they were asking not for alms but for something in return, a service in return; they
had done their duty, their physical powers were exhausted, and now it was for the
poor law authorities to give them that to which they were entitled. That is why
they referred not to an allowance, but to ‘salary’, ‘pay’ or ‘money wage’ (Sokoll
1997; Hanly 2003).

In principle, able-bodied men and women at their wit’s end and who requested
alms were regarded by the late medieval, early modern and nineteenth-century poor
law authorities as undeserving and so ineligible for relief. Exceptions were made for
heavily pregnant women and for heads of families burdened with numerous young
children, but involuntary unemployment was seldom regarded as a valid criterion
and, in such cases, preference was given to making available tools – spinning
wheels or looms for example – or raw materials. Such initiatives were prompted
not so much by economic motives as by the intention of making entirely clear that
relief was a form of consideration: for work. While the authorities did recognise
the seasonality of much agricultural and industrial work, the labourers affected
were expected in the first instance to solve for themselves the material problems
thereby arising. In 1753 Antwerp’s town council accepted that most diggers, silk
workers, linen weavers, diamond cutters and cotton spinners sought work during
the winter months in vain, but the principle remained – the systematic granting of
public relief to able-bodied individuals would encourage idleness. Relief could be
provided for only a brief period, and extremely selectively; furthermore, it should
be so modest as to ensure that its recipient would prefer the worst paid work to poor
relief. The rule proposed by Jean-François Taintenier, who in 1774 published an
ambitious plan to reorganise poor relief in the Austrian Netherlands, was ‘to give
to the able-bodied poor sufficient to prevent them starving to death, in expectation
of their once again being able to earn a living through work’. And in 1819, Baron
de Keverberg, Governor of the Province of East Flanders, wrote that poor relief
should never displace the incentive to work: ‘The destitute may receive relief only
insofar as they are prepared to work’ (Lis and Soly 1991).

Rather than taking initiatives to provide work, from the sixteenth century the
poor law authorities tried to keep expenditure on relief as low as possible. They
would check, for example, whether in pauper families the number of mouths to
feed could not be limited, which generally meant parents being exhorted or even
obliged to put their children to work as soon as possible; if at home the latter were
unable to contribute to the household’s income, they would be forced to try to obtain
board and lodging elsewhere as servants or apprentices. In the course of the early
modern period, more and more poor law authorities stipulated that parents who kept
more children at home than was strictly necessary would no longer receive relief.
By making poor relief dependent on earned income, work could effectively be
made compulsory since those not prepared to accept less than a basic wage risked
losing their allowance. Sometimes, in the eighteenth and nineteenth centuries, poor law authorities in industrial centres and regions concluded agreements with employers under which the poor law authorities paid, for example, for loom rents for local textile workers, in exchange for which employers agreed to employ those in receipt of relief. The effect of such arrangements was that wages were paid at levels inadequate to maintain a family. The payment of wage supplements within the framework of poor relief was a structural feature in certain areas and at certain times, one with many variations, the most famous being the Speenhamland system in England (King 2003).

That fundamental unwillingness to support able-bodied paupers was reflected above all in the tough repression of beggars and vagrants, and indeed all those regarded as being too idle or too disorderly to work were classed as such. They had therefore to be punished, and from the seventeenth century that punishment tended to comprise confinement, coupled with some form of forced labour. Though it was noted time and again that this type of work yielded no direct economic benefit, over the centuries a number of countries in Western Europe saw houses of correction, beggars homes and other such institutions being built where the bodies and minds of the ‘undeserving poor’ were required to be disciplined. Historical research has shown that the vast majority of those so-called beggars and vagrants comprised individuals who tried to survive on the basis of a complex annual labour cycle, of which migration was one element (Beier 1987; Winter 2004).

However, policymakers were always inclined to criminalise those who could not be pinned down to a specific place of residence and lacked regular work. One consequence was that individuals with the greatest need of a caring society also had the greatest difficulty in obtaining help. Those without both a fixed place of abode and regular work were unable to develop relationships of reciprocity, and consequently could rely on neither relatives nor kin, nor neighbours. They were, furthermore, ineligible for public relief.

4. Conclusion

In the preceding pages, we have questioned and qualified the significance of various forms of relief in the preindustrial period and the nineteenth century. That naturally prompts the question of how then did the poor manage to survive? As many historians have already explained, it is difficult to provide a satisfactory answer, because we lack the sources which would enable us to determine how poor families succeeded in making ends meet within various socioeconomic contexts and at various stages of the life cycle. We believe that, however they did it, the answer will not be found by searching for a caring society. Neither the family,
nor the neighbourhood nor poor relief have ever generated sufficient income for society’s poorest to enable them to survive. Rather than searching for a ‘caring society’, one would be better off investigating how, through work, often but not always waged work, and through access to a great many additional sources of income, the poor managed to achieve a basic level of subsistence. Depending on the economic circumstances, local power relationships and the stages of the life cycle, systems of income pooling were created which differed in their vulnerability. Many terms have already been coined to characterise this complex subsistence basis: ‘an economy of makeshifts’, ‘economies of survival’, ‘an adaptive family economy’, ‘coping strategies’ and so forth. Those concepts refer not so much to the aforementioned dimensions of a caring society as to the many and varied means used by a family’s various members to generate income. What the poor in the preindustrial period and the nineteenth century regarded as being of the greatest importance was access to those means of subsistence which guaranteed maximum autonomy. That implied a combination of work and other sources of income, with the different types of help forming but a small part of the whole. When, exceptionally, the sources allow the labouring poor to speak for themselves, what we hear is that they set great store by self-reliance. From witness statements made before ecclesiastical courts, we can construct a picture of the self-image of those who in early modern England presented themselves as ‘worth nothing’. They defined themselves as ‘labouringe people’, having ‘nothinge but what they gett by their owne labor’, or ‘having noothing to live upon but their bare waige’, or ‘lyving from hand to mouth’, or living ‘in an honest way by her owne labour’ or ‘earnes at her fingers’. There was not one specific profession or activity central to this unique moment of self-description; what one finds instead is that those individuals worked to secure a livelihood. Although the labouring poor all lived from hand to mouth, they did not regard themselves as members of a homogenous group. Unlike the elites and society’s middle classes, who described them as an undifferentiated mass of the propertyless, the labouring poor emphasised their self-reliance, and their autonomy. In their eyes, they derived their respectability and reliability as witnesses from the fact that they did not need, or had only seldom needed, to appeal for relief, neither for informal gifts or charity nor for the occasional allowance or weekly doles provided by poor relief agencies. Those who did mention formal help did not fail to refer to their invalidity or, less frequently, their physical infirmity on account of advanced age to justify their request (Shepard 2008). In short, their self-representation referred to their self-reliance, in the conviction that their audience would associate that with the virtues of honesty and diligence. Those witnesses, who could manoeuvre within only an extremely limited conceptual space, believed it to be of the greatest importance to distance themselves, through their participation in work, from anything associated with the weekly allowance paid to various categories of paupers by poor relief institutions in the early modern period and the nineteenth century was sufficient to sustain an individual or a family only in very rare cases.
with indigence and relief, since they were acutely aware that their social elites
would inevitably frown on such forms of dependence.

Translated by Chris Gordon
Chapter 6

Do Firms Need to be ‘Third Places’ for Jobs to be Good? Some Comments on André Gorz’ Justification of Unconditional Income Guarantees

Walter Van Trier

1. Setting the Stage

In the past 25 years, proposals to implement an unconditional income guarantee paid to each and everyone automatically and as of right – a system also known under the names of basic income, citizens’ income, universal grant or, formerly, social dividend – have been widely discussed by academics, politicians and grass-roots movements all over the world. In the same period, a substantial literature evolved questioning the moral basis as well as the economic sustainability of such a system. This chapter focuses on a topic less frequently addressed in the literature, but nevertheless equally important in the wider discussion of these proposals, namely the potential effects of unconditional basic incomes on poverty and social exclusion.

Suppose that no moral or economic objections to ‘giving something for nothing’ would block paying everyone an unconditional income grant equal to the poverty line. Doing so would in principle eradicate financial poverty. Nevertheless, some might still object because leaving other aspects of poverty situations untouched and lacking any incentives to participate in the world of work, this system would not necessarily lead to improve social integration and, in the worst case, may...
even foster social exclusion. Arguments of this kind resonate most clearly with views expressed by conservative American writers such as Lawrence Mead (1986; 1992) or Charles Murray (1984; 1988). Yet, as illustrated by the European debate about welfare-to-work policies, the view that uncoupling work and income leads to depriving people from the most crucial means for social integration or social membership, as well as to the erosion of social cohesion, is not the monopoly of the Right. Similar views have been expressed by social-democratic or socialist political leaders;⁴ not to mention even by some critics on the more radical Left.

A quite specific, but very influential voice in this debate was that of the French social critic and essayist André Gorz. Throughout the 1980s and 1990s, he consistently castigated the idea of a social income allowing people to live without working, rejecting it because ‘access to work in the public sphere is essential to economic citizenship and to full participation in society’ (Gorz 1992: 182). More recently, however, Gorz recanted. In a book published in 1997, Misères du present. Richesse du possible,⁵ he not only explicitly lifted his objections to unconditionally paying a basic income to everyone, but even recommended the system as an integral, even necessary part of his favoured strategy for societal reconstruction (RW: 84-85).

In this contribution, I want to raise two points. First, I argue that the explicitly stated reasons for Gorz’ change of mind are quite puzzling. In fact, I intend to show that although his explicit argument might justify introducing a basic income – and, in that sense, seems to lift his former objections – the argument itself does not really touch the core argument against uncoupling work and income on which these earlier objections rested. Second, I point at elements of Gorz’ analysis allowing for the construction of an argument potentially accounting for why he may have considered his former position obsolete. However, this argument has never been made explicit as a reason for recanting. The main claim I make in this chapter is that, even if the empirical validity of Gorz’ assessment of recent developments can be questioned, his implicit reasons for recanting cast a new light on the reasons for his former position and raises more generally relevant questions about the meaning and significance of jobs as means for social integration.

⁴ To give only one, but very interesting example, see P. Hewitt (1996).
⁵ The book was published in English translation as Reclaiming Work. Beyond the Wage-Based Society, Polity Press, 1999. For the most part, I will use this translation (RW) when quoting fragments from Misères du present. Richesse du possible. However, one should take into account that transmitting the meaning of the French text in English words does create certain problems. For instance, the difference between ‘travail’, ‘œuvre’ and ‘emploi’ is quite difficult to capture exactly in equivalent English. Moreover, Gorz’ use of the term ‘travail’ plays very much on the ambivalence characterising its common-sense use, as indicated by the fact that he puts the word many times between inverted commas. Therefore, I sometimes, but rarely, translate directly from the French version (MPRP). All translations of quotes from original French sources are mine.
I will substantiate this claim in three steps. The first section of this chapter describes the position Gorz supported from 1983 onwards but abandoned in 1997. The second section asks whether Gorz really changed his mind, discussing the explicitly stated reasons for supporting a basic income and arguing that these reasons do not trump the arguments that led to the rejection of basic income in the period 1983-1997. The third section considers Gorz’ analysis of developments related to so-called ‘post-Fordism’ and ‘Cognitive Capitalism’ and speculates that this analysis provides implicit arguments that help to understand why Gorz may have been led to consider the core argument for his former position obsolete. A final section concludes.

2. What Position did Gorz Support between 1983 and 1997?

From the early 1980s onwards, André Gorz advocated a programme for societal reconstruction, combining three major elements: a drastic reduction of individual working time, a comprehensive scheme for working time redistribution and a significant income supplement for those in employment. The proposal was first formulated in a book, Chemins du Paradis. L’Agonie du Capital (1983), written at a time in which most European nations experienced a persistently high unemployment. This may explain why many read it as an alternative, though radical proposal to fight unemployment and get back to full employment. A view most probably reinforced by the slogan ‘travailler moins pour travailler tous’ used to spread the message. Yet, this reading risks to misunderstand the difference between Gorz’ right-to-work for all and full employment as conceived in more conventional policies and to miss the specific view of the good society informing the reform programme.

2.1 Why combine working time reduction with working time redistribution?

To a certain extent, Gorz’ proposal rested on a diagnosis quite similar to how many observers assessed in the 1960s and 1970s the effects of technological development, fearing that the spread of automated production would lead to a massive displacement of jobs. Hence, they predicted a situation of technological unemployment, rising inequality and massive poverty. A related underlying claim provides the empirical basis for Gorz’ 1983 programme. In his view the introduction of new technologies will steadily increase productivity with the result that producing the same amount of socially necessary goods will demand progressively less and less working time. Gorz differed, however, from most other analysts as to what he considered to be the main challenges and opportunities resulting from these developments.

The main goal of social development, Gorz explained, cannot ever be anything else than the full flourishing of the individual. This supposes that everyone needs the opportunity to be active in different spheres of life. Therefore, a good society should leave enough room for activities that have nothing to do with economic rationality. For activities, that is, undertaken neither for utilitarian motives nor for economic gain, but giving pleasure if one is not forced to do them and for which one can take one’s time (Gorz 1986a: 85).

Looked at from this angle, the development of the productive forces is a blessing. Making labour more and more superfluous, it creates the opportunity to move beyond a state of necessities. Economic activity would no longer crowd out other activities, allowing people to flourish in all kinds of ways and to engage in meaningful and personally rewarding activities outside the economic sphere. The use of time would no longer be dictated by the production of necessities. Individuals would be able to arbitrate freely between its use- and exchange-value. In other words, for Gorz, the prospect of steadily rising productivity transforms the utopian goal of a society characterised by ‘multi-activity’ and ‘auto-valorisation of time’ into a real possibility.

Because conventional economic policies originate in a view deploring unemployment primarily because it means produce foregone, they do not tap this potential. On the contrary, they lead to an extension of the market, widening the domination of economic rationality. Nevertheless, without full employment policies, unacceptable levels of inequality and massive poverty will most probably prevail. At its very best, the scenario might be similar to the one pictured in Kurt Vonnegut’s novel *Player Piano,* avoiding the latter consequences in their direst form by some sort of income guarantee. But, since jobs would be scarce and reserved for the highly skilled, this would not prevent a major part of the population being excluded from the world of labour.

Gorz aims at providing a way out of this dilemma through a combination of working time reduction with working time redistribution. Limiting for everyone the time spend in paid work during one’s life time to a fixed amount – 20,000 hours is the figure usually mentioned by Gorz – reduces the space of economically motivated activities, creating more room for ‘multi-activity’ and ‘auto-valuation of time’ for every individual. At the same time, this reform will unavoidably result in distributing the volume of labour needed to produce the socially necessary goods over more members of society, avoiding the danger of a dual society.

For a discussion of technological unemployment and income guarantees using this novel by Kurt Vonnegut as a revealing metaphor, see R. Dore (1996). For an argument by a Nobel-prize winning economist to consider in a situation where labour is relatively abundant the introduction of a basic income because keeping income tightly linked to employment could easily lead to unacceptable levels of inequality or massive poverty, see J. Meade (1993, 1996).
2.2 Why a ‘second cheque’?

A third element of Gorz’ programme for societal reconstruction consisted in paying an income supplement to everyone participating in paid work. In the (French) public debate this part of the proposal became known as ‘the second cheque’, and was interpreted by some as a device compensating the low paid for the earnings loss resulting from the reduction of their working time. This would, of course, be an obvious result of the ‘second cheque’. But its real significance is quite different.

To begin with, for Gorz the ‘second cheque’ symbolises the divorce of the right and capacity to consume from the duty to provide a specific amount of working time. Therefore, the sum paid is unrelated to the quantity of working time provided. Moreover, it introduces in the income distribution an element of equal treatment. Equal treatment in terms of the amount of money received, but also in giving every individual equally the opportunity to engage in non-economic activities. Finally, limiting its payment to those in employment, the ‘second cheque’ also expresses the need for some quid-pro-quo and the duty to participate in paid work.

In fact, the device intimately links three objectives. It provides more opportunity for multi-activity or auto-valuation of time and widening the space of autonomy, gives at the same time a powerful and quite compelling incentive to participate in paid work and results in a more equal distribution of income, paid work and the opportunity for autonomous activity.

Several (mostly English) commentators misread this part of the proposal, interpreting it as constituting a genuine universal and unconditional basic income. In a sense, misreading Gorz on this issue is not that surprising. After all, phrases as ‘uncoupling income and working time’ or ‘divorcing the right and capacity to consume from the provision of a specific amount of working time’ might also apply to those whose working time is reduced to zero. Moreover, sometimes his writings are quite ambivalent. Consider, for instance, the following quote: ‘For the post-industrial proletariat of marginal men and women workers, it is principally a matter of being able to transform the frequent interruptions to their wage-labour relationship into new areas of freedom; that is, to be entitled to periodic unemployment, instead of being condemned to it. For this purpose they need the right to a sufficient basic income which permits new life-styles and forms of self-activity’ (Gorz 1990: 44). Yet, on the same page Gorz explicitly emphasises that the goal of his proposed reform is ‘uncoupling income and work time, and not income and work itself’. So, no doubt is possible. As Finn Bowring (1996: 112-113) pointed out: ‘… it is quite wrong to portray Gorz as proposing that work be an optional activity, and that those who elect not to work should be granted the financial means to live on the margins of the macro-social sphere. … Gorz has always been a critic of the guaranteed minimum income, if we take this to mean a basic universal income’.

Consequent with the quid-pro-quo aspect of the ‘second cheque’, Gorz stressed, that it is wrong to conceive of it as ‘a new entitlement granted by the
State’. It is quite simply, he said, akin to a conventional payment for the amount of labour performed. The only difference is that the latter is considered over the period of one’s life-time and the former distributed over the same period (Gorz 1986b: 70). ‘The income paid during the interruptions to or intermissions in work, then, must be seen as the deferred or anticipated payment of your share of the socially produced wealth: as an income you have earned and which is owed to you, not granted to you, by society for the basic amount of work you are committed to do’ (Gorz 1992: 184).

In practice, then, the reform envisaged by Gorz amounts to a system in which everyone is expected to provide during his life-time a certain non-negotiable volume of hours paid work. How this volume of labour is distributed over the life-cycle is up to each individual to decide. In exchange, everyone would receive on a regular basis throughout his or her life-time a fixed income supplement in the form of ‘a second cheque’.

2.3 Citizenship versus unconditional income guarantees?

One way to read Gorz’ programme is as an attempt to guarantee that everyone benefits from the gains resulting from the revolution in micro-electronics. Progressive generalised working time reductions must logically lead, Gorz argues, to a redistribution of work, whereby the skilled jobs would be made available to a much larger number of wage earners; and at the same time the right and the possibility of interruptions of the wage-labour relation could apply to everyone’ (Gorz 1990: 44-45).

Gorz’ proposal is not a merely technocratic reform. Its objective is not merely more fairness in the distribution of working time or giving everyone the opportunity to gain his or her fair share of social wealth. It aims at fundamental changes with respect to the activities that dominate in society. Every member of society should get the opportunity to do less and less paid work without a loss in income. Every member of society should get the opportunity to participate in paid work. As a result, paid work would cease to be the overriding activity. Everyone would become potentially ‘an intermittent’ (Gorz 1986b: 70-71).

Yet, an important question remains. Why, one can ask, this emphasis on the need to participate in paid work? If the most significant promise of technological advancement and rising labour productivity is to provide the potential for extending the realm of autonomy, multi-activity and auto-valorisation of time, why, then, the need to compel everyone to enter the utilitarian sphere of economic rationality? In short, why not go all the way and propose to install a really universal and unconditional basic income?

In ‘A gauche, c’est par où?’, an article originally written in 1990 to answer some questions put to him by the British academic John Keane, Gorz elaborated on the two major reasons why he considered universal and unconditional income guarantees a ‘dead-end street’ (Gorz 1990).
First, basic income does not break the hegemony of economic rationality in the public domain. True, it absolves from participation in paid work. But it does not create by itself a public space in which non-economic activities can flourish. Moreover, it does not help those who have been denied access to work in the economic domain. On the contrary, a basic income risks to turn the economic sphere into the exclusive domain of profit fanatics and efficiency maniacs, while those on benefits or those risking to become unemployed will become more and more marginalised.

Second, it transforms ‘work’ into something optional. A certain amount of work is necessary for society and its members to exist. This is not the consequence of social obligations, but inherent in the nature of things. In the antique Greek polis, the socially necessary work was relegated to the private domain. The public domain was the domain of free citizens, free from the burden of necessities. Today, equality and freedom demand that the organisation of socially necessary work takes place in the public domain, with everyone participating. No one should be forced to carry the burden of necessity for someone else. No one should be excused from doing his or her part of the socially necessary work. Contrary to this principle, basic income installs the right to excuse oneself from taking on part of the burden and allows society not to concern itself with its equitable distribution.

Referring explicitly to Durkheim, Gorz argues that in a modern and complex society, full citizenship demands that individuals should be integrated in both domains. People need to belong to a primary community based on solidarity, mediating between private and social life. But people also need to have a functional and specialised place in the wider society. In modern times, Gorz argues, ‘work’ refers to this functionally specialised activity, rewarded for its utility to the social system. Therefore, as long as the social system needs human labour for its production and reproduction, full citizenship will unavoidably be conditional on participating in paid work, even if the time it occupies in one’s life will be very short. Activities in the private domain are also necessary, even unavoidable; yet, for Gorz, they can never acquire the same status as activities in the public domain.

Moreover, Gorz emphasises strongly that the differences between these domains – the public, where the socially necessary goods are produced, and the private, where the individual belongs to him or herself and ‘produces’ oneself autonomously, safeguarded from any control and social norms – should not be blurred.

The prominence of Durkheimian thought in French labour sociology is, of course, no surprise. For a recent treatise documenting this fact, see: M. Lallement (2007). There are also clear indications of the influence – some say hegemony (R. Levitas 1996) – of this framework in the debate on social exclusion in general; for an early diagnosis, see H. Silver (1994) and Pahl (1991). For a recent influential intervention in the French debate, see D. Schnapper (2007).
Between the Social and the Spatial

The point is illustrated by comparing the potential effects of implementing an unconditional basic income at sufficiency level with those of conventional full employment policies.

Conventional full employment policies shore up wage-based capitalism by extending the number of jobs either through economic growth in existing sectors or through colonising activities which until now stayed outside the economic domain. This leads, according to Gorz, to ‘a civilisation in which personal and social relations become the concern of professionals … [and] … in which learned and programmed social behaviour speeds up the disappearance of spontaneous behaviour’. An impoverishment of social relations and a loss of social competence will be the unavoidable result. ‘Nobody will experience ever again the need to help, for instance, a blind person to cross the road because there will be people paid to do so’ (Gorz 1994: 56).

Paying a high basic income would be far superior, Gorz admits, since it enables the transition from a society of full employment to a society of full activity. It contributes to the development of activities answering real needs, even if one would consider these activities unproductive, because economically unprofitable. Its advocates expect that a high basic income, making work really optional, would foster activities, creating meaning, conviviality and social bonds and leading to a more balanced, warm, fruitful and richer life. Since paid work would cease to be the privileged mode of social integration and activities in the private domain would be recognised as of equal social value, both types of activities would become equal grounds for social membership and full citizenship (Gorz 1994: 55-56). For Gorz, these expectations of basic income advocates are not only unrealistically high; they are plainly wrong. The crucial mistake is that the argument fails to distinguish between integration and membership. ‘The unconditional income will be no more than a favour granted by the State. It places its beneficiaries in a relation of dependence without according them any power or any rights. In fact, the unconditional character of the payment means that society can easily do without who prefers to stay at the margin and that society does not need them. Belonging to a self-organised community, precious as it may be, does not protect against the feeling of exclusion or the marginality of the unemployed: they cannot experience themselves as citizens alike to the others’ (Gorz 1994: 57).

Gorz’ conclusion is clear. Although the need and the urgency to guarantee everyone a sufficient income grows the more the volume of socially necessary labour contracts and paid work becomes intermittent, making income guarantees unconditional is no option. Income guarantees should be linked to the right and the duty of each citizen to provide a fixed quantity of paid work in the course of a set period. No rights without duties. ‘From the acceptance of duties towards society spring the duties of society towards me; from my recognition of society’s rights holds on me, spring the rights I hold on society; there is no full citizenship outside this relationship’ (Gorz 1994: 60).
3. Did Gorz Really Change his Mind?

Until the publication in 1997 of a book announcing his recent change of mind, Gorz consistently and unrelentingly rejected unconditional income guarantees on the basis of the arguments discussed above. Since the publication of *Misères du present. Richesse du possible*, a series of statements in books, articles and interviews confirmed this change of mind and do not leave room for doubt with respect to its being genuine.

Yet, there are good reasons to be puzzled by how Gorz argues his recantation.

3.1 Reasons for puzzlement?

An initial reason for puzzlement is that several statements in *Misères du present, Richesse du possible* clearly indicate that on basic issues there is nothing but continuity with Gorz’ earlier writings. For example, at several instances Gorz refers to writings, inspiring his analysis of social developments (the American sociologist C. Wright Mills) as well as his views on income guarantees (Popper-Lynkeus, Edward Bellamy, Jacques Duboin, Alexandre Marc, Paul Goodman), already figuring more or less prominently in his earlier writings. One of the chapters of the 1997 book even starts quoting one of Gorz’ own books written decades ago. Moreover, the positive appraisal of unconditional income guarantees does not seem to be really unconditional. Indeed, some well-known advocates of the idea are discussed quite critically. In fact, the phrasing of this criticism suggests that Gorz’ advocacy depends crucially on the sufficiency level of the income guarantee; a difference of appreciation already present, as we have seen, in how he assessed these proposals prior to 1997.

At the very least, all this prompts the question what prevented Gorz from advocating unconditional basis incomes years ago. Especially since the set of policies outlined in the 1997 book are presented as ‘pursuing goals similar to those embodied in “revolutionary reforms” which some of us proposed in the early 1960s’ (MPRP: 78).

3.2 Four reasons justifying unconditional income guarantees

Yet, even more puzzling than these features providing grounds to question whether and to what extent Gorz really changed his mind, are the reasons put forward in *Misères du present, Richesse du possible* as to why, under present conditions, lifting the ban on ‘unconditional income guarantees’ is warranted.

Let us consider in more detail the four reasons justifying, according to Gorz, his decision to accept a system of unconditional income guarantees as an integral part of his programme for societal reconstruction.

The first reason relates to the claim that under present (post-Fordist) conditions, intelligence and creativity – ‘the general intellect’ – are the most important forces of production. As a result, Gorz explains, the volume of use-value produced is...
less and less related to the time necessary to produce it, and varies considerably depending on the characteristics of the workers or the kind of activity. Since working time does no longer measure adequately the amount of labour provided, it becomes more and more difficult to define an incompressible quantity of labour to be completed in a specific period. Thus, one of the major features of the 1983 proposal – making the ‘second cheque’ conditional on producing a particular quantity of use-value by performing its equivalent quantity of labour – has become impossible to effectuate (RW: 85).

The second reason for moving towards ‘strict unconditionality’ follows from considering the attempts to cope with the criticism that ‘truly’ unconditional systems breed laziness or free-riding. Some advocates soften their proposals, making the income guarantee (temporarily or in principle) conditional on the provision of some socially useful activities. Gorz formulates first of all an objection on pragmatic grounds. How to give content to these ‘compulsory’ tasks, considered as a quid-pro-quo for the basic income? How to define, measure, redistribute these tasks, when the importance of work in the economy steadily diminishes? How to prevent that these activities will not compete with and lead to the extinction of unpaid activities as well as (normal) paid work? But more important than the unavoidable practical problems are the perverse effects and the non-sensical situations Gorz expects to result. Consider, he argues, proposals making the income grant conditional on participating in a sector of activities, meeting needs that cannot profitably be carried out within the market economy. This turns universal grants into an instrument to develop a sector of post-industrial household production. It devalues the work of volunteers and blurs the boundaries between ‘ordinary’ and ‘compulsory’ voluntarism. Or, consider the alternative proposal to introduce the grant as a compensation for taking on household or care activities. This would bring activities for which spontaneity is crucial to their emotional value into the realm of administrative monitoring, instrumental reasoning and standardised procedures. Moreover, nothing prevents the list of activities to be extended in the future, so as to include sports, religious and cultural activities and so on. In short, inherent to both variants is that ‘activities whose normal meaning lies in an absence of self-interest become a means for acquiring an income’ (RW: 87).

One needs to consider very carefully what is at stake here, Gorz argues. ‘If we want the universal grant of a basic income to be linked to the performance of equivalent work as its justification, two conditions have to be met. First, that work has to be work within the public sphere which is of benefit to everyone, and, second, that work must be able to have payment ... as its aim, without the fact of payment corrupting its meaning.' If it is not possible to meet this latter condition, in Misères du present, Richesse du possible, Gorz explicitly targets proposals put forward by the German sociologist Claus Offe. But in the literature on basic income, the best known of these proposals is most probably the so-called ‘participation income’ advocated by the British economist Anthony Atkinson.
1 and if the universal grant is intended to promote voluntary, artistic, cultural, family
2 and mutual-aid activities, then the universal grant has to be guaranteed to everyone
3 unconditionally’ (RW: 87, Gorz emphasises).
4 The third reason advanced by Gorz is that no other system than unconditional
5 income guarantees is better adapted to the state of development of the productive
6 forces in an immaterial economy. At present, knowledge is the most important force
7 of production and the direct (or immediate) working time is only a small fraction
8 of the total time necessary to reproduce the capabilities and competences of the
9 labour force. How much education and training is embedded in one hour or one
10 week of labour? How to account for the relation between education and training
11 and those activities on which depends the capacity for imagination, interpretation,
12 analysis, synthesis or communication – all of them being an integral part of a post-
13 Fordist labour force? Moreover, in an immaterial economy ‘the worker is both the
14 labour power and the one who directs that labour power’ (RW: 88).
15 In modern progressive enterprises, continuous education and training is
16 already an integral part of working time and paid for as such. However, this
17 extension of the employment contract is not unproblematic. It subordinates the
18 right to education and training as well as its nature to the interests of the company.
19 It develops merely a functional autonomy that can be controlled and subjected.
20 One of the functions of an unconditional income guarantee is, on the contrary, to
21 make the right to develop one’s capacities an unconditional right of an autonomy
22 transcending the productive function, that is, an autonomy experienced and valued
23 for its own sake on a variety of planes: moral (autonomy of value-judgement),
24 political (autonomy of decision-making regarding the common good), cultural
25 (invention of life-styles, consumption models and arts of living) and existential
26 (the capacity to take care of oneself rather than leave the experts and authorities to
27 decide what is good for us).
28 The fourth reason in favour of unconditional income guarantees is that they
29 prefigure another system of wealth distribution which is, in this sense, the system
30 most compatible with the emerging economy. An increasing volume of wealth is
31 produced with a decreasing volume of labour and capital. As a result, production
32 distributes a decreasing volume of earnings to a decreasing number of workers. 33
34 ‘The trend within the economy is thus for the amounts that are to be levied
35 and redistributed to cover individual and collective needs ultimately to exceed
36 the amounts distributed by and for production’ (RW: 89). Therefore, a different
37 system for the distribution of wealth is needed in order not to impede the further
38 development of the productive forces or to cause grave inequalities of wealth.
39 ...
40 ... the distribution of means of payment must correspond to the amount of wealth
41 socially produced and not to the volume of work performed. (...) The call for a
42 sufficient, universal, unconditional basic income fits into such a vision. It cannot
43 be achieved immediately, but we must begin to conceptualise it and prepare
44 the way for it as of now. It has heuristic value: it reflects the most basic and
45 advanced meaning of present developments. (RW: 90-91, Gorz emphasises)
3.3 Reasons for puzzlement, indeed!

Let us recapitulate and put these four reasons justifying Gorz’ advocacy of unconditional income guarantees in perspective.

Before his recantation, Gorz consistently argued against unconditional income guarantees on two major grounds. First, in itself this system does not create a space protected from economic rationality. Second, it implies that work is optional. This criticism is phrased in a way leaving no doubt that these objections were a matter of principle. Yet, the reasons for changing his mind discussed above seem related primarily to contingent or pragmatic developments. They do not, as far as one can see, rest on matters of principle.

Hence, some fundamental questions arise. Can historical changes cause fundamental political principles to become obsolete? If the 1997 arguments rest on different principles, why not spell them out? Do the 1997 arguments to justify basic income trump convincingly the arguments raised against basic income prior to 1997?

Of course, one possible way out would be to argue that the change in Gorz’ view is not really one of principle, but of strategy. When justifying in *Misères du present, Richesse du possible* the integration of an unconditional income guarantee in his plan for societal reconstruction, Gorz stresses that the strategy he defended since 1983 was not really wrong or ill-conceived. It still is consistent, he says, with the triple objective of making wage-labour disappearing, keeping the economic domain within appropriate limits and building a society providing citizens the opportunity to gain control over time. However, he goes on, the same strategy is no longer consistent with changes introduced and opportunities opened by recent social, economic and technological developments (RW: 84-85). Therefore, given that his pre- and post-1997 positions do not differ with respect to the basic nature of his ‘ideal’ state of affairs, lifting the conditionality-clause could be considered as merely affecting the strategy most apt to realise his political programme. This, however, would seriously downplay the importance of what is at stake here.

Indeed, even when one can quarrel about exactly what grounds citizenship or citizenship rights in Gorz’ pre-1997 writings – for instance, whether his position needs to be framed in terms of ‘status’ or ‘desert’ – granting unconditionally an income guarantee to everyone lies without doubt outside the confines of his former conceptual framework. To illustrate the importance of this shift, let me briefly refer to three features of Gorz’ pre-1997 position and confront them with what he writes in *Misères du present. Richesse du possible*.

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10 I borrow the distinction between unconditional rights, rights dependent on merit or desert and rights dependent on status from Brian Barry (2002). The difficulty in applying the distinction between the latter to Gorz is that ‘paid work’, giving access to citizenship (= a status), seems at the same time to be seen as the recognition that someone is performing ‘socially useful activities’ (= desert).
Do Firms Need to be ‘Third Places’ for Jobs to be Good?

One of the main objectives of Gorz’ programme for societal reconstruction – in 1983 as well as in 1997 – is the redistribution of paid work over all members of society, as well as the redistribution of time between paid work and other social activities. In 1983, the main instrument to reach this objective was limiting the amount of (paid) working time and the introduction of the ‘second cheque’. In 1997, Gorz argues that only an unconditional basic income reaches the dual goal of limiting professional activities in favour of multi-activity and reducing the need to struggle for a job on a highly saturated labour market. ‘The universal, unconditional grant of a basic income is … the best instrument for redistributing both paid work and unpaid activities as widely as possible’ (RW: 85).

Another fundamental objective of Gorz’ 1983 reform proposal was safeguarding the domain of autonomous activities from economic rationality. Typically, these activities are not motivated by economic or utilitarian motives nor are they subject to time-pressure or productivity considerations. In 1997, this objective leads to putting aside the conditionality clause characteristic for the second cheque. ‘For only if it is unconditional’, Gorz argues, will it be possible to protect the unconditional nature of those activities which are only fully meaningful when done for their own sake. After arguing against it for many years, I have therefore come round to the position of those who advocate a sufficient (not a minimal) basic income which is “strictly unconditional” … I see this as the only way to preserve the voluntary sector and to protect it from socialisation and economicisation – while at the same time making them accessible to all. (RW: 87)

Finally, on the change with respect to the principle that ‘work’ never should be conceived of as ‘optional’, I need not further elaborate. That it is clearly in contradiction with advocating a basic income is obvious enough. Yet, it is interesting to note how Gorz’ present position leads him to accepting a notion of citizenship – ‘the right to have rights’, Gorz says11 – no longer linked to ‘paid work’, but tending to include also the right to refuse “undignified work”; in particular those jobs or quasi-jobs who merely pay half the minimum wage and who are presented as a favour that society gives to the unemployed (Gorz 1999a: 132).

In short, these changes in Gorz’ conceptual framework are much too important to be interpreted as a mere shift at the level of strategy. Given the extent to which they affect core features of Gorz’ 1983 view, they cannot but signal also a shift at the level of principles.

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11 The sentence ‘the right to have right’ refers to the work of Hannah Arendt and links the unconditional income guarantee (implicitly) to the politics of human rights. For a recent review of how this notion is interpreted in the literature on human rights: James D. Ingram, What Is a ‘Right to Have Rights’? Three Images of the Politics of Human Rights, in: American Political Science Review, vol. 102 (2008), no. 4, pp. 401-416.
4. Why, then, did Gorz Change his Mind?

Scrutinising Gorz’ explicitly stated reasons for changing his mind made clear that none of them really allow to build a clear and convincing case for the claim that (paid) work should no longer be a duty for everyone or that the right to paid work, the duty to do paid work and the right to citizenship would no longer be intimately related. So, why exactly did Gorz give up the basic principles sustaining his fifteen year long rejection of unconditional basic incomes?

A line of argument potentially solving the problem would be the following. Suppose that in the course of time Gorz got convinced that his twofold argument against basic income – that its implementation did not by itself create a sphere of autonomy while it would create a situation in which paid work would be optional – did no longer apply. That the former part was not only mistaken and should be put in reverse, but that it had in addition lexicographic priority over the second part. As we have seen, references to Misères du present. Richesse du possible could probably sustain this conjecture. Indeed, one of the explicitly stated reasons for accepting unconditional income guarantees was, precisely, that after due consideration, it was considered the best way to preserve and protect the unconditional nature of activities in the autonomous sphere. This argument grows even stronger in a book, L’Immatériel, published six years later. In a section on the foundations of the guaranteed income, Gorz explains the importance of the principle of unconditionality as follows: ‘… it must safeguard the intrinsic value of the non-measurable activities against any predefinition or any social prescription. It must block the transformation of these activities into means to earn one’s living, if they would be imposed as conditions for the right to a guaranteed income. It must prevent that to volunteer would be compulsory for the unemployed. It must make the flourishing of all creative dispositions a goal in itself, measured against no pre-established standard whatsoever’ (Gorz 2003: 103-104).

Case closed, one might think. Yet, is this really convincing with respect to the principle concerned? Can we imagine Gorz to put aside so easily the argument sustaining for all these years his views on citizenship? Or, that he bracketed the strong emphasis he put on never blurring the boundaries between private and public domain? Or, that he rejected now the importance of being integrated in both the private and the public domain? And, if so, why?

The claim I make in this section is that a plausible and more convincing story can be told. Or at the very least, that the story can be amended so as to imply that favouring ‘unconditionality’ was not inspired only by reconsidering how best to protect and preserve the integrity of autonomous activities, but also by changes in the realm of paid work making it doubtful that ‘jobs’ could still provide what Gorz in pre-1997 mode expected them to deliver.
Do Firms Need to be ‘Third Places’ for Jobs to be Good?

1 4.1 Who or what, eventually, influenced Gorz?

Characteristic for Gorz’ intellectual work is its development through discussion with others – academics, politicians, trade-unions leaders or representatives of other social movements. For instance, in the 1960s Gorz developed a cultural critique of capitalism via a dialogue with Herbert Marcuse. A decade later, he would introduce in his analysis the distinction between ‘autonomy’ and ‘heteronomy’ as a result of discussing with Ivan Illich. More recently, one notices in his writings the influence of Jürgen Habermas or Anthony Giddens. Gorz intervened when decades ago the German IG-Metal discussed working time reduction. He discussed with Mario Tronti and his comrades of the Italian ‘operaismo’-movement their political strategy. He provided continuously food for thought to the ecological movements and regularly wrote articles for the journal of the French movement of unemployed. It is, therefore, quite likely that changing his mind about unconditional basic income guarantees resulted from controversies and debates in which Gorz was involved in the early 1990s.

In fact, the moment of his conversion can be dated relatively precisely. In a contribution to a recent book commemorating Gorz as a ‘thinker for the 21st century’, Philippe Van Parijs (2009) – the most prominent academic advocate of unconditional basic incomes – tells the story of how writing, in 1983, a critical review of *Les Chemins du Paradis*, published in a Belgian monthly linked to the Christian Labour Movement, triggered a discussion with André Gorz, going on for the next twenty years. Van Parijs quotes a letter in which Gorz on January 19th, 1997 admits that some six months before, though for different reasons than Van Parijs (1995), he rallied himself to those advocating a strictly unconditional basic income at sufficiency level. On October 15th of the same year, Gorz writes to Van Parijs that he, finally, decided to become a member of BIEN – the Basic Income (then still) European (now Earth) Network. On the basis of this information, Gorz’ conversion should be dated around July 1996. But maybe the decisive moment happened some six or so months earlier, prompted by a meeting organised in Paris by the *Mouvement pour l’Anti-Utilitarisme dans les Sciences Sociales*. The immediate purpose of the meeting was to call for an urgent public debate on the need for a really innovative social and economic policy. The result of the meeting was a collective article published on 28 June 1995 in *Le Monde*. The article can be found in an issue of *Recherches*, no. 7 (1996), pp. 89-92, the journal of the M.A.U.S.S., completely devoted to a critical discussion of unconditional basic income guarantees. Alain Caillé (1997) tells the story of how the article was written.
initiative was prompted by two main factors: the precarious situation of a large
part of the working population, being either unemployed or ‘intermittent’, and the
insufficiency of the existing income guarantee, the Revenu Minimum d’Insertion,
to deal with the resulting situations of poverty.

The article was signed by 35 well-known intellectuals. One of them was André
Gorz, who at the beginning was quite hostile to unconditional income guarantees,
because in his view “there are no rights without duties”, but who nevertheless
attended the Paris meeting and explained that, given the depth of the crisis, he
considered it now necessary to implement an unconditional income guarantee at
a sufficiently high level. (AECEP 1997: 159)

The long term programme sketched in the article – working time reduction,
stimulating activities outside the formal economy, … – resembled very much
Gorz’ views as expressed in his writings since 1983. The main difference being the
consideration of an unconditional version of the ‘second cheque’. As the collective
admitted, there was still an important difference of opinion on this matter, specifically
with respect to the question of how unconditional one wanted the system to be. 19
Considering the very diverse composition of the group – Alain Caillé, André Gorz, Antonio Negri, Chantal Euzéby, Patrick Viveret, Guy Roustang, Bernard Perret, René Passet, Yoland Bresson, Jean-Michel Belorgey, Serge Latouche and Jacques
Robin, amongst others – this was no surprise. Nevertheless, the group agreed on the
practical short-term proposal to grant the Revenu Minimum d’Insertion (RMI) to all
beneficiaries whose income did not reach the guaranteed minimum, even if it was
clear that no prospect of ‘integration’ in the world of work existed. This proposal
implied lifting some of the conditions inherent in the system, thus returning to
what some saw as the original inspiration of the RMI. In this sense, the importance
of the article cannot be underestimated. It was the first publication succeeding in
overcoming, even if only for urgent and pragmatic reasons, differences between
advocates and opponents of unconditionally granting income guarantees which
were unbridgeable until then14 (AECEP 1997: 159).

Probably the most surprising name on this list is that of Antonio Negri, the
controversial Italian philosopher and co-author (with Michael Hardt) of a book,
Empire, that became one of the icons of the anti-globalist movement. Surprising,
but with regard to Gorz’ conversion highly significant. Indeed, in several interviews
(Gollain 2000: 224), Gorz acknowledged that writing Misères du présent. Richesse
For an overview of the recent French debate on the right to a guaranteed income, see L.
Geffroy (2002).

14 There were, of course, still some very important names missing from the list,
like Robert Castel, Pierre Rosanvallon or Dominique Méda, who for different reasons still
objected to unconditional benefits. The volume of Recherches, referred to earlier, contains
articles by Castel and Méda, explaining why.
1 *Du possible* was partly the result of reflecting on a very critical reading of his work by Antonio Negri and Jean-Marie Vincent, the editors of the left wing journal *Futur Antérieur.*

From the writings of this group of intellectuals, contributing to the discussion originated by Negri and Vincent, Gorz took the notion ‘general intellect’ to enrich his analysis. ‘General intellect’ is a term the origin of which can be traced to Negri’s reading (1979) of the famous fragment on machines and automation in Marx’ *Grundrisse.* In this fragment, which is referred to by Gorz in several of his writings, Marx seems to suggest the likelihood of a development leading to labour time being disconnected from the value of goods produced and science or creativity being the most important productive factor. Hence, the idea of a ‘new great transformation’ or a third phase in capitalism (Moulier Boutang 2007), characterised most aptly as ‘cognitive capitalism’, in which production would become in essence immaterial and communication, knowledge, emotions, feelings or imagination the most important means of production. The impact of these theories on Gorz’ views are clearly visible in *Misères du present. Richesse du possible.* For instance, several of the explicitly stated reasons for accepting unconditional income guarantees bear their marks. In later writings devoted specifically to the question of immaterial production (Gorz 2003), this influence will become abundantly clear.

In fact, in his discussions with Negri, Vincent, Lazzarato, Vercellone or Moulier Boutang, Gorz may not only have found reasons to accept and favour unconditional income guarantees, but also arguments leading to the conclusion that in a world characterised by ‘immaterial production’ and ‘general intellect’, work-as-we-knew-it would no longer exist. Moreover, in that world, the difference between activities in the sphere of autonomy and economically motivated actions would be much less neat.

Let us, therefore, look at how Gorz analyses in *Misères du present. Richesse du possible* the changes in ‘work’ brought about by post-Fordism and Cognitive Capitalism.

### 4.2 ‘Work’ and its shifting characteristics

If Gorz did adhere or had come to adhere to a view as the one expressed, for example, in the title of J. Rifkin’s *The End of Work*, the question why he did no longer wanted income guarantees to be conditional on participating in paid work would be easy to answer. Without work being available it is hard to see how anyone could maintain that it is the (only) ticket to citizenship.

But we know that such was not Gorz’ view. Even if the volume of socially necessary labour diminishes dramatically, the solution should consist in reducing and redistributing working time, not in making paid work optional. Unless Gorz believed in the mirage of a completely automated society with literally no work at all, this line of argument does not help.
In this context, it is important to note that when Gorz writes about ‘work’ – note, by the way, that Gorz puts the word in most cases between inverted commas, as if to indicate its ambivalence – as a ticket to citizenship, he never has in mind work in the anthropological or philosophical sense. What he is referring to is the kind of work typical for a ‘salaried society’ or a ‘labouring society’. What is typical for this kind of ‘work’? And how could its disappearance, or better, its replacement by a different kind of ‘work’, typical for a new societal regime, be the reason that ‘work’ can no longer function as a ticket to citizenship? The analyses of recent developments in the first chapters of Misères du présent. Richesse du possible point at three main shifts who, taken together, announce the extinction of ‘salaried’ or ‘labouring’ society and prefigure a new societal regime, characterised as either ‘post-Fordism’ or ‘Cognitive Capitalism’, depending on which features are highlighted.

The most obvious and much commented on shift is situated at the level of what labour sociologists usually refer to as ‘labour relations’. It is a shift – borrowing terms from Herbert Simon’s seminal article (1951; see also Marsden 1999) – from a society of ‘employment contracts’ to a society of ‘sales contracts’. It implies moving towards more short-term contracts, more career interruptions, more mobility, more individualised reward systems and more work pressure. For Gorz, shifting from collective regulation to market-mediation will unavoidably result in more precariousness and anxiety. Employment will no longer provide a firm basis to construct a long-term life plan and to develop a sense belonging. On the contrary, given the prospect of a much harsher competition on the labour market, one can expect the socialisation through jobs to become anti-social and anti-solidarity. One will become conditioned in ‘me-first’ and ‘save-who-can’ behaviour and attitudes (RW: 53-54).

This shift towards a more individualising approach at the level of labour relations is complemented by a rather similar shift at the level of the organisation of the production process. Gorz refers to management strategies to replace hierarchical organisational structures by self-organising networks or to the use of quality circles, high-performance work systems, team work and their likes (RW: 26-36). All this raises several questions, Gorz argues. What becomes of the...
1 ‘public’ character of ‘work’ when employees are expected to identify with their firm? Are jobs still a basis for the formation of class-identity or the development of collective solidarity?

Finally, there is a shift affecting the nature of labouring. Using Marxist terminology, Gorz argues that on the labour market one does no longer sell or buy ‘abstract labour’, but ‘concrete labour’; whereby ‘abstract labour’ is defined as ‘… labour that is measurable, quantifiable and detachable from the person who “provides” it’ (RW: 55). Put differently, people are hired not because of what they do, but because of who they are. Characteristics like ‘personality’, ‘looks’ or ‘creativity’, that is, in general those elements of human capital recent literature tends to refer to as ‘soft skills’ or ‘people skills’ and that cannot be detached from the person deploying them, become crucial productive resources and integral parts of labour power. ‘In the post-Fordist enterprise, technical knowledge and professional skills are only of value when combined with a particular state of mind, an unlimited openness to adjustment, change, and the unforeseen’ (RW: 42-43). Moreover, workers are encouraged to be ‘active subjects’, to actively cultivate, care for and develop these characteristics. But to do so in the service of an organisation or another whose rights one should never contest. This ‘sale of self’, Gorz says, is the accepted lot of all those creative individuals with a real, but limited subjugated sovereignty, the jobbing producers of ideas, fantasies and messages. In one word, ‘all who give wholly of their persons in the service of activities which are gratifying in themselves, but by which they become the venal and eager instruments of an alien role in which they sell themselves’ (RW: 42).

4.3 What did Gorz expect ‘work’ would deliver?

Reflecting in Misères du present. Richesse du possible on the position he defended until then and is about to leave, Gorz explains that, different from the disciples of Rawls, he never argued for a redistribution of paid work because ‘work’ is part of the basket of ‘basic goods’ people have an equal right to have. For Gorz, work is not ‘a good’. It is not something one can have or own. ‘It is a necessary activity, carried out in the modern period according to norms defined by society, at the demand of society, imparting a sense that one is capable of doing what society needs. It gives recognition, socialises and confers rights because it is itself required as an obligation. In this way, ‘work’ draws people out of their private solitude; it is an aspect of citizenship. And it represents, more fundamentally (as work one does) – beyond its particular social determination – mastery of self and of the surrounding world which is necessary for the development of human capacities. As the need for work diminishes, fairness requires that it should also diminish in everyone’s life and that the burden of work should be equitably distributed. This is why, in previous works, I wanted the guarantee of a full income for all to be linked to all citizens performing the quantity of work required for the production of the wealth to which their income entitled them’ (RW: 84).
The former shows clearly that the reason why Gorz wanted the guarantee of a full income to be linked to participating in paid work was not only a matter of fairness. The main justification for making the ‘second cheque’ conditional was that paid work gave access to citizenship. Most readers of Gorz will have interpreted his strong emphasis on the intimate link between the rights and the duty to work and citizenship as important for social integration and social cohesion. Next to fighting poverty, this is the most common argument for full employment, active labour market policies and even for workfare.

Yet, Gorz did not share this view. In his 1997 book, he explicitly argues that the importance of work in the heteronomeous sphere is not its being a source of social cohesion or integration. This it has never been, Gorz says. ‘Work’ never fulfilled the five functions ascribed to it by Jahoda and her colleagues. ‘The “social bond” it established between individuals was abstract and weak, though it did, admittedly, insert people into the process of social labour, into social relations of production, as functionally specialised cogs in an immense machine’ (RW: 55).

What, then, did Gorz expect waged-labour to deliver? When confronted by Françoise Gollain (Gollain 2000: 232-235) with the apparent inconsistency between Misères du présent. Richesse du Possible, where he looks quite hopeful at the development of Local Exchange and Trade Systems as a large scale social experiment showing us the promise of a different society and a different economy in which abstract and commodified labour will be destroyed, and his former writings, more specifically Métamorphoses du Travail, demonstrating the emancipatory potential of waged-labour, especially as compared to slavery or traditional women’s work, Gorz acknowledges the ambivalent nature of ‘work’. Waged-labour implies that the labour force of the individuals is treated as a commodity and submitted to the decisions and the authority of the employer. But waged-labour is also emancipatory. Having a price and being regulated by universal rights, commodified labour services have the status of general labour qualifying the worker as a general social individual, capable of performing a socially determined task and making oneself generally useful to the social system. The wage pays for services rendered, not for the person providing the service. The functional utility of labour efforts resides precisely in its being impersonal. It answers to an impersonal demand of the social system – the market or the public administration – and its payment makes it interchangeable. It gives ‘work’ a public status, certified by an employment contract. That is why it confers economic citizenship. And, thus, the citizen-employee is, in principle at the very least, protected against arbitrary decisions of his employer and against a labour market functioning without any restrictions whatsoever.

The core question thrown up by Misères du present. Richesse du possible is whether the advent of post-Fordism and Cognitive Capitalism will leave the emancipatory capacity of ‘work’ intact. Gorz’ answer was negative.
Do Firms Need to be ‘Third Places’ for Jobs to be Good?

5. Epilogue

In the foregoing pages, I have shown that Gorz’ explicitly stated reasons for why, in 1997, he decided to change his mind, may provide a good case for the new position he adopts, but hardly contain any clue, let alone a convincing counter-argument explaining why he does no longer adhere to the core principal on which his case against unconditional basic income rested until then. I have also attempted to show that, nevertheless, Gorz’ analysis of the new social regimes, referred to as ‘post-Fordism’ and ‘Cognitive Capitalism’, contain features allowing to construct a reasonable argument for why ‘work’ does no longer delivered what Gorz expected from it.

Whether the descriptive part of Gorz’ analysis of post-Fordism or Cognitive Capitalism stands the test can be doubted. Despite a lot of empirical research, the jury is still out on major questions concerning the issues Gorz raises. Yet, as far as I am concerned, Gorz’ claim that ‘work’ gets its importance not from its capacity to integrate or its capacity for social cohesion, but from its emancipatory capacity or its capacity to empower is in itself important enough, even if it would turn out that in actual reality trends are less marked than Gorz would have it. At the every least, this recasting of ‘work’ forces one to look from a different angle at the effects of active labour market policies or the central role of ‘work’ in programmes to prevent poverty and fight social exclusion.

Of course, whether jobs can still be ‘good’, that is, have or can regain the capacity to emancipate or to empower, is a matter to be judged basically on empirical grounds. If I understand correctly Gorz’ claim, an appropriate question to start with would be whether for jobs to be good firms need to be ‘third places’, followed by the question whether under present conditions firms can still conform to this model.

‘Third places’ is a metaphor I take from a book review by Christopher Lash. The book reviewed is about the social role of pubs, taverns and other public spaces which people can enter freely, but where they will have to deal with situations and be confronted by others not of their own choosing and, therefore, not necessarily of their liking or opinion. For Lash (1995: 117), ‘third places’ are of great importance for civil life, since the latter ‘requires settings in which people meet as equals, without regard to race, class or national origin’ – or gender, age and beliefs, one could add. In fact, Lash argues, this particular kind of ‘involuntary association’ gives the third place a quasi-political character’. Or, one could speculate ‘that the decline of participatory democracy may be directly related to the disappearance of third places’ (Lash 1995: 123).

Could firms be something like ‘third places’?

When you apply for a job, you do this freely (even if under the pressure of needing to earn a living). If hired, you have to work with others you do not choose yourself. You will have to meet, co-operate with and confront others. Despite all your potential, even actual differences and quarrels, you have to reach common goals. You will have to make decisions about difficult problems, you will have to
leave your subjective solipsism and objectify yourself, and you will have to earn
recognition by what you do.

My suspicion is that Gorz looked at firms as if they were, indeed, something
like ‘third places’. The picture just painted contains nothing but elements Gorz
would expect ‘work’ to deliver. And since, different from ‘third places’ like pubs
or taverns, having a job in a firm implies also confrontation with hierarchical
structures and class interests, one might expect the experience to be not only
civilising, but also emancipating or empowering. My guess is that Gorz’ analysis
led him to consider this as a thing of the past. Re-read section 3.2 and consider
whether the (subjectifying) nature of productive activities, the (individualising)
structure of work organisation or the (communautarian) strategies of firms still
allow them to be ‘third places’. Gorz, I claim, did not – and that is basically why
he decided to do away with the principle of ‘work’ as a ticket to citizenship.
PART 2
Spatial Dimensions of Poverty
Chapter 7

Space in Sociology:
An Exploration of a Difficult Conception

Christian Kesteloot, Maarten Loopmans and Pascal De Decker

1. Introduction

In her overview of Harvey’s writings on cities, Sharon Zukin, an American sociologist specialised in urban culture, signals that when she presented Harvey’s Social Justice and the City as new sociology to her mentors, they reacted by saying that if she was interested in space, she should talk to geographers (Zukin 2006). And indeed, geographers have a lot to tell to sociologists about the relations between space and society. However, this reaction also clearly showed that in the opinion of mainstream sociologists, space has no place at the heart of sociology and that geography and sociology remain separate disciplines, both in terms of subject matter and methodologies.

In this chapter, we intend to challenge this point of view, by sketching a (very partial) overview of how sociology has handled the interrelation between space and society, and particularly how some conventional urban sociological traditions have handled the concept of space. We contend that misinterpretations of the nature and the role of space in explaining social facts are widely accepted among sociologists, despite the impact of writers like David Harvey, Henri Lefebvre or Manuel Castells on social sciences. The main reasons for such misconceptions lie in the fact that space is not recognised as an essential feature of social relations or, in other words, that sociologists think they can explain social facts without taking space into consideration. Ironically, this leads quite a lot of sociologists, who on the contrary explicitly address the role of space in social relations, on the wrong track.

Before doing so, we turn to the geographer David Harvey, in order to understand the nature of space. We then analyse two mainstream research traditions in urban sociology to critically analyse how they handle the concept of space, the Chicago School and social area analysis. Confronted with Harvey’s insights, both traditions develop an inadequate conception of space, resulting in contentious or contradictory interpretations of social facts. Giddens’ structuration theory has been a milestone in understanding space as an inherent dimension of social relations. However, it did not succeed in directing sociologists to the right track. We will illustrate this with a short analysis of a recent example that is very close to the scientific endeavours of Jan Vranken.
In this discussion, we will focus on the ontology or on the nature of space instead of on features of space and roles of space in explaining social facts. This means that we are interested in space as a constitutional element of social relations. We therefore consider neither many aspects of sociology which cover the study of units of social relations which are defined by their spatial confinement (like the community, the people, the nation, the ghetto, etc.), nor the sociological study of the social production of spatial artefacts (like the sociology of architecture or the sociology of gentrification). Our focus is instead on the way sociologists take space into account in their study of social relations, or in other terms, how space affects social relations.

2. The Nature of Space

Possibly the most mature reflection on the nature of space is to be found in David Harvey’s work. With an astonishing continuity from his first important publication, Explanation in Geography, to one of his last papers, Space as a Key-Word, published in the already mentioned volume reviewing his work, Harvey has developed a threefold ontology of space (2006). Space can be conceived of as absolute, that is, as existing in itself, independent from matter; as relative, that is, as existing only as relations between objects (only because objects and relations between them exist); and as relational, that is, space contained within objects (and therefore, we have to consider objects – or concepts – that exist insofar as they contain relationships with other objects).

To substantiate this view, one can take the example of a classroom. In terms of absolute space, it has a position somewhere on the campus and has certain:

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1 Henri Lefebvre has produced another threefold conception of space. Unlike Harvey, Lefebvre is not searching for an ontology of space, but devises a conceptual tool to explore spatial practices and therefore explicitly considers social space; that is, space as shaped by social relations. We will leave this work aside, notwithstanding the fact that Harvey convincingly demonstrates that Lefebvre’s categories can be cross-tabulated with his ontologies of space and thus contribute to a more general conception of space. As will become clear in the this chapter, Harvey’s conception is in itself powerful enough to explore the meaning of space in sociology.

2 Harvey relates his threefold ontology of space to three deeper ontologies produced by physics and philosophy. Absolute space is part of the world of Newtonian physics and is conceived by Euclidian geometry. It is the world of points, lines and planes. The notion of relative space has been liberated by Einstein’s relativity theory and is mathematically described by Riemann. Relational space has an astonishing origin in the conservative philosophy of Leibniz. He invented the concept of relational space to maintain the idea of God that otherwise could not exist outside the Newtonian space-time framework (God could not create the world in an absolute space without being himself part of that space. Hence that absolute space was pre-existing God and could not be created by himself. To solve the problem Leibniz imagined God as relational space).
dimensions enabling it to accommodate a certain number of users. A relative spatial conception of the classroom would entail its relative position on the campus, as it can be centrally located or easy to reach, or on the contrary peripheral and somewhat neglected. The presence of a blackboard in the classroom reflects the type of social relations expected in it: the room can be arranged as a theatre, so that only *ex cathedra* teaching is favoured, with a rostrum, fixed-seat rows and an inclined floor, or it is suited for seminars with tables and chairs. Relational space is more complex to grasp. A classroom conceived of as relational space would only make sense if it exists through social relations shaping it. At the scale of the campus, the classroom reflects the teaching activities and embodies through it the relations between research and teaching at the academic level. As an academic space of learning, it would have no meaning in relational terms without this relation. Relational space also comes into existence whenever the classroom is filled by students and teachers and when they consider it as their class, as a space that only exists through their specific combination of social and spatial relations. The classroom only exists through the existence of the group formed by a teacher and his students coming together in this precise space on regular times to study a specific course. Such a class brings together people from different geographical origins, with their own spatial experience. Students and teacher(s) come from different places to gather in the classroom. The class contains this geographical experience of teachers and students and this space can come alive in the experience of the class as a relational space. A university class is very often the place where students experience for the first time relations with peers from other geographical regions and to a lesser extent from other social origins and this shapes the classroom as a relational space. Especially in social science courses, this very nature of the class as a relational space can be vividly used as a pedagogical tool in learning about social and geographical differentiation.

The more one enriches the ontology of space, the more the notion of absolute space appears as the most abstract, if not incoherent understanding of space. One could argue that if it is an empty container, it is nothing and what is nothing has no existence. Nevertheless it is the most common conception of space, because of its simplicity related to its highest level of abstraction. One could for the sake of simplicity talk about absolute space as space that (potentially) contains things; relative space as space formed by the relations between things and relational space as space contained in things. Thus, the jump from absolute space to the others is also one between ‘naked’ space, that can give a spatial dimension to things (because their position and/or extension in absolute space can be seen as one of their attributes) and space that is created or defined by its content and in which every description or analysis of space is done through the objects that give rise to space. In this sense, relative and relational space of social phenomena can be very different from space related to physical phenomena.
3. Sociologists and Space

Early sociologists have been fascinated by the process of modernisation, which is also a process of transition from countryside to city. The founding fathers of sociology like Tönnies, Durkheim, Simmel and Weber describe this change and are aware of the spatial shift it brings (for a brilliant analysis from the point of view of the city, see Saunders 1981).

However, space receives explicit attention only in a few sociological schools. It is beyond our capacity to scan all sociological traditions to trace their conception and use of space to understand social relations, but we can address a few of them which are particular, not only because space plays a crucial role in their understanding of society, but also because they have been quite influential, especially in urban sociology. We will focus on the social ecology of the Chicago School and its post-war counterpart, social area analysis. The latter has given way to factorial ecology, which was much more developed by geographers than by sociologists, and consequently, its fading away also meant a gradual disappearance of spatial concerns in sociology from the 1960s onwards, especially in the Anglo-Saxon world. The revival of a concern for space has been very much exogenous, at least from the point of view of Anglo-Saxon sociology. It is part of the development of radical sociology and rediscovery of Marxism and key authors have been Manuel Castells, Henri Lefebvre and David Harvey. As a result one can speak about a ‘spatial turn’ in the sociology of the 1980s and 1990s. A forceful statement about the role of space in social relations has been developed by Giddens in his structuration theory (1984). Curiously, the Marxist contribution is nearly silenced (out of the three main authors, only Castells is briefly referenced in The Constitution of Society, while Henri Lefebvre and David Harvey’s ‘voluminous work’ is mentioned in a footnote without any bibliographical reference). Nevertheless, Giddens has pinpointed the role of space in understanding social relations, especially by his double concepts of locale and regionalism. In this chapter, we will analyse these accounts in the light of Harvey’s ontologies of space in order to contrast them with an example of contemporary treatments of space in urban sociology.

3 Castells is a sociologist, but his work became seminal only after its translation from French to English in the late 1970s. The same can be said about Henri Lefebvre, who was however a philosopher. David Harvey is a geographer, who developed his ideas in the early 1970s when discovering American social inequalities and conflicts after his move from Bristol to Baltimore.
4. Space as a Window to Study Social Relations

4.1 The Chicago School

The fundamental idea of the Chicago School was to apply the concepts of plant and animal ecology to urban society. In the founder’s words: ‘There are forces at work within the limits of the urban community … which tend to bring about an orderly and typical grouping of its population and institutions. The science which seeks to isolate these factors and to describe the typical constellations of persons and institutions which the co-operation of these forces produces, is what we call human, as distinguished from animal and plant, ecology’ (Park 1916: 1-2). The key concept is the human community, meaning a population organised territorially, with ‘symbiotic dependence’ between the individuals and processes that balance both the size of the population and the proportions between the different types of individuals (Park 1936: 36).

The further development of this concept unveils a strict parallel between the relations within the community in an abstract social space and in geographical space (Figure 7.1).

Figure 7.1 The urban community according to Park
Source: Adapted from Kesteloot, 1982.
Competition between individuals and groups is the central process that expresses the dominance structure, ranking these individuals or groups from low to high positions (the vegetation layers in the rainforest, resulting from competition of plants for light makes a suitable comparison in plant ecology). This structure is expressed in social space as a division of labour. When the right sizes and proportions are achieved, it expresses a symbiotic balance. If not, competition processes are activated again, producing a new dominance structure and changes in the division of labour until a new state of symbiotic balance is reached. The balance can be lost by internal or external changes, respectively expansion of the urban community and invasion by newcomers. The figure that synthesises Park's urban community system is useful to emphasise the perfect parallel with structures in geographical space: the same dominance structure, resulting from time their ecological balance is altered by the same expansion and invasion processes. Therefore, the analysis of the socio-spatial structure of the city is a perfect entrance point to understand the dominance structures and to illustrate the competition processes and the internal and external processes of change. Just as plant ecologists can derive relations between plant species by mapping their spatial distribution, urban ecologists explore the urban community by looking at distributions and distances between social groups in the community territory. Social distance can be read from spatial distance because competition for a 'niche' in the division of labour corresponds to competition for a place in urban space. The results of the latter are 'natural areas', or 'niches' in the urban space occupied by a specific group or combination of groups in the urban community. Park was insisting on the fact that human ecology was not about studying the relations between humans and the environment, but social relations within the urban community. For him, human geography was an idiographic science, describing the relations between humans and the environment. The task of human ecology was to explain these relations, but not by excavating further the evidence provided by human geography, but by exploring the relations between humans themselves as expressed by his central concept of competition (Enrikin 1998).

What is the nature of such space from which social relations can be read? At first sight, there is something as absolute space, in the form of a territory that contains the different social groups and individuals forming the urban community. But this territory is organised by the forces of competition and as soon as distances between individuals and groups become the central focus, there is a shift towards relative space. The natural areas, their position in space and their mutual distances are shaped by the dominance structures, or in other words by the social relations between individuals and groups forming the community. Harvey's threefold concept of space also unveils a critical failure of human ecology. Park and Burgess assumed that land value is a good empirical indicator for competition between individuals and groups for space. Therefore, they also proposed to use land value as a measure of natural areas. Burgess, who has worked on urban expansion, also saw it as the best measure of mobility, or in other words, competition between individuals and groups from low to high positions (the vegetation layers in the rainforest, resulting from competition of plants for light makes a suitable comparison in plant ecology). This structure is expressed in social space as a division of labour. When the right sizes and proportions are achieved, it expresses a symbiotic balance. If not, competition processes are activated again, producing a new dominance structure and changes in the division of labour until a new state of symbiotic balance is reached. The balance can be lost by internal or external changes, respectively expansion of the urban community and invasion by newcomers. 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1 of changes taking place in space as a result of the growth of the city (1923: 61).
2 Land prices are thus both a measure of change and of its results once a balance has
3 been (re-)established.
4 However, the empirical implementation of the conceptualisation in Figure
5 7.1 did not work out (Hatt 1946). Part of the problem lies in the notion of
6 natural area itself: it is not a perfect parallel of the division of labour in social
7 space, in which the activities and the people performing these activities can be
8 seen as equivalent. In geographical space, activities and people are separated
9 by the different geography of residential and productive activities and are thus
10 mediated by the journey to work. Moreover, assuming competition between these
11 different land uses for space, productive activities are clearly dominant, not only
12 because they can generate a higher capacity to pay for land rent, but also because
13 residential location is dependent on employment location, through the income
14 generated by employment and its capacity to pay for land rent and transportation
15 between home and place of employment and by the organisation of labour time
16 that can constrain the time slots available for travelling between these spaces of
17 production and reproduction. This part of the problem shows how human ecology
18 has underestimated the relative nature of the urban community’s territory. In most
19 of their work, natural areas are confined to residential space and thus the effects
20 of the organisation of the spaces of economic activities on the arrangement of
21 these natural spaces is neglected. When natural areas also encompass economic
22 activities, the dominance of these over residential activities are not taken into
23 account, yielding a similar failure to grasp the full relativity of natural areas.
24 The other part of the problem is that land value is a relational concept of space
25 par excellence (and mentioned as such by Harvey). The value of a piece of land
26 does not only contain a part related to its own characteristics, it is a bunch of social
27 and spatial relations: the power of landlords based on their property monopoly; the
28 payment capacity of the potential land users; and the value of the amenities in the
29 surrounding environment (including the social status of that environment). In that
30 sense, land value absorbs and contains all these relations in itself and the space
31 of land values could not exist without them (inversely, there is no such space in
32 societies where land is collectively owned or not owned at all). With their proposal
33 to use land values as a measure for natural areas, the human ecologists attempt to
34 measure relative space with an indicator of relational space. They assume that one
35 can measure a more or less homogenous area in the urban community’s territory
36 (in terms of its position in the structure of dominance and ecological balance) with
37 a concept that intrinsically varies from point to point through the spatial relations
38 it embodies.
39
40 4.2 Social area analysis
41
42 Social area analysis can be seen as a post-war attempt to overcome the flaws of the
43 Chicago School, in particular, its lack of comparative knowledge and profusion
44 of ‘non-experimental’ descriptive work. Stating that the ‘urban society is the
45
product of movement of people’ (Shevky and Williams 1949), social area analysis attempts to define a framework of trends in which these movements take place in order to understand the structure of cities. Their departure from human ecology is thus also a shift from a micro-social to a macro-social approach. However, they use a very similar, if not somewhat poorer, conception of space, yielding similar problems. Indeed, the empirical part of social area analysis boils down to the study of differentiation in small area-statistics in terms of social rank, urbanisation and segregation, as a window on societal change.

Social area analysis found its inspiration in the descriptions of broad societal changes under western modern capitalism, named ‘urban-industrial development’. Notably Colin Clark’s *Condition of Economic Progress* (Clark 1940), in which the shift of the division of labour towards an industrial and later a tertiary structure and the demographic transition (described in 1945 by Kingsley Davis) were identified as key to this process. The introduction of a spatial dimension in their work is founded on the idea that social change is paired by spatial differentiation:

… we can draw our conclusions with respect to these changes either from an examination of the present day situation in different social areas, or by examining the course of events of each area over a series of years. (1949: 14)

In other words, synchronic and diachronic analyses of the social changes at work yield the same results. This is the justification of their analysis of urban-industrial development through spatial differentiation between urban census tracts. The key argument to sustain such an assertion is given somewhat further: ‘Forms of social organisation in urban industrial and western areas would appear to be forms toward which other sections of the country tend to approximate as time goes on’ (15).

Unfortunately, the diffusion process of change implied in this statement is not part of the social area analysts concerns. Thus, social area analysis has been rightly criticised as containing both a theory of social change (urban industrial development) and a theory of residential differentiation, but no explanation about their relation, notwithstanding the fact that they are measured by the same indicators (Udry 1964). The response of Bell (a later social area analyst who published the better known theoretical statement on social area analysis with Shevky in 1955) is significant in terms of the underlying conception of space. He contends every social change can be studied through a shift from temporal to spatial analysis (actually a much easier way to gather the relevant data): ‘The underlying logic of the procedure is simple: Take a barrel of white balls. Take repeated measures on the colours of the balls. Find that an increasing percentage of the balls are turning black. Use this trend toward turning black as a differentiating variable at a given time. Order sections of the barrel into types according to their relative percentage of white and black balls. Over-simplifying, one can say that the economic, family and ethnic characteristics of census tract populations were identified by using just such a logic’ (Timms 1971: 141).
Without a clue on the places in the barrel where the first balls start changing color and on the processes through which this change is repeated in other places of the barrel, Bell betrays a naive absolute conception of space. If the diffusion process had been properly addressed, the conception would necessarily shift from absolute to relative space, where positions of areas relative to the centers of change are crucial to understand their synchronic difference with that centre. Considering the inner city as the diffusion centre of urban-industrial change, one can easily imagine the diffusion of changes in the economic and demographic characteristics of the population (and one could with some qualifications and secondary hypotheses interpret the concentric and sectoral models of respectively Burgess and Hoyt in these terms).

However, the simple logic of Bell, even if complemented with the idea of diffusion, does not apply to the third dimension of social area analysis, namely ethnicity of segregation. The failure to consider relational space is again obvious here. Shevky and Bell consider segregation as the result of migration and it strikes immediately that such a migration process is not simply a change in a place that depends on a relative distance to urban centres. The diffusion process that links social change to spatial differentiation is not taking place in the city, but in the places of emigration, where – to put it simply – people are confronted with the push and pull factors that can trigger emigration. A segregated area in the city, as a result of immigration, is necessarily a relational space. It contains the mental spaces of both emigration and of immigration. It is at the same time a place of residence that for several possible reasons related to the segregation processes, contains the experience of spaces of origin (culture and social networks are imported) and the spaces of arrival. It also contains the spatial transformations resulting from that very arrival and the accommodation of immigrants. It absorbs the spatial route of immigration in the sense that it is very often transformed into a lively bridge on which all sorts of material goods, money, information and people are moving in both directions. This relational aspect of segregation has not been noticed by the social area analysts and the spatially unproblematic inclusion of segregation in their three-dimensional framework ends up with a paradox when trying to relate societal change to spatial differentiation: or segregation is the result of immigration that takes places outside the urban realm and is thus not fully taken into account by the social area analysts who claim to study urban society; or segregation could be explained by an increasing differentiation of urban society because it is expanding.

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4 This is also forcefully expressed in the fact that people can change in situ their social rank and urbanisation level by social mobility and mentality change, while changes in (ethnic) segregation entail necessarily movements of people from one area to another (making abstraction of differentiated birth and death rates for each ethnic group over longer periods).

5 They could claim that urbanisation is the trigger of emigration. This would not only be an oversimplification of the problem, ignoring deep changes in the countryside, but also a problem for the three-dimensional character of the theory – since segregation would be part...
into new territories and incorporating previously non-urban population groups. This latter possibility is not considered by the social area analysts, even if the situation is real in every past or present periphery of cities. This is because they do not consider the expansion of the city (which has an explicit relational spatial nature), but a growing complexity of population composition (and implicitly its spatial diffusion).

Figure 7.2 Geometrical and social representations of an ecological data matrix

Source: Adapted from Kesteloot, 1982.

Clearly social area analysts do not care about the notion of space when they study aggregated data on a spatial basis (census tract data). This neglect reaches a climax in the notion of social area in itself. Although in some parts of their writings, it appears as referring to spatial units in the city, the overall meaning of it is situated in an abstract social space that differentiates people according to their social rank, of the urbanisation trend in society (something all good demographers would agree with, the demographic transition being also a geographical transition from countryside to city).
urbanisation and to a lesser extent segregation level. And ironically, what they do is very similar to what human ecologists do. Starting from a geographical data matrix (or in the terms of human ecology an ecological matrix), the social area analysts contend to analyse social change through spatial differentiation at the aggregate level of census tracts, represented in a geometric abstract representation of that matrix. Human ecologists do nearly the same, by taking the geographical representation of these data as a starting point to analyse the relations between social groups through their spatial distances (Figure 7.2). What they do in terms of spatial ontology, is exactly the opposite of the ecologists problem with land values: they try to measure relational space with notions of relative space. Their lack of reflection on the nature of space forecloses any understanding of the problem. Thus, it is not surprising that social area analysts were not interested in the socio-spatial structures of cities they were unveiling through their handling of census data. In their eyes, social areas are not spatial units, but a set of similar positions in the field of social differentiation of society, mainly in terms of social rank and urbanisation. One had to wait for geographers (with the notable exception of Anderson and Egeland, 1961) to pick up a systematic analysis of the spatial distribution of these dimensions of social differentiation.

5. Space as Mediation: The View of Giddens

The two examples above, which are certainly part of mainstream urban sociology, unveil how flaws in the theory, usually unnoticed by sociologists themselves, are related to a spontaneous and unproblematic notion of space, in which the concept of relational space is not recognised. Precisely the lack of this nature of space is at the core of the flaws. In other words, sociologists tend to reify space as a separate and independent element interacting with social reality (as such they can develop a sociology of space, like urban or rural sociology), but they do not consider social relations as being inherently spatial (and thus calling for a spatialised sociology (that is in all subfields of sociology). In the wake of postmodern advances in social sciences, one author has clarified the role of space in social relations. Anthony Giddens, in his structuration theory, reveals he is considering relational space and opens the road for a more accurate conception of space in social research. Giddens never referred to Harvey’s threefold conception of space. The way he integrates space and time in his theory of structuration nonetheless reflects a sensitivity to the threefold nature of space. But this analysis has been largely confined into an absolute conception of space, resulting in a fascination for regular spatial patterns like concentric circles, sectoral segments and multiple nuclei. In order to understand what we mean by advances in social sciences and how to qualify these, see the example of human geography analysed in Saey and Kesteloot (2001).
For his geographical explorations, Giddens turns to Time-Geography as it was developed by Törsten Hägerstrand. Hägerstrand’s approach is attractive to him for its emphasis on the routinised character of daily life; Giddens fruitfully connects this to his own attempt to account for the structurating features of action. Hägerstrand’s own ontology of space remains stuck in a depiction of space as absolute or relative context ‘outside’ the routine practices studied. Giddens departs from Hägerstrands ideas on the constrained nature of human activity to move his own concept of ‘locale’ beyond the level of the physical settings of interaction. This is related to Giddens’ position in the structure-agency debate and his conceptualisation of the structuration process. In ‘The Constitution of Society’, Giddens connects routinised practices of individuals to systems integration. Giddens attempts to bridge the macro-microsociological divide, whereas Hägerstrand remains firmly on the microsociological side. Giddens distinguished three concepts: practices, systems and institutions, differing on the basis of their ‘structuredness’ and their span in time-space (see figure 7.3). Structure, according to Giddens, exists as a ‘virtual order’ outside time and space and is only instantiated in practices of knowledgeable human agents. It are these structural properties that make it possible for social practices to exist across space and time (bind time-space) and lend them systemic form. Systems are those practices recurring over time and space. Those practices having the greatest span are referred to as institutions.

**Figure 7.3** Time-space as the basis for Giddens’ structuration theory

Locales, for Giddens, as settings of interaction, are of course dependent upon Hågerstrand’s constraints related to the body, its media of mobility and communication and the physical properties of the environment (both as absolute and relative space). But, Giddens argues, locales are typically regionalised. Regionalisation is presented as a concept expressing the structuration of co-presence and interaction in locales. Regionalisation refers to the way systems and institutions (as routinised, structured social practices) are clustered in time-space and operate as contexts for social interaction.

Through the regionalisation of locales, Giddens introduces a relational conception of space. This relational concept of space as context, in turn, becomes the key to connect microsociological and macrosociological analyses, as ‘context thus connects the most intimate and detailed components of interaction to much broader properties of the institutionalisation of social life’ (Giddens 1984: 119).

Whereas Hågerstrand’s ‘stations’ or ‘domains’ (contexts of routine interaction) remain ‘taken as givens, the outcome of uninterpreted processes of institutional formation and change’ (Giddens 1984: 117), Giddens emphasizes how regionalised locales are themselves a product of structuration. Giddens emphasizes how locales as contexts are constituted through, and thus only existing because of social relations and actions. Simultaneously, the spatiality of these relations and actions becomes an element in their structuration. Locales, constituted through routinised practices, become themselves spatialised systems enabling and constraining particular practices.

Giddens’ relational conception of space-time encompasses both Hågerstrand’s relative (depending upon the particular constraints individuals encounter their relation to other ‘objects in space’ differs) and absolute space-time concept (the absolute spatial and temporal reach of activities), but adds to this the idea that space is regionalised, and thus acquires its characteristics relevant for social practices, only because of the situation in time-space of these same social processes. Although Giddens does not explicitly states this as such, in his theories, space (or rather space-time) becomes a key dimension of social relations, which cannot be separated analytically as an external context. As such, Giddens is one of the rare social scientists who develops an expanded notion of space and spatiality.

6. Space After Giddens: Business as Usual?

Unfortunately, Giddens himself seems in further publications to have demoted this spatialised sociology and a large majority of researchers who adopted the

8 It is striking that Giddens is consistently ignoring the work of David Harvey, especially since they published together in one of the most authoritative books that precisely tried to achieve such a spatial turn in social sciences (which was for geographers also a social turn in spatial sciences (Gregory and Urry 1985)). It is thus hard to believe that Giddens is not aware of Harvey’s ideas.
structuration theory to frame their research did not take the spatial dimension of it into account. This explains the strange outcome that the correct conceptualisation of space, developed by one of the most famous present-day sociologists, had little to no impact on the further research practice of sociologists. In other words, the much acclaimed ‘spatial turn’ in sociology was confined to a small part of the concerned scientific community. Even sociologists directly involved in spatially sensitive subjects, like urban and regional sociologists, did not fundamentally change their practice. We illustrate this with the example of the URBEX-research project (The Spatial Dimensions of Urban Social Exclusion and Integration: A European Comparison, focusing on spatial patterns of exclusion and the extent to which concentrations of deprivation add to the problems of developing effective policy responses),9 in which Jan Vranken participated.

The aim of this research project was to find out if and why social exclusion and integration are different for similar groups of deprived persons (single mothers, long-term unemployed and unemployed immigrants) when they are living in an inner-city neighbourhoods (usually with private rental housing) or in the periphery (usually in a large social housing estate) of European cities. The study was comparative in scope and carried out in eleven cities in six different countries (Musterd, Murie et al. 2006). The modes of economic integration of Polanyi (1944) were chosen as a common framework for comparison.

Economic integration equates with access to the resources necessary for providing for a decent living standard and for the reproduction of households. This is a matter of integration because most of these resources are not produced directly by households, but by producers engaged in the economic system. Thus, access to these resources is not direct, but dependent on the integration of households within this economic system. Modes of economic integration distinguish three fundamental ways to obtain such socially produced and distributed resources: reciprocity, redistribution and market exchange (see also Harvey 1973; Mingione 1991).

In the present-day western world, access to resources is dominated by market exchange. Simplified, one can say that individuals and households must develop a social utility, meaning that they must produce goods or services needed by others. This gives them an income which allows them to buy the goods and services they need and cannot produce for themselves. Most households put their labour force on the market. Their wage is the price they get when they succeed in selling it. Others are self-employed and sell goods and services. The law of supply and demand will indicate whether they made a good decision or not in bringing their labour force on the market. Bad decisions are sanctioned by loss of income, which reduces access to the resources produced by others. As a result, the market generates stratification, unequal access to resources based on strong or weak positions on the market.

9 http://www2.fmg.uva.nl/urbex/Welcome.html.
These inequalities are inherent to market exchange and can be socially destructive, since households without utility (in case their labour force is not needed) have no access to resources. This is a structural reason why in modern states, these inequalities are partially compensated for by state redistribution. From households’ point of view, redistribution means that everybody contributes to a common stock of resources, and that these means are then redistributed following a set of rules that are politically decided. The most important instance of redistribution in modern society is the welfare state. It results from a long history of political struggle and created a massive redistribution system based on taxes and social security contributions and controlled by the state. In this view, political rights correspond to the power to participate directly or indirectly in decisions about the redistribution flow and citizenship is the condition for participating in the system.

Finally, reciprocity helps people to obtain resources through mutual exchange. It implies a social network with symmetric links between each member and the rest of the network. Resources are given to one of these members when he/she expresses a need and another member can fulfil it. The beneficiary will produce a counter-service only at the moment a new need appears in the network and if he or she is able to fulfil it. Thus exchange involves different goods and services and can be stretched over a long period of time. The balance is also not between pairs of members of the social network, but between each member and everybody else in the network. These features of the exchange process involve mutual trust between the members of an exchange network and lasting ties of each member to that network. This type of relation to a network is coined by the term affiliation. Hence, the most evident networks are the extended family, ethnic communities and sometimes neighbourhood networks.

The three modes of economic integration were called spheres of integration in the URBEX-study, to emphasise that they concern the basic social relations sustaining livelihood in society. They encompass all social relations needed for achieving livelihood and thus form a complete and closed set of relations. The URBEX-exercise implied comparison in space, and therefore, the spatiality of the mode of the spheres of economic integration is crucial. Up to now, three main dimensions of this geography of economic integration were identified (Figure 7.4). The first one concerns the intrinsic spatial logic of each mode of integration, the second the presence or absence of the material and social infrastructure which supports the integration activities and the third relates to the historical layers of the socio-spatial structure of the city in which symbols, habits and relations from the past are embedded and possibly reactivated (Kesteloot and Meert 2000).

In general, one can say that the spatial dimension of market relations is determined by the spatial range of the goods and services offered. This can be seen from both the production and the consumption side. Access to employment from autarky is of course another way to access means of existence, but does not enter into the set because it does not imply social relations.
each neighbourhood, be it in the neighbourhood itself or in other areas in the case of selling one’s labour force and access to enough customers in the case of self employment are crucial on the production side. The availability of all necessary goods and services sold on the market from one’s residential place is at stake in the case of consumption. This geography of economic integration through the market is well documented by the classical location theories where centrality and access (distance and transportation costs) are the key concepts.

Redistribution is usually spatially organised within a delimited territory in which both the collection of resources and the distribution are carried out. However, in an urban environment, the political partition of the city and the interrelations between national, regional and local authorities (to which one can add European Union interventions) will differentiate cities and even, as in the Brussels case, neighbourhoods and municipalities within the same city. Thus, the strength of the redistribution system and the access to (mostly collective) resources it creates, will differ from country to country, from city to city, but also from municipality to municipality. Moreover, local authorities are particularly responsible for collective resources, social and cultural infrastructures at the neighbourhood level. The same location theories again can be used to describe access to these resources and unveil inequalities related to their location, which is decided on by local authorities.

Reciprocity implies networks as well as material exchange of goods and services within these networks. Therefore, spatial proximity is an asset, in the sense that it facilitates the dialectical relation between exchange and maintaining the network, thus generating the necessary trust. However, loose spatial relations between the members of a reciprocity network can be compensated for by strong family, kinship or community relations. In other words, strong ties enable stretching the network relations over space and in time.

Each mode of economic integration also involves a set of social and material infrastructures. Thus market exchange supposes a concentration of population, offering the necessary thresholds for production and distribution. Redistribution entails the actual presence of means of collective consumption and of agents for this redistribution. Reciprocity needs an appropriate arrangement of public and private space, offering places that foster social networks through bundling social relations in space and time. Of course, reciprocal exchange will gain in efficiency if the resources held by the members of the network are sufficiently differentiated.

Thus, reciprocity has more potential in a socially heterogeneous area than in an area where all the people have similar demands and resources.

Finally, space is carrying a history, which potentially reinforces certain mechanisms of economic integration, e.g. a long tradition of hospitality and mutual help, a workers’ movement history that participated in the struggle for a stronger welfare state or strong traditions of trade and innovation.
Confronting this geography of integration with Harvey’s ontologies of space, yields the following results. It is of course possible to map distances between the individuals entering into relations of economic integration and thus placing them into absolute space. Such an exercise will usually yield stations and bundles like those Hägerstrand identified in his research on time geography. However, long-distance relations can also appear, especially within migrant networks. These relations equally create relative space, best expressed in the different spatial scales of each sphere of integration. Indeed, spatial scales are not given in absolute space, but produced through social relations. They express the spatial reach of coherent bunches of social relations. The spheres of economic integration precisely define such bunches of social relations.

Thus the reach of market exchange is expressed in spheres of influence. And their scale will depend on the type of good and service offered on consumption markets or the qualification of labour force offered on the labour market. The scale will vary from local markets (neighbourhoods) to world markets. In the profit sector, commodified goods and services easily breach the spatial boundaries set up by political and social institutions.

**Figure 7.4 The spatial dimension of the spheres of economic integration**

*Source:* Adapted from Kesteloot and Meert, 2000.
Inversely, the several scales of the redistribution sphere are sharply delimited by a set of hierarchically fitting political territories, from municipalities or boroughs to national states and multinational political institutions like the European Union. The importance of each scale is the object of politics of scale, in which stakeholders try to place their interest at the best possible scale and/or demote those of their competitors to less adequate scales.

Market and redistribution scales are firmly established in space through the social and physical infrastructures that enable their respective types of exchange (market places, collective consumption amenities, taxation offices ...). Relations of reciprocity are constrained by urgency and have unpredictable occurrences because they arise from the appearance of needs. This considerably hinders stable, recurrent encounters on which reciprocal exchange infrastructure can be grafted. However, such relations need relative vicinity to assure trust and its social control. This creates an expandable relative space along different scales, according to the reach of trust within social networks. The spatial range of reciprocal relations can range from the household confined in the home, to diasporas’ communities scattered over different continents. Nevertheless, the intensities of reciprocal relations will vary with central or peripheral positions in these networks, which also means that dense local networks tend to be much more used than spatially scattered networks (however the latter are often crucial in overcoming the difficulties of entering in market exchange and redistribution spheres of social relations – see e.g. the relations between international migration and remittances).

Relational space is also contained in the spheres of economic integration. The social networks in the sphere of reciprocity, which also underpin access to market and redistributive relations, are indeed social institutions containing space. The state institutions that embody redistribution literally contain, organise and reinforce their territories. Market exchange has no similar institutions that epitomise its social relations, because the market mechanism only works when producers and consumers are free and independent – i.e. not bound by institutions in their production and consumption decisions. However the market cannot work without some partial institutions that smooth the operation of the market. Some, like money, are situated in the redistribution sphere, others like stock exchanges and auctions are purely situated in the market realm and are relational, much in the sense networks are in the sphere of reciprocity.

Finally, the historical roots of places are instances of past and present absorption of spaces with which they were and are in relation. This very much echoes Giddens’ concepts of locale and regionalism.

We reached these insights – mainly through the work of the much regretted Henk Meert – in the course of the URBEX-research project and without linking them to Harvey’s threefold conception of space. However, this exercise sheds light on the discussions we had with the sociologists of the URBEX-team on the use of Polanyi’s framework. We could not make clear that each sphere of economic integration also contains its own spatiality and that there was no need to consider...
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1. a fourth sphere or dimension that would take space as a separate category into account. This is still witnessed in the essay by Palomares and Simon (2006), which ends with the proposal to add a fourth dimension of integration that would consider local identity. Again a brilliant notion of relational space that is in rather than separate from the three spheres of economic integration.

7. Conclusion

Sociology has a long history of hate-love relationship with space and through this with human geography. The consequence of this is an inadequate treatment of space in the study of social relations. Such a conclusion would have been straightforward before the 1980s, but more astonishing after the ‘spatial turn’ that was taken in social sciences afterwards. One could argue that this turn has been mainly the work of Marxist and radical-oriented sociologists and that therefore it has remained rather unnoticed among more classical scholars and in the teaching of the discipline. However, no one else then one of the most famous living sociologists has forcefully theorised the role of space in social relations in a way that is compatible with the relational nature of space and one would have expected that spatial sensitivity and adequate treatment of space in social relation would have improved since then. However, in much accounts of the structuration theory, space is left aside to focus on the agency-structure and dual character of structure issues as if they where ‘spaceless’ issues. A quick look into some handbooks of sociology (with the exception of Giddens’ one, who nevertheless seems to have downsized the crucial role of space in his further writings), reveals that the spatial nature of social relations is not or only poorly explored. Thus, the problem is that space is not problematised as such. Many sociologists understand intuitively the idea of absolute space, they work with notions of relative space, but usually do not name it nor differentiate it from absolute space. But they completely ignore the notion of relational space. From their point of view, space is relative in the sense that it is containing and shaped by social relations (of the past), but it is absolute in the sense that it exerts an independent influence on present-day social relations. Space appears as an independent influence on social relations, which can be singled out from other independent influences. But if space is considered as relative or relational, it can never have an independent effect on social relations. Every social relation is embedded in space and creates a relative, if not relational space. Each type of social relation has its own geography.

11 This problem is echoed in our critique on the work of Engbersen and colleagues on illegal migrants in Amsterdam, Rotterdam and Utrecht (1999). In fact, this critique (Kesteloot and Loopmans 2000) and the memories of the URBEX discussions triggered the idea to write this chapter.
By ignoring the ontology of space, as expressed in the three-way approach by David Harvey, most sociologists engaged in questions of space, adopting a pragmatic, if not instrumental approach of the function of space in society, which yields attempts to control or improve society through spatial interventions. Space contains the past, and can thus act as a memory. But present-day social relations are never cut-off from past ones and thus societies are in interaction with their past. Even more, present social relations are necessarily spatial relations (although the virtual ICT-world enables someone to think to a certain degree in a ‘spaceless’ world. However, such a spaceless world can compress distance and time that goes with it, but not the social distances, which indirectly relate back to physical space of social inequalities). From this short analysis, it turns out that every social relation is in space and that space becomes relational as soon as these relations give rise to practices, institutions and memories, like the history and the local identity of places. Hence, attempts to analytically separate space from social relations to study the function of space or the role of space in social relations are futile.

A dynamic space-time perspective on social reality remains to be developed, to avoid erroneous conceptions of space and society. Obviously the division of social sciences in separate disciplines and – at least in Belgium – the classification of geography among the natural sciences is an obstacle to this development. A genuine and permanent concern for the spatial dimension of social relations in education and research in the social sciences would be a step forward. Improving our understanding of the social world starts with providing the adequate tools to those learning the job in the university lecture halls.

Thus the professor sending Zukin to the geographers was wrong. What Zukin wanted to do (and did, by the way) was to bring space into sociology, making it a perfect example of relational space.

After all, David Harvey worked in a Faculty including ‘social engineering’ in its research and teaching fields.

One could consider the hypothesis that in parts of the world where natural risks are able to destroy these spatial structures representing the past, social memory is much more obvious, for instance in peoples’ respect and maintenance of traditions than in their perception and experience of space. This could be an explanation for the astonishing resistance of traditions against modernity in Japan.
Chapter 8

Changing Society by Rebuilding Neighbourhoods on the Effects of Restructuring Deprived Urban Areas: Experiences from the Netherlands

Jack Burgers

1. Introduction

In the late 1990s and early 2000s, an international team of researchers headed by Jan Vranken evaluated urban renewal policies in nine different European countries and established that overall those policies were characterised by an ‘area-based approach’ (Burgers and Vranken 2004). This means that urban renewal is, first and foremost, based on the conviction that in order to be successful, it must have an ‘integral’ character. The problems of people living in distressed neighbourhoods are thought to be strongly interrelated, so that addressing just one problem, for instance the presence of substandard housing, ultimately will not improve the overall living conditions of people. Apart from housing, attention should be paid to issues relating to education, employment, public space and crime prevention. The idea that problems in deprived neighbourhoods are interrelated makes an area-based approach seem superior to categorical policies that focus on just one social problem at once, no matter where the people who are suffering from it live.

In the case of the Netherlands, the area-based approach is the core of the ‘Major Cities Policy’ (Grote Steden Beleid). Formulated in the early 1990s, this policy originally consisted of three basic domains (pillars): the physical structure of an area, encompassing housing and the quality of public space; the economic opportunities of an area, in terms of jobs and entrepreneurship; and the social quality of an area, conceived of primarily in terms of the presence of ‘social cohesion’. At a later stage, when crime prevention became an important political issue at both the local and national level, creating safe and secure neighbourhoods became an additional central feature – the fourth pillar – of the area-based approach.

Now that this policy has been in place for about one and a half decades, it is possible to evaluate its results. In the following section, I will first go into some of the effects of the physical restructuring of distressed urban areas. In particular, I will try to assess the effects of physical reconstruction in terms of social cohesion and the quality of life.
In the third and fourth sections, I will present some results from recent research on residential mobility and labour market characteristics of contemporary cities which limit, and in some cases even contradict, some of the basic assumptions of renewal policies. More specifically, in the third section I will look at a central paradox of successful urban development policies which originates from the fact that cities function as vehicles of emancipation. Cities have been conceived of as social ‘escalators’ or ‘elevators’ in the sense that many people leave cities with more ‘capital’ than they had when they arrived, be it in economic, cultural or social terms. Policies aimed at empowering people in the broad sense of the word, will, if successful, contribute to an increasing out-migration of people of middle-class status, not only from distressed neighbourhoods, but from cities altogether. Success on the individual level, then, may breed failure at the neighbourhood level.

The central element in the area-based approach is the notion that the main problem in deprived areas is that many people living there are unemployed. Having a job is considered pivotal to modern citizenship. This is why a number of social programs in urban renewal focus on the employability of the people living in the targeted areas and why economic programs try to preserve existing jobs and try to bring new jobs into the area which is the object of urban renewal. The problem, though, is that in contemporary, globalising market economies, even the national state has limited means with which to conduct economic activities and the local state, of course, has even less. In addition, there are important differences among cities themselves in terms of economic viability and therefore in terms of their ability to offer jobs to low-skilled people.

In the fifth section, I will conclude by summarising my main arguments and consider the possibilities and impossibilities of urban renewal as it has been practised over the last 15 years.

2. The Effects of Physically Restructuring Distressed Areas:

Social Cohesion, Social Capital and Attachment to the Neighbourhood

Notwithstanding the notion that problems in distressed neighbourhoods are interrelated, the initial step for the area-based approach is always the physical restructuring of the area. Physical interventions are accompanied by, and embedded in, economic and social programmes of all kinds. But apart from these economic and social measures, physical measures in the form of demolishing old structures, providing new housing and restructuring public space are also expected to contribute directly to a higher quality of life, in addition to providing a new material infrastructure. Most importantly, new housing is supposed to increase the social cohesion of distressed areas.

The dominant discourse in the area-based approach recognises a number of problems in distressed areas, but most of them are thought to be the result of a lack of social cohesion, which generally refers to high levels of residential
mobility, socio-economic and ethnic segregation and social isolation. The idea is that because there is little social cohesion in those neighbourhoods, residents are disadvantaged in finding a job, finishing school, forming stable families and realising forms of social control necessary to keep the public space safe, clean and tidy. In sociological terms, the lack of social cohesion in those areas results in a shortage of social capital. Social capital refers to the benefits resulting from being embedded in different local social networks. In other words, social capital is making social cohesion 'work' in order to get by or to get ahead (Putnam 2000: 23). Apart from social cohesion and social capital, attention has also been paid recently to the emotional aspects of living in a neighbourhood in the sense of feeling at home or being attached to a particular place or physical context (Van Der Graaf 2009).

It is assumed that the level of social cohesion in deprived areas can be increased by changing the physical makeup – primarily by renewing the housing stock. Two interrelated mechanisms are thought to promote social cohesion. The first one is the reduction of residential mobility, which is considered to be too high and at the root of a number of problems in deprived neighbourhoods. Too much mobility is thought to result in a lack of social control, which leads to deviant behaviour and crime (Garland 2001). Furthermore, too much mobility is considered a sign of a low level of attachment to the neighbourhood, resulting in people not maintaining their dwellings or not feeling responsible for the quality of public space in their neighbourhood. Lack of social control and low levels of attachment to the neighbourhood thus result in a rapidly decaying housing stock and polluted public spaces. Because of this, more people will leave the area, making things even worse, and the area begins a downward spiral. Making neighbourhoods more stable is thus seen as a necessary condition for increasing social cohesion. This can be done by providing better housing conditions, which will tie people to the neighbourhood.

The second mechanism is realising a more 'mixed' or 'balanced' social composition of distressed neighbourhood by providing more upscale housing opportunities. The idea is that neighbourhoods should mirror the social composition of the city, or even of the society at large. Ideally, people of all classes and all

1 It must be pointed out that in urban restructuring discourses, the notion of social cohesion is almost never used in a 'neutral', sociological sense of the term – that is, in reference to social networks in general – but is limited to forms of social embeddedness which are considered legitimate and desirable in the hegemonic political discourse on cohesion. So residents in a certain area may be very cohesive in the sense that they are part of all kinds of illegal and informal forms of social organisation and are effectively using these forms of cohesion to make a living – to 'capitalise' on this type of social cohesion. In policy terms, however, this situation would be diagnosed as a lack of social cohesion. When evaluating the effects of urban restructuring on social cohesion by looking at the available research on this topic, we should be aware that we are dealing with a limited notion of social cohesion, that is, morally acceptable to policy makers.
ethnic backgrounds should live in the same vicinity so that they can meet each other, mingle with each other or at least have a practical, everyday awareness of each other’s existence. Most importantly, the middle class should be prominently present in all neighbourhoods because middle-class people are supposed to contribute to the amount of ‘bridging’ social capital (Putnam 2000) of their lower-class neighbours. By being connected to middle-class newcomers, deprived residents are supposed to be better able to improve their situation in terms of job opportunities, of the quality of urban amenities of all kinds, and even of better access to the local state and its administrative apparatus and thus, ultimately, to local citizenship. Such is ‘the strength of weak ties’ (Granovetter 1995).

As the Major Cities Policy (MCP) was introduced for almost 30 cities in its present form in 1994, there is now considerable experience with the area-based approach in the Netherlands. Cities have to explicitly formulate the aims they want to achieve with the programmes approved of and subsidised by the national state, so the effectiveness of implemented policies is constantly monitored at the local level. More importantly, academic studies have been published recently which have evaluated urban renewal practices in a more general manner, looking at more than just one aspect or one city. Therefore, it is possible to assess the area-based approach as such.

A study by Wittebrood and Van Dijk (Wittebrood and Van Dijk 2007) is particularly relevant because it aimed to measure the effects of urban restructuring using a quasi-experimental design. This study compared areas that had been the object of urban renewal with areas that had not, but which shared, as much as possible, the same characteristics as the areas that were the subject of renewal. This study, covering 30 cities from 1995-2006, focused on the effects of restructuring on the quality of life and on crime and safety. Because, as we saw, physical restructuring of a neighbourhood is also intended to change the social composition of the neighbourhood, the basic question the study raised was to what extent changing the housing stock is an effective means to improve the liveability and safety of the neighbourhood. More specifically, the study aimed to assess the effects of both the physical and the social characteristics of the area on the inhabitants’ perception of the liveability and safety of the neighbourhood, while controlling for individual characteristics of inhabitants.

The results showed that differences in the liveability and safety in neighbourhoods are not so much related to physical features but first and foremost to residents’ individual characteristics in terms of demographic status – age, sex, family composition – and ‘cultural capital’, that is, educational level. Consequently, physical qualities of the area were found to have an indirect effect on liveability and safety only in so far as they influenced the social composition of the neighbourhood. The analysis then focused on 70 neighbourhoods (out of 634) in which substantial physical reconstruction had taken place; in half of those cases the physical reconstruction was explicitly aimed at changing the social mix of the population by replacing social housing with owner-occupied homes (Wittebrood 2007: 70).
and Van Dijk 2007: 72). Not surprisingly, it turned out that physical reconstruction – more particularly, changing the housing stock – in fact did change the social composition of an area, when that change was measured in terms of a decreasing share of members of minority groups and people with a low income. But the authors state that physical restructuring in and of itself has only a limited direct effect on the liveability and safety of the targeted area (Wittebrood and Van Dijk 2007: 73) and conclude, somewhat euphemistically:

Where restructuring is used as a means of increasing the liveability and safety of a neighbourhood, this is often based on the assumption that it will set in motion certain social processes, such as strengthening social cohesion and increasing the social capital. Our study shows that the expectations as regards these kinds of social processes at neighbourhood level need to be tempered somewhat. (Wittebrood and Van Dijk 2007: 74)

Wittebrood and Van Dijk’s study stands out because of its solid methodological design. It is therefore important in terms of its conclusions that it seems to corroborate the outcomes of other Dutch studies on the effect of the physical restructuring of distressed urban areas. Wittebrood and Van Dijk found that, at best, there is only a small positive effect on social cohesion – measured by how much contact people have with their neighbours, whether they know or like their neighbours, whether they feel at home in their neighbourhood, and so forth. Earlier Dutch studies on the effects of physical restructuring found sometimes inconclusive (Bolt and Torrance 2005; Van Der Graaf and Duyvendak 2005) or even counterproductive effects (Kleinhans, Veldboer et al. 2000; Ouwehand and Davies 2004). The same was found with regard to the liveability of, and safety in, the neighbourhood. In some cases physical restructuring resulted in improvements (Kleinhans, Veldboer et al. 2000), in other cases its effects were inconclusive or, again, even in the opposite direction of what was intended (Ouwehand and Davies 2004; Van Der Graaf and Duyvendak 2005).

Recently, Van der Graaf (2005; Van Der Graaf 2009) has suggested that in addition to social cohesion and social capital, one should focus on the emotional ties of people to the environment. He refers to the Kleinhans’ study (Kleinhans 2005), which found that people, after having moved out of a distressed neighbourhood, did not so much miss their old neighbours as their former neighbourhood in a physical sense. That is why Van der Graaf pleads for taking ‘place attachment’ into account in urban renewal practices. However, in his pioneering study in which he analysed different urban areas in the Netherlands and the United Kingdom (UK), the results in terms of emotional ties to the neighbourhoods involved do not show an easily interpretable pattern. Therefore, it does not present a particularly strong case for taking into account the effects of physical measures on a sense of feeling at home or on attachment to the neighbourhood from a policy point of view.

Of course, one should not too easily dismiss the relevance of the physical restructuring of deprived neighbourhoods. People who come to live in newly built
dwellings are satisfied with the quality of their new houses and in many cases the residents who had to leave their old neighbourhood see their new housing conditions as an improvement (Kleinhans 2005). A physical facelift may at least make a deprived neighbourhood look better and might contribute to a more favourable image of the neighbourhood. But overall, physical reconstruction does not necessarily result in clear-cut increases in social cohesion, social capital or emotional ties to the area in question. Bringing the middle classes back in does not seem to contribute to significantly more social cohesion in terms of a diversification of local social networks – more specifically, middle-class people mingling with lower-class people – and therefore there is no substantial increase in social capital of the ‘bridging-type’, that is, a crossing of class and or ethnic boundaries.

There are at least three reasons to argue that it would be highly surprising if physical restructuring of urban neighbourhoods indeed produced an increase in social cohesion and social capital. First, in an age of unprecedented mobility of goods, people and information, social relations, although by no means ‘footloose’, have a spatial scale which in many cases is way beyond small-scale units such as neighbourhoods and urban districts. Increasingly, we are dealing with communities without propinquity, as Webber (1963) remarked decades ago, and which, from a geographical point of view, can be typified as networks in space rather than communities enveloped in delineable areas.

Second, even if the scope of at least some forms of sociability could be confined to the level of areas such as neighbourhoods and urban districts, the processes of identity formation and distinction would act as strong countervailing influences to the mingling of socio-economic classes or ethnic groups. In fact, a substantial part of the theories of residential mobility and their empirical underpinnings are based on the notion that different socio-economic and ethnic groups try to avoid, or at least do not actively seek each other’s company (Schaake, Burgers et al., forthcoming).

Third, it is conceivable, especially in distressed areas, that high levels of residential mobility at the neighbourhood level – and maybe at the city level – are not necessarily a sign of a lack of social cohesion, but may also partly be an expression of upward social mobility of people who had settled there at an earlier stage. Kleinhans, Priemus and Engbersen (2007) have shown that the length of residence in an area appears of little importance with regard to their social capital.

The problem with the area-based approach of urban renewal is that because of its integrated character, it tends to reify neighbourhoods and districts as if they were some sort of small-scale society in and of themselves (Burgers and Vranken 2004). This may not only be problematic in terms of policy, but outright fatal to any attempt to form a sound sociological understanding of what is going on in urban neighbourhoods and districts. For that, we need a broader perspective in which urban structures in terms of economic and housing opportunities are related to the life chances of people and the choices they can and do make. I will try to illustrate, if not legitimise, this point by considering some recent work on socio-


3. The Determinants and Direction of Residential Mobility

As we have seen, one of the alleged problems in deprived areas is their high level of residential mobility. People do not feel attached to, or at home in these neighbourhoods, and may therefore not feel responsible for the maintenance of their houses, let alone the quality of the surrounding public space. The basic remedy in order to decrease residential mobility in Dutch deprived urban neighbourhoods is to keep or bring in the middle classes by creating more up-scale, owner-occupied housing. As is often stated in the dominant policy discourse, the aim is to create a more balanced social mix. The problem, however, is that the dynamics of residential mobility to a large extent consist of various socio-economic classes and ethnic groups trying to avoid each other’s company in urban neighbourhoods. In this respect, one of the scientific puzzles remains whether there is an ethnic effect over and beyond a class effect.

Burgers and Van der Lugt (2006) analysed residential mobility in the metropolitan area of the city of Rotterdam, considering especially members of the four main minority groups in the Netherlands: Surinamese, Antilleans, Turks and Moroccans. The main question they tried to answer was whether spatial segregation of those minority populations is the result of socio-economic factors such as being dependent on cheap, mostly social housing concentrated in the central city of Rotterdam, or is based on housing preferences, more particularly, of wanting to live in the vicinity of people with the same ethnic background. For a long time, there was a methodological problem in deciding what the answer to this question was, because in the Netherlands, as in many other west-European countries, it was difficult to differentiate between socio-economic status on the one hand and ethnicity on the other, as the overwhelming majority of members of minority groups were at the lower end of the income distribution. But since the mid-1990s, there has been a clear trend of upward social mobility among minority groups, evident for instance in rapidly decreasing unemployment levels (Burgers and Musterd 2002; Snel, Burgers et al. 2007) and in increasing numbers of ethnic entrepreneurs in advanced producer services (Kloosterman, van de Leun et al. 1997).

Burgers and Van der Lugt (2006) found that in 1992, 80 per cent – almost 6,000 – of all the people who left Rotterdam to live in the suburban fringe were either of Dutch origin or from other rich countries. Ten years later, in 2002, this had decreased to 60 per cent. However, in the same period, the number of minority group members moving from Rotterdam to one of its suburbs doubled. The share of different ethnic groups leaving Rotterdam and settling in the suburban fringe not only converged rapidly in terms of numbers, but also in terms of direction, that is, the specific suburbs that people settled in. Part of Burgers and Van der Lugt's book, page 139.
Lugt’s analysis was an inquiry into the motives of people moving from the city of Rotterdam to its suburban fringe. The motives were found to be threefold and did not deviate from the motives found in the literature on suburbanisation in general (Stein 1960; Palen 1995; Nivola 1999): the lack of dwellings suited for families with (small) children in the central city, a preference for quiet, small-scale housing environments where one expects to be embedded in a community of people with the same views and ideas, and experience with, or the fear of, all kinds of crime and deviance. The authors concluded that members of migrant groups have basically the same housing preferences as the indigenous middle-class Dutch. Therefore it is highly likely that, ceteris paribus, future upward social mobility of members of minority groups will lead to an exodus from the central cities. Assuming other things remain equal, this will not lead to a decrease of the level of residential mobility in deprived neighbourhoods in the central city. The paradox here is that the increasing assimilation of minority groups – the central aim of the ‘integration policies’ of the national and local state – is a potential threat to the residential stability of distressed neighbourhoods. The problem for distressed areas then is that their level of residential mobility will remain high over time, although the reasons will change. Initially, it is high because of a lack of attachment to the neighbourhoods by the lower-class residents. It remains high during the period of physical reconstruction, when new people move in and some of the people from demolished dwellings move out, and after reconstruction, if the aims of vulnerable and deprived people for upward social mobility are met, it will remain high because of the departure of successful people of formerly lower-class status.

In a recent study on residential mobility at the national level, Schaake, Burgers and Mulder (forthcoming) assessed the influence of both the ethnic composition of the neighbourhood and the ethnicity of individual residents on moving out of neighbourhoods in the Netherlands. They found that the combination of ethnicity at the individual level and the neighbourhood level appeared to be an important explanation for residential mobility. Ethnic minorities were more likely to move within neighbourhoods and less likely to move away from them as the share of non-Western minorities in those neighbourhoods rose. The indigenous Dutch, in contrast, more frequently moved away from areas as the share of non-Western minorities in those areas grew greater. This finding corroborates the before-mentioned paradoxical nature of urban renewal and integration policies. Upward social mobility, arguably a basic form of integration, may not so much result in a lower level of residential mobility, but more in a different direction of residential mobility: people that at first were moving within certain areas will then be moving out.

Another finding of the same study – which seems to reflect earlier findings in the United States (US) (Palen 1995) – is that in terms of residential mobility, non-Western migrants seem to be oriented towards neighbourhoods with a larger share of members of ethnic minorities, even when their income does not limit their options. If that really is the case, we are then presented with a situation that refutes
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1 a basic assumption of integration policies. This assumption, rooted in the so-called
2 ‘spatial assimilation model’ (Massey 1985; Massey and Denton 1985; Gross and
3 Massey 1991), states that when members of migrant communities improve their
4 socio-economic position, they prefer to live outside ethnically concentrated areas.
5 However, it seems possible – and this, I would argue, is a major research topic
6 for the near future – that there will still be spatial segregation of ethnic groups,
7 even when the differences in income and education among them are significantly
8 reduced. There are two not necessarily mutually exclusive explanations for why
9 that might happen.

10 One explanation is the theory of ‘ethnic-enclave formation’, which states that
11 ethnic minorities tend to cluster in poor urban areas immediately after arrival in
12 the country of destination. Over the course of time, this clustering is increasingly
13 experienced as an asset by both its residents and newly arriving migrants,
14 particularly because of the specific amenities offered and the organisations feeding
15 on this ethnic concentration (Massey 1985; Zhou and Logan 1991; Van Huis and
16 Nicolaas 2000). Therefore, even when people can afford to move out of these
17 concentration areas, they often prefer to stay. However, in the Dutch case, this
18 is not a very probable development. Ethnic-enclave formation presupposes the
19 clustering of members of the same ethnic group – such as Cubans in Miami, or
20 Chinese in Chinatowns – and not a great variety of ethnic groups which only have
21 in common that they are of non-Dutch origin.

22 A second, much more likely explanation would be ‘white flight’, or middle-
23 class indigenous Dutch fleeing from neighbourhoods as middle-class non-native
24 Dutch move in. The very mechanism that caused ethnic spatial segregation in
25 deprived urban neighbourhoods and cities in general – that is, not so much an
26 increasing orientation of minorities towards inner-city neighbourhoods but, rather,
27 the continuous suburbanisation of indigenous Dutch (Burgers 2005) – would
28 then repeat itself, only this time in more upscale neighbourhoods or ultimately
29 even in suburbia. As a matter of fact, in the Netherlands there are already a few
30 indications of this mechanism in recently newly built districts outside the main
31 cities, where indigenous Dutch now plan to move out again because of the influx
32 of the very members of minority groups they thought they had left behind when
33 they moved out of the city in the first place (De Volkskrant, 30 June 2008). In the
34 US, spatial segregation has already manifested itself at the level of the middle-
35 class neighbourhoods in the suburbs. In the US, according to Palen (1995), ‘the
36 “myth of suburbia”, which saw the suburban future as one of togetherness and
37 homogeneity, is now a relic of history’.

38 But to get ahead, to even consider moving to a better neighbourhood, 38
39 disadvantaged people, many of whom are from ethnic minority groups, must first 39
40 improve their income level, usually by getting a steady job. Employment, as we 40
41 have seen, is the central issue in the social and economic programs which are part 41
42 of recent urban renewal efforts: having a job is a necessary condition for modern 42
43 citizenship. But what are the possibilities of finding a job, especially for low-
44 skilled people? And can those job opportunities be influenced by the local state? 44
45
Between the Social and the Spatial

4. Urban Labour Markets and Job Opportunities for Low-skilled People

Because of the relevance of having a job, the economic and social pillars of the MCP include many projects designed to create new jobs or at least retain existing jobs in a targeted area and to successfully introduce low-skilled and other socially deprived people into the labour market. This raises questions about what we really know about job opportunities in contemporary cities.

In the field of urban studies, the debate on the changing structure of urban labour markets and its social consequences has been going on for almost two decades. Triggering this debate are two seemingly interrelated topics. One topic is the socio-economic consequences of the emerging post-industrial economy, principally typical for cities, and the other is the effects of the internationalisation, or globalisation, of the economy, on urban labour markets. The debate and its outcomes are important for understanding the possibilities, if any, of influencing job opportunities at the local level, especially for low-skilled people.

The emerging urban service economy has been typified as a 'knowledge economy', suggesting that skills and educational levels are increasingly important in order to be successful in the labour market. Looking at the potential labour supply in deprived urban neighbourhoods, the main problem is a 'mismatch' between labour supply and demand in contemporary cities. Low-skilled workers are not qualified for an advanced service economy which is characteristic for cities, so their employment is at risk. This problem is central to 'social exclusion': low-skilled workers, many of them members of minority groups, are pushed out of the labour market. Perhaps the most influential formulation of this theory can be found in Wilson’s work on the jobless ghetto in American inner cities (Wilson 1978; Wilson 1987; Wilson 1996). Although Wilson’s work on this labour market mismatch originated from his work on African-American inner-city ghetto populations, he stressed that race is not the crucial variable here, but, rather, professional training and education. Not only African-Americans have fallen victim to the labour market mismatch, but also low-skilled whites (Wilson 1978).

As early as the mid-1980s, Kasarda and Friedrichs (1986) were arguing that the problem of mismatch and its consequences in terms of labour market opportunities has also manifested itself in European cities and in Germany in particular. Therefore, the transition to a post-industrial urban economy would diminish the opportunities at the bottom of the labour market, creating problems for low-skilled labour. In that case, social policies in urban renewal programs that aim at increasing the labour market opportunities of people in distressed areas would at best be effective in the long term, because significantly higher educational levels, necessary for modern-day labour market participation, can only be established over generations. Even then, people with limited capacities for higher education would be more vulnerable than they were in the past.

This gloomy scenario, however, is at odds with recent labour market developments in Dutch cities. In the latter half of the 1990s, there was a strong decline in unemployment from which members of minority groups in particular...
profited (Burgers and Musterd 2002). Their increased labour market participation cannot be attributed to higher levels of schooling alone. Although there has definitely been a substantial increase in the educational level of minority groups, the rise of employment within these groups was much too fast to be explained by corresponding structural increases of human capital. Many members of minority groups still perform low-skilled labour activities, carried out, to a substantial degree, in service-orientated occupations (Snel, Burgers et al. 2007).

This brings us to another theory, formulated in the light of emerging ‘global cities’ or ‘world cities’ (Friedmann and Goetz 1982; Friedmann 1986; Sassen 2000), which stresses the growth, not the decline of the number of low-skilled jobs in contemporary cities and thus initially seems more compatible with recent developments in urban labour markets. This theory’s central claim is that global cities develop into post-industrial economies because of their central role in the orchestration of the international division of labour. Sassen argues that post-industrialism goes hand in hand with polarising, not upgrading, urban labour markets. She claims that almost half of the jobs in the producer services in global cities are lower-income jobs (Sassen 2000; Sassen 2006). So polarisation not only refers to the quality of jobs in global cities but also to the number of jobs at both the top and the bottom of the labour market. It is important noting that although the issue of polarisation has been formulated for world or global cities, the main authors in this debate implicitly or explicitly argue that their theoretical notions are an apt heuristic device for assessing the urban social consequences of the rise of post-industrialism in cities in general (Van der Waal and Burgers 2010; Van der Waal and Burgers, forthcoming).

As already stated, the mismatch theory fails to explain the growth of employment we have witnessed in the Netherlands in general, especially in low-skilled labour. Global city theory, on the other hand, does predict a growing number of jobs at the lower end of the labour market. But the problem with this theory is that there are substantial differences among cities.

In an analysis of the socio-economic structure of Amsterdam and Rotterdam, Burgers and Van der Waal (2008) found a substantial difference between both cities in terms of the employment rate of the main minority populations. The odds of Turks and Moroccans in Rotterdam being unemployed were up to two times higher than in Amsterdam. This, to be sure, was not the result of differences in skill levels for Turks and Moroccans in Amsterdam and Rotterdam, but of differences between job opportunities in the two cities. In other words, although a post-industrial economy does not necessarily exclude low-skilled people from the labour market, there certainly are differences in labour market opportunities among cities in this respect. The question then is what causes the differences between Amsterdam and Rotterdam and, more importantly, in cities in general, when it comes to labour market opportunities for the low-skilled labour so abundantly present in distressed neighbourhoods?

Van der Waal and Burgers (forthcoming) have analysed ethnic competition in Dutch cities in relation to local labour market opportunities. With regard to the
present argument, it is important to note that the authors found a negative relation
between the degree of post-industrialisation in a city and the unemployment rate of
low-skilled workers. So the difference found between Amsterdam and Rotterdam
(Burgers and van der Waal 2008) proves to be just one manifestation of a more
general pattern. Post-industrial cities, that is, cities which have a strong service
character, produce more jobs for low-skilled people than cities which have a
manufacturing, industrial history. Industrial cities seem to follow the path of social
exclusion in the sense that in order to compete – and it is principally the industrial
sector which is increasingly exposed to international competition (Van der Waal
and Burgers, forthcoming) – manufacturing industries either have to automate and
shed labour, or offer high-quality, hard-to-copy products. Both strategies lead to
decreases in low-skilled jobs. Post-industrial cities (of which global cities are the
ideal-type manifestation) show a growth of jobs in the lower echelons of service
industries. So in these cities, there are more opportunities for the employment of
the low-skilled people living in deprived urban areas.

We have to keep in mind though that we are speaking in general terms about
the share of low-skilled jobs in urban economies. We should not, as the global
city theory tends to do, think of low-skilled labour and of ethnic groups as a
homogeneous category. Snel, Burgers and Leerkes (2007) found that although
in general all minority groups increased their labour market position during the 20
economic boom of the late 1990s, there were significant differences among the 21
various groups, both in terms of unemployment levels and the kind of employment
found. The Surinamese and Antilleans, especially, showed a marked increase in 23
employment, whereas the increase for Turks and Moroccans was less spectacular. 24
Furthermore, members of minority groups that started as guest-workers, such 25
as Turks and Moroccans, are still found relatively often in industrial jobs and 26
less frequently in service occupations. At the end of the 1990s, two thirds of all 27
employed Turks and Moroccans were still working in a fordist occupation (Snel, 28
Burgers et al. 2007). Arguably, differences in terms of cultural capital – principally 29
language abilities – and a certain degree of path dependency – being directly and 30
indirectly in touch with industrial employers – could play an important role here. 31
Those Turks and Moroccans who were employed in post-industrial occupations 32
were even more strongly concentrated at the bottom of the occupational hierarchy 33
than their compatriots in the industrial occupations, in other words, they constitute 34
a kind of service proletariat. Snel, Burgers and Leerkes (2007) show that the 35
number of jobs at the lower end of the job hierarchy of industrial employment is 36
decreasing, making low-skilled labour in the future more and more dependent on 37
jobs in the service sector.

Data on urban labour markets, and more particularly on the opportunities for
low-skilled people in those labour markets, show that the ability of local economic
policies to improve the position of the people in deprived areas is indeed limited. 41
Specific urban socio-economic historical trajectories cannot be easily changed in 42
the short term. Cities with an industrial past have lost and continue to lose more 43
jobs than service cites and often have relatively few suitable jobs in the service 44
sector to compensate for that loss. The advanced producer services, especially,
tend to cluster in particular cities – those with a strong financial and administrative
character, for instance – and will not be easily persuaded to relocate because of city
marketing and other promotional campaigns. In terms of employment, there will
be winners and losers among contemporary cities. Sassen (2006) has even argued
that, in general, the gains of some cities are based on the losses of others, the
classical example being New York profiting from its role as a place of coordination
of the international division of labour, which resulted in the demise of classical
industrial cities such as Detroit.

Now that national governments define their economic and regional policies
more and more as contributions to international competitiveness, they tend to
invest more resources in areas thought to be strong and viable and fewer resources
in areas which seem to be outdated, developing too slowly or unpromising. This
might further widen the gap between winning and losing cities.

In the analysis of the social structure of cities in general, the literature on
global or world cities has been rather influential – even arguably too much so
(Van der Waal and Burgers, forthcoming). Maybe it has been influential to such
an extent that one might easily overlook the fact that in major Dutch cities such
as Amsterdam and Rotterdam, about a third of all employment consists of non-
commercial services, mainly education, health and other public services. In other
words, at least one third of all jobs are sheltered. Therefore, in the Netherlands
– and in many other continental European welfare states for that matter – the
national and the local state are heavily involved, both in terms of financing and
regulation. On the one hand, one might argue that, because of the involvement of
the national and local state, the social service sector could be relatively easily used
for providing jobs, job training and employment opportunities for trainees. On the
other hand, the social service sector has been rationalised, professionalised and
partly privatised to such a degree during the last few decades, that the possibility of
creating employment, directly or indirectly, for low-skilled, long-time unemployed
people is quite small.

5. Conclusion

In this chapter, I have tried to assess the effects of the Dutch area-based approach
to urban renewal. In particular, I have presented recent research results about the
effects of physical restructuring. Also, I have tried to delineate the limitations
of urban renewal policies based on both patterns of residential mobility and
developments in urban labour markets.

We have seen that physical restructuring can change the social composition of
deprived neighbourhoods and contribute to a higher quality of housing conditions,
even for people who were obliged to or chose to leave their neighbourhood
because of urban renewal. But physical measures do not result in increased social
cohesion at the neighbourhood level and therefore do not contribute to the social
capital of disadvantaged residents in renewal areas. There is, to put it mildly, no unambiguous evidence that an influx of middle-class residents increases the social cohesion of renovated areas and consequently the growth of social capital of the original inhabitants of deprived neighbourhoods. Nor can we conclude that physical restructuring has an easily interpretable effect on emotional attachment to a neighbourhood.

Bringing or keeping the middle classes into deprived neighbourhoods does not necessarily decrease residential mobility in distressed areas. A substantial number of the people coming to live in the newly constructed dwellings indicate that their stay is a temporary one. On top of that, balanced or mixed neighbourhoods are hard to realise, given that residential mobility is motivated to a substantial degree by the desire of many people to live amidst their own kind, amidst people who are similar especially in terms of socio-economic status but also in terms of ethnicity.

Residential mobility as such does not say much about the presence or lack of social cohesion in a neighbourhood. It is an established fact that upward social mobility leads to upward residential mobility. Where low-income members of ethnic minority groups tend to move within deprived neighbourhoods with high minority concentrations, middle-class members of ethnic groups move to middle-class neighbourhoods, in many cases situated in the suburban fringe of the central cities. The indigenous middle-class population already living in those areas may look upon the entry of middle-class members of minority groups as a sign of decay and, in their turn, move out. If that happens, mixed neighbourhoods will be hard to realise even when more people reach a middle-class status. Such a development has been already documented in the US.

Considering the conclusions mentioned above, it would be easy to develop a cynical attitude towards the effects of urban renewal, especially with regard to physically rebuilding neighbourhoods. Few of the effects physical restructuring aimed at could be established in the available empirical research. There are nonetheless at least two arguments in favour of physically restructuring deprived neighbourhoods.

The first is a rather obvious one. It is the task of the municipality and other actors responsible for housing at the local level to provide decent housing facilities. Even if better housing does not have any tangible effect on the opportunities for residents in other realms of life, living in a decent dwelling is important in and of itself for the well-being of people.

The second argument, which has more to do with the Dutch case in particular, is a more subtle one. Initially, it may seem that physical restructuring is less relevant for Dutch cities. Research in Dutch cities has not found a so-called ‘neighbourhood effect’, that is, it has not found that a social problem, which the available research (Ostendorf, Musterd et al. 2001) most often identifies as poverty and unemployment, will get worse or will be harder to cure when it is spatially concentrated. If neighbourhood effects had been found, one would expect that social problems could then be reduced by changing the social mix of a certain area. One of the main explanations for not finding neighbourhood effects in the
1 Netherlands is that neighbourhoods and districts in Dutch cities – especially
2 in Amsterdam, where most research on this issue has been done (Musterd and
3 Ostendorf 1994) – are too small to generate a substantial spatial concentration of
4 social problems.
5 This, then, may lead one to conclude, as Ostendorf, Musterd and De Vos
6 (2001) have done, that moving poor people to less poor neighbourhoods will
7 not really help them because poverty in Dutch cities is an individual problem,
8 not a neighbourhood problem. However, I would argue that it is erroneous to
9 conclude that neighbourhood effects are not relevant in the Dutch context. There
10 is a parallel here with the well-known paradox in criminology: people who fear
11 street crime most, are the ones who actually run the smallest risk of falling victim
12 to robbery or assault (Muncie and McLaughing 2001). This is a paradox, not a
13 contradiction: people who are fearful about street crime do not go out at night and
14 avoid dangerous areas so their fear of crime prevents it from actually happening
15 Still, would anybody then advise those people to go out any time and anywhere in
16 the city, simply because statistics tell us that they are almost never victims of street
17 crime? Likewise, it may be that there are no neighbourhood effects in Dutch cities
18 because they have been prevented from actually happening. Dutch neighbourhoods
19 are relatively small in size and the urban districts encompassing them are relatively
20 heterogeneous. Designing neighbourhoods in this way has long been a tradition in
21 the Netherlands, and became the dominant practice after the Second World War.
22 Looking at it from this point of view, not finding neighbourhood effects in Dutch
23 cities might be a very good reason to continue trying to make urban districts and
24 neighbourhoods as heterogeneous as possible. But when doing so, one should take
25 into account, as argued earlier, that over time neighbourhoods have a tendency to
26 become more socially homogeneous because people seek the company of equals
27 in terms of socio-economic status and ethnicity. This, then, might be a legitimate
28 reason to intervene by physically restructuring deprived neighbourhoods.
29 In conclusion, we have seen that the most problematic element of the Dutch
30 MCP is the economic pillar. There we are dealing with strong effects of path
31 dependency. Cities with a history of services, trade and administration will have
32 more and better opportunities to employ low-skilled people than cities with a
33 predominantly industrial past, so there will be substantial differences between cities
34 when it comes to the employment of the same ethnic groups with the same average
35 educational levels. No matter which programs are introduced and implemented, if
36 there are not enough suitable jobs, manipulating elements in the field of housing
37 and the social composition of neighbourhoods will not produce effective results.
38 The social mix of neighbourhoods or districts may be changed by changing the
39 housing stock, as we saw in the second section. But in terms of unemployment, this
40 is mostly a matter of reshuffling the unemployed within the city, perhaps leading
41 to smaller average differences in unemployment among neighbourhoods, but not
42 to unemployment at the city level that is reduced substantially, if at all. This is like
43 reshuffling the deck chairs on the Titanic. Traditional industrial cities, especially,
44 will have to reinvent themselves and develop assets – including new city images
45
and identities – that will provide new jobs. This is more easily said than done. Not all former industrial cities will develop into centres of culture and arts, tourist cities or cities of technological innovation, and certainly such changes will not all happen at the same time. Now that national states, in order to be competitive in the emerging global economy, tend to invest most of their resources in strong and thus already prosperous urban regions, the task at hand for the de-industrialising cities is especially burdensome.
1. Introduction: The Repressive Turn in Urban Policies

The repressive turn taken in urban policies has been pointed out by many urban sociologists, particularly in the United Kingdom (UK) and the United States (US). Cities no longer form a tolerant micro-cosmos, where deviant behaviour of marginalised social categories – delinquent youngsters, petty criminals, drug users and drug traffickers, homeless people, prostitutes, and so on – is to a certain extent considered as part and parcel of the urban lifestyle. Public opinion, newspapers, policymakers and social scientists now focus on urban problems: the spatial concentration of poverty, unemployment, multi-problem families, nuisance, violence and other criminal behaviour in deprived urban areas – and generally agree that this multifaceted crisis in our cities necessitates a tougher approach to urban policy. More generally, a shift in attention seems to have occurred in urban policies. Urban policy, which previously focused primarily on fighting social deprivation in disadvantaged neighbourhoods and disadvantaged segments of the urban population (cf. the American ‘war on poverty’ of the 1960s and 1970s), is now focused on ‘managing disorderly places’ (Cochrane 2007). This hardening in urban policy is frequently described in American and British urban policy literature. In the UK, observers point to a trend towards a more repressive approach to ‘incivilities’ and ‘anti-social behaviour in British cities’ (Atkinson 2003; Flint and Nixon 2006; Millie 2008). Earlier, Neil Smith described the rise of what he called ‘urban revanchism’ in the US, which is the idea that the inner cities should be reconquered from the marginalised population categories that were left behind when the middle classes left en masse for the suburbs. Now that there is a new trend towards gentrification and the middle classes want to settle in the cities again, they are finding many parts of the city literally inaccessible. Uitermark and Duyvendak describe Smith’s notion of urban revanchism as the... urban strategy to re-conquer the city for capital and the middle classes. ... Revanchism in its purest form, we would suggest, is predicated on a belief system that naturalises as universal the interests and cultural codes of the white middle...
class while at the same time essentialises marginal individuals into subjects that cannot be reformed. This ideological construction provides legitimacy to a state policy that aims to take back the city and take revenge on those who occupied it. (Uitermark and Duyvendak 2008: 1485)

From Smith’s neo-Marxist perspective, urban revanchism is essentially a public strategy in favour of capital and of the middle classes regaining the city from the poor. It is ‘a reaction against the supposed “theft” of the city. … It portends a vicious reaction against minorities, the working class, homeless people, the unemployed, gays, lesbians, immigrants’ (Smith 1996: 211). For Smith, the perfect example of urban revanchism is the violent clearance of Tompkins Square Park in East Village in Manhattan, New York, in 1988. At the time, the park was more or less occupied by large groups of homeless people. Although the park functioned as an alternative cultural centre, it also was a source of inconvenience to local residents. When the city authorities decided to clear the park, this resulted in fierce fights between the New York police and homeless people supported by squatters and other political activists. Smith (1996: 218) refers to the ‘homeless war’.

The closure of Tompkins Square Park in June 1991 marked the onset of a stern antihomeless and antisquatter policy throughout the city that readily expressed the ethos of the revanchist city. (The operation) intended to “take back” the parks, streets and neighbourhoods from those who had supposedly “stolen” them from “the public”. (Smith 1996: 221)

Nowadays, Tompkins Square is once again a quiet park, where children play and local residents sit in the sun, in a highly gentrified district with many offices, shops, and galleries. The Tompkins Square Park incident took place before New York’s mayor Rudy Giuliani, famous for his zero-tolerance policies, came to power. These policies aimed to break a supposedly negative cycle of crime and degeneration in the city. The idea was that dealing firmly with any violation of the law or public order would result in a safer and more attractive living environment. If local residents returned to the neighbourhoods and the streets, there would be more social control in the public realm and less crime and other deviant behaviour.

In other words, ‘once the city’s public spaces look more inviting and safe, people repopulate public spaces – and bring even more surveillance by ordinary people on the streets’ (cited in Euchner and McGovern 2003: 77; Cochrane 2007).

Smith’s analysis perfectly fits with Mike Davis’ (1990) portrayal of ‘Fortress L.A.’. Davis also describes radical changes in urban policies in recent decades. In contrast to the classic ideal of the reformist city endeavouring to unite social classes and ethnicities, current urban policies in Los Angeles are aimed at the spatial and social separation of different population categories. The rich live in their protected gated communities. LA’s new downtown – constructed with billions of dollars of public money to attract companies to resettle the deserted inner city – is built in such a way that homeless people and local residents from
1 the surrounding poor areas are excluded. Uncomfortable street benches are meant 1
to discourage homeless people, and more generally there is a ‘militarization’ of the 2
city and a ‘destruction of accessible public space’: 3
4
5 Photographs of the old downtown … show mixed crowds of Anglo, Black and 5
6 Latino pedestrians of different ages and classes. The contemporary Downtown 6
7 “Renaissance” is designed to make such heterogeneity virtually impossible. It 7
8 is intended not just to “kill the street” …, but to “kill the crowd”, to eliminate 8
9 that democratic mixture on the pavements and in the parks that Olmsted [the 9
10 architect of New York’s Central Park; ES and GE] believed was America’s 10
11 antidote to European class polarizations. (Davis 1990: 231) 11
12
13 Like Smith, Davis describes how the Los Angeles police force (LAPD) was 13
instructed ‘to “take back the streets” from what is usually represented as an 14
occupying army of drug dealers, illegal immigrants, and homicidal homeboys’ 15
(Davis 1992: 366). 16
One wonders, of course, to what extent Smith and Davis’s analyses accurately 17
describes current urban policies in American metropolizes like New York or Los 18
Angeles, but in this chapter we will explore whether their ideas apply to urban 19
policies in Europe. Smith’s notion of urban revanchism in particular inspired 20
several European urban sociologists. Macleod (2002), for instance, argues that 21
urban policy in Glasgow (Scotland) can be described as revanchist. With some 22
limitations, which will be examined later on, Uitermark and Duyvendak (2008) 23
argue the same with regard to recent urban policies in the Dutch city of Rotterdam. 24
We take another position. This article describes recent urban policies in the 25
Netherlands, with particular reference to Rotterdam. Although there are certainly 26
some similarities between the Rotterdam approach and Smith’s notion of urban 27
revanchism, especially the focus on surveillance and firm policing, we will argue 28
that there are also crucial differences. 29

2. Rotterdam: A Port and Industrial City in Decline 32

2.1 Stalled economic development 34

‘Rotterdam works!’, they used to say along the Nieuwe Waterweg (New Waterway) 36
– the Maas River on which the city is built. For decades, Rotterdam’s world 37
port and associated industries made it the industrial centre of the Netherlands. 38
However, like so many other old industrial cities, Rotterdam suffered severely 39
from the economic crises and other developments in the 1970s and 1980s. The oil 40
industry, technological advances (particularly in the communications and transport 41
industries) and competition from low-wage countries caused tremendous job 42
losses in the port and associated industries. Between the late 1960s and the early 43
1990s, employment in the Rotterdam city centre decreased by 25 per cent and by 44
Between the Social and the Spatial

40 per cent in the surrounding districts (Burgers 1999: 37). Until the 1980s, the unemployment rate in Dutch cities was similar to that of the rest of the country, but subsequently things changed – certainly in Rotterdam (Figure 9.1). Amsterdam also had to cope with job losses and increasing unemployment, but in Rotterdam the impact was disastrous. Kloosterman and Trip (2005) point out several reasons for this. Rotterdam had always been a port and industrial city, whereas for a long time Amsterdam was a typical commercial town and in addition a centre of culture and tourism. Although both cities lost industrial employment, Amsterdam gained much more employment in the service sector. Service sector employment also grew in Rotterdam, but this was not in the most innovative sectors such as ICT and communication, but more in public services and education. Finally, Amsterdam’s hospitality and cultural industries provided more employment than in all other Dutch cities together. This is important because it is exactly this ‘fun-sector’ that offers low-skilled employment.

The composition of the working population is a second major economic difference between the two cities. Much more than Rotterdam, Amsterdam is a mixed city that is also attractive to the middle classes, as well as the educated and economic elites. The working population in Amsterdam has a higher proportion of highly skilled workers than in Rotterdam (45 versus 30 per cent). This has huge consequences for the economic prospects of both cities. Amsterdam has a large pool of qualified workers (including the ‘creative class’, Florida 2002) for the growing service economy. In Rotterdam, people from outside the city take most of the skilled jobs.

Figure 9.1 Unemployment rates in Amsterdam, Rotterdam and the Netherlands (1996-2006)

Source: Statistics Netherlands, Statline (own calculations).

1 Figures relating to 2002 from Kloosterman and Trip (2005: 44).
Rotterdam’s working population has a higher percentage of low-skilled workers, including many people with a migrant background, whose chances on the current post-industrial labour market are low (Snel, Stein et al. 2000; Burgers and Musterd 2002). This also explains the persistently high unemployment rate in Rotterdam.

2.2 Multicultural Rotterdam

With almost 600,000 residents, Rotterdam is the second largest city of the Netherlands. The population has been more or less stable for many years, but behind this apparent stability, fundamental demographic changes are taking place: some population categories are leaving the city, while others settle in their place. One aspect of this selective migration to and from the city has already been mentioned. Rotterdam is fairly unattractive to the middle classes, an important reason being that the most popular living arrangement – a family house with a garden – is scarce. The Rotterdam housing stock consists largely of social housing, inexpensive rental accommodation, older housing, apartments and staircase entrance flats (see Table 9.1). This does not meet the wishes of the middle classes (Dieleman and Kloosterman 2000). Anyone who can afford to, looks for a more expensive and more attractive family house in the suburbs around Rotterdam. Rotterdam is therefore currently engaged in an ambitious programme to create more heterogeneous neighbourhoods. In many poor areas, cheap housing is being replaced by owner-occupied housing for higher income groups (social mixing).

Table 9.1 Characteristics of the housing stock in Rotterdam and the Netherlands as a whole (2003)

<table>
<thead>
<tr>
<th>Type of dwelling</th>
<th>2003</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rotterdam</td>
</tr>
<tr>
<td>Single-family dwelling (%)</td>
<td>22</td>
</tr>
<tr>
<td>Social rented housing (%)</td>
<td>55</td>
</tr>
<tr>
<td>Owner-occupied (%)</td>
<td>23</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Purchase and rental prices</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Rent – low</td>
<td>42</td>
</tr>
<tr>
<td>Rent – medium</td>
<td>24</td>
</tr>
<tr>
<td>Rent – high</td>
<td>8</td>
</tr>
<tr>
<td>Purchase – low</td>
<td>11</td>
</tr>
<tr>
<td>Purchase – medium</td>
<td>8</td>
</tr>
<tr>
<td>Purchase – high</td>
<td>8</td>
</tr>
</tbody>
</table>

Rotterdam’s negative image as an unsafe city is also encouraging the middle classes to leave, including middle-class groups with a migrant background (the ‘black flight’ phenomenon). Their place in the city is taken by vulnerable and low-income groups, among them many immigrants who are attracted by the relatively cheap supply of accommodation in Rotterdam. But many young people too go to cities like Rotterdam for the educational facilities and urban culture (Van de Wouden and de Bruine 2001; Engbersen, Snel et al. 2005; Van Praag 2005).

The most visible consequence of these selective migration processes to and from the city is the gradual change in the composition of the Rotterdam population. Although there were already many guest-workers, Rotterdam was still a predominantly white city in the mid-1980s. Today, the proportion of ethnic Dutch in the Rotterdam population has fallen to 54 per cent. Over 35 per cent of the Rotterdam population is made up of first and second generation migrants from various non-Western countries. The remaining 10 per cent are migrants (and their offspring) from other European Union (EU) and other Western countries. Rotterdam has become a truly multicultural city. According to the Rotterdam research bureau COS (2003), the minorities of today will form the majority of the Rotterdam population in the foreseeable future. We will see that this population forecast led to much debate and drastic policy measures in Rotterdam. However, ethnic minorities already represent a large majority of the population in quite a few Rotterdam districts (Figure 9.2).

Ethnic minorities = first and second generation migrants (with at least one foreign-born parent) coming from non-Western countries.

Figure 9.2 shows that in many Rotterdam districts, the proportion of minorities has increased considerably since the early 1990s. In the Tarwewijk in Rotterdam-South – locally well-known as a problematic neighbourhood – the proportion has more than doubled (from over 30 per cent in 1991 to 65 per cent in 2004). Local residents perceive such a rapid population shift as threatening because it is the visible sign of a fundamental change in the social and economic structure of the city and its neighbourhoods. Moreover, in practice ethnic concentrations are often accompanied by social problems. The neighbourhoods with the highest numbers of inhabitants from ethnic minorities are also the neighbourhoods with the highest unemployment, largest number of poor households, and relatively high crime rates.

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2 Figures relating to 1986 from Engbersen et al. (2005: 26), figures relating to 2006 from COS, Rotterdam’s municipal research centre (www.cos.rotterdam.nl). In Dutch statistics, both first- and second-generation immigrants are usually counted as ‘migrants’ (though the word used is ‘allochtonen’). This therefore includes both persons born outside the Netherlands and those born in the Netherlands to foreign-born parents. Their nationality is irrelevant. A distinction is then drawn between migrants from Western and/or industrialized nations (Europe, North-America, Oceania, Japan, Israel and the former Dutch colony of Indonesia) and migrants from non-Western countries (Turkey, the entire continent of Africa, South-America and Asia, except for the countries falling into the first category).
Lack of safety is often perceived – at least in public and political debate – as the most urgent problem in urban areas. In towns and cities, problems with law and order are heavily concentrated in deprived and segregated neighbourhoods. Figure 9.3 shows that the number of offences reported to the police in Amsterdam and Rotterdam is almost double the national average. What is alarming is that the number of people suspected of relatively serious offences, such as violence, is almost twice as high in Rotterdam as the national average. Despite the policies put in place, this figure has not declined in recent years; it has in fact increased (information not in Figure 9.3). The rise in the number of crime suspects is partly due to general trends in criminal law enforcement and registration: between 1999 and 2002, the police forces expanded considerably.\(^3\) Wittebrood and Nieuwbeerta (2006) demonstrated that the Dutch police became more active in recording crimes in this period. Second, the increase might be due to the police giving higher priority to detecting and/or recording minor offences. However, that there is a general rise in crime is supported by several victimization surveys.

\(^3\) The number of police officers increased from 40,000 to about 47,000 between 1999 and 2002 (Ministry of Justice 2005: 127).
Many observers have suggested that Rotterdam has ‘outsized’ social and economic problems. As the former Rotterdam mayor Ivo Opstelten said shortly after his inauguration in 1999, Rotterdam heads the ‘wrong lists’. Rotterdam has the highest number of unemployed persons and benefit claimants, the middle classes are leaving the city, the neighbourhoods in Rotterdam are suffering from physical decay and social deterioration. But above all, Rotterdam is considered as an unsafe city. This perception of Rotterdam has an objective dimension (rising crime rates, including violence and drug trafficking), but also a subjective one. Many people feel threatened and unsafe not because their property or personal safety is at risk, but because they are afraid of the changing social order and the changing informal social control mechanisms in their working-class neighbourhoods. This process is not typical of Rotterdam, but is happening in all traditional working-class neighbourhoods in Europe’s industrial cities. Furthermore, people are troubled by the use of public space by young first- and second-generation migrants. For local residents, these groups are often anonymous. They do not know who these young people (mostly male) hanging around on street corners actually are, but they nevertheless feel vaguely threatened by them. In reality, these groups are quite heterogeneous. Most youngsters are irritating at most, although some of them may be participating in criminal behaviour. The social classification of Rotterdam as a very unsafe city paved the way for the rise of Pim Fortuyn in Rotterdam local politics.

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4 Brinkman Commission (officially Visitatiecommissie Grote Stedenbeleid), which investigated the problems and policy pursued in the major cities.
5 Ivo Opstelten was appointed mayor of Rotterdam in 1999. The passage quoted comes from his first New Year’s speech, at the beginning of 2000 (cited Tops 2007: 50).

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Figure 9.3 Number of suspects per 100,000 residents (between 12 and 79 years) in Amsterdam, Rotterdam and the Netherlands (1994-2006)

Source: Statistics Netherlands, Statline (own calculations).
Social Reconquest as a New Policy Paradigm

However, we should emphasize that it was not politicians and policymakers, but low-income local residents who were the first to signal social and public safety problems in the city. As early as the mid-1990s, residents of Rotterdam’s most deprived districts, such as Spangen, were protesting about the nuisance caused by drug addicts and drugs traffickers in their neighbourhood. In 1999, protesting residents temporarily occupied Rotterdam City Hall: they demanded firm action against antisocial behaviour and crime in their neighbourhood and wanted to see results. Eighteen months later, in 2001, little had changed. Rotterdam community organizations presented Mayor Opstelten with a new petition that sharply criticised the failure of local policies in Rotterdam:

The public-safety situation in Rotterdam is bad; residents feel threatened and local businesses are also concerned. With their current strength and methods, the police are unable to ensure an acceptable level of public safety ... The municipality is passive and reacts to pressing appeals with the language of appeasement, conveying impotence and resignation. (Tops 2007: 42-43)

According to this petition, the Rotterdam local authorities should stop using ‘the language of appeasement’ and should produce ‘visible results’. This is exactly the terminology Pim Fortuyn’s political party, Leefbaar Rotterdam (Liveable Rotterdam), used during and after the 2002 local election campaign.

3. The Rise of Pim Fortuyn in Rotterdam:

Local Politics in Rotterdam (2002-2007)

The year 2002 was a dramatic year in recent Dutch history. For eight years, a government of social-democrats and liberals had governed the Netherlands. In the major Dutch cities, social-democrats had been in power for decades. Economically, the Netherlands were very successful in this period. Visser and Hemerijck (1996) spoke of a ‘Dutch miracle’, but the Dutch population was becoming increasingly discontented about a range of unsolved social problems: traffic congestion, long waiting lists in health care, dangerous cities and increasing immigration. Some authors have argued that this collective discontentment was the result of the economic prosperity of the 1990s leading to rising expectations, followed by feelings of frustration when these expectations were not immediately fulfilled (Engbersen 2002). Others acknowledged that there were real social problems (in particular public safety, the integration of immigrants and the deterioration of pre-war and post-war neighbourhoods) that had been ignored by traditional politics (Van den Brink 2006; Scheffer 2007; Argioliu, Van Dijken et al. 2008). The irritation caused by these issues was put into uncompromising words by Pim Fortuyn, who appeared in the Dutch media almost daily in the months before the elections. Fortuyn (2002) berated the social-democrat/liberal coalition for the ‘mess’ it had created. Although Fortuyn actually wanted to win the national
In Rotterdam, Fortuyn led a new local party, Liveable Rotterdam, which sharply criticised the ruling social-democratic establishment. Although Liveable Rotterdam was founded only a few months before the local elections in March 2002, and Pim Fortuyn had only been involved in the party since January 2002 (Oosthoek 2005), Fortuyn and Liveable Rotterdam won a landslide victory. The social-democrats who had dominated local politics in Rotterdam for decades lost the elections. Pim Fortuyn’s Liveable Rotterdam came from nothing to win 17 out of the 45 seats and became the largest party in the Rotterdam city council.

Because of the exceptionally rapid rise of Liveable Rotterdam, the party did not have a real electoral programme. However, in their public appearances Fortuyn and other Liveable Rotterdam politicians stressed three points. First, they criticised the ‘old politics’ in which party elites have all the power and ordinary citizens have little to say. Second, they consistently framed public safety as the first and central priority and demanded ‘firm law enforcement’ (Oosthoek 2005: 44-80). Rotterdam was to become a safer place. Third, although Liveable Rotterdam’s electoral programme did not explicitly criticise ethnic minorities or Rotterdam as a multicultural city, the party accused the leftist political elites (often called the ‘leftist church’) of being too tolerant. All the same, blaming migrants and the multicultural society played a crucial role in the 2002 election campaign, particularly because of public statements made by Fortuyn such as: ‘We admit too many foreign people. In this way we get a large underclass of people that are unable to contribute economically or culturally’. Fortuyn also said: ‘I see Islam as an extraordinary threat, as a hostile society’ (Oosthoek 2005: 25). As post-electoral analysis showed, this criticism of migrants and the multicultural society was for many the main reason to vote for Pim Fortuyn (Van der Brug 2003; Wansink 2005).

A new municipal executive was formed in Rotterdam before Fortuyn’s assassination on 6 May 2002. Liveable Rotterdam demanded a leading position in that executive. Although leftist parties (social-democrats, green party) were unacceptable to Fortuyn, Liveable Rotterdam formed a coalition with two other exponents of ‘old politics’, the Christian Democrats (CDA) and liberals (VVd). Together, the three parties held 26 of the 45 seats in the Rotterdam city council (Oosthoek 2005: 101). The three parties found each other in a new law and order discourse that advocated low tolerance and strict law enforcement. As the three parties’ coalition agreement stated:

The electoral results show that lack of safety, large-scale immigration, discontent, and unrest in the city has corroded the social bonds between residents. This
requires a debate about common norms and values. It implies the will to take cognisance of different opinions and cultures. The 2002 coalition agreement contained two main objectives. Public safety became the absolute priority of new local policies: a strict approach to antisocial behaviour and lack of safety in the city came first. The second objective was to restore and strengthen social cohesion in the city. Furthermore, the agreement proclaimed a new policy style strongly emphasizing implementation and policy results. The time for comprehensive policy programmes was over; it was time to implement such programmes and to achieve concrete (that is, measurable) results. A good example of the new approach to urban policy was the clearing of the main square in front of Rotterdam’s Central Station, where drug users and traffickers had caused considerable nuisance for many years (at least, this was how the new executive saw it). However, the policy of tolerance pursued up till then meant that the authorities had not intervened. Through vigorous policing, the new municipal executive managed to clear the square within a few months. Liveable Rotterdam regarded these operations as an illustration of its new style of urban policy-making: tackling problems instead of talking, producing visible results. The new approach to urban policy in Rotterdam and the accent on public safety issues was not just a change in the political wind after Liveable Rotterdam’s surprising electoral victory. As Tops (2007) emphasizes in his analysis of recent local policies in Rotterdam, the new accent on local public safety issues had already been perceptible when the social-democrats were still in power (partly as a response to the actions of local residents’ organizations in deprived Rotterdam districts such as Spangen). Moreover, the stress on public safety was not just an issue for rightist political parties such as Liveable Rotterdam and its coalition partners (CDA, VVD). According to Tops, it was a more fundamental regime change or paradigm shift in Rotterdam’s local politics. All parties, from the left to the right, now agreed that an overly tolerant approach to urban policy could not solve the current acute urban problems (concentrated poverty and unemployment, unsafe neighbourhoods, delinquent juveniles, and so on). What is characteristic of a more fundamental regime change in local politics, Tops emphasizes, is the fact that it transcends political differences. This also applies to Rotterdam. After Liveable Rotterdam lost the 2006 local elections – in part due to the overwhelming minority vote against the party –, and the social-democrats came to power again, a substantial proportion of Liveable Rotterdam’s political agenda was adopted by the new leaders (Tops 2007: 310). Liveable Rotterdam became the major opposition party. They received 30 per cent of the vote in 2006 against 37 per cent for the social-democrats.

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1 4. A New Urban Policy Paradigm: The Social Reconquest of the City

In the previous sections, we described the major urban problems in Rotterdam and the change in the political balance in the city during the years following the Millennium. These urban problems resulted in a range of new urban policies and intervention projects (not just in Rotterdam, but also in other Dutch cities like Amsterdam), designed to improve liveability and public safety in urban neighbourhoods, alter and improve the housing stock in deprived districts, tackle educational deficiencies and school dropout, and reduce unemployment and social benefit dependency. In a previous study, we described this wide range of new urban projects and initiatives in Rotterdam and Amsterdam and posited that, despite the differences between the cities and the specific districts under examination, there was a general similarity in their approach to urban problems (this is surprising, because in Amsterdam the social-democrats – the old politics, in the terminology of Liveable Rotterdam – were still in power) that we would describe ironically as ‘social reconquest’ because of the widespread use of warlike metaphors in this policy approach.

Social reconquest not only refers to repressive police operations in vulnerable neighbourhoods, but to the whole range of social and physical interventions developed in order to change the social structure of neighbourhoods. Social reconquest refers to all social and physical interventions aimed at (1) greater liveability and safety in the public space of neighbourhoods (stricter law enforcement, zero tolerance, and also community policing); (2) a more balanced composition of the population (urban restructuring, social mixing of the housing stock and selective settlement policies); and (3) the formulation of shared norms and behavioural standards that facilitate daily interactions between local residents (community development, integration courses for migrants) (Engbersen, Snel et al. 2005). Social reconquest targets those urban districts where a critical limit has been transgressed and where the usual policies appear to be unsuccessful. In this context, restoring public safety is often the first precondition for further neighbourhood improvement. In determining this critical limit, a role is played by both objective factors (public safety, benefit dependency, educational disadvantage and a high dropout rate) and subjective factors associated with controversial incidents and the ability of local communities and politicians to place neighbourhood-specific problems in a prominent position on the political agenda.

The strategy of social reconquest can be summarised in five points. First, social reconquest is characterised by the use of new, warlike metaphors. It seems as if ‘urban policy is war’ (to paraphrase once famous Dutch football coach Rinus Michels). Rotterdam is by now familiar with city marines (antisocial behaviour officers; see Box 1), intervention teams, hot-spot areas, taskforces and frontline workers.

A second characteristic is the emphasis on ‘rediscovering’ ordinary urban problems. In the past, illegal and informal practices developed and were tolerated in deprived urban districts. These ranged from unauthorised residence (undocumented...
A third characteristic of social reconquest is that the rediscovery of the city goes hand in hand with very intrusive policy measures. The new urban policy approach is repressive, moralistic and it intervenes in people’s private lives. The new approach emphasizes law enforcement and acknowledges that urban policy used to be overly tolerant of deviant behaviour. It is also moralistic in the sense that police and other agencies have clear assumptions about the norms and behavioural standards necessary to facilitate daily interaction in the neighbourhood. And they consider it necessary to enforce these moral codes, even if that entails an intrusion into an individual’s private life (and thus a violation of privacy rights).

A good example is the ‘intervention team’ – multidisciplinary teams including representatives of the municipality, social welfare department, police, housing corporations and sometimes other service providers such as the local energy company (which monitors whether electricity is being illegally tapped for growing cannabis privately). The intervention teams pay unannounced visits to premises and/or persons that are known to cause disturbances in the area. They usually start with the ‘notorious complaint premises’, where irregularities and abuse can be expected, but after that other premises in the building or neighbourhood are also visited. Characteristic of the Rotterdam intervention team is the combination of supervision and social care. On the one hand, there is intensive checking for irregularities: illegal residence, overcrowding, social benefits fraud, tax debts or illegal practices such as drug trafficking. On the other hand, the teams offer support for families in need and can refer individuals or households with problems to the appropriate social services department. The unannounced house visits have been heavily criticised, because of the violation of privacy rules. The privacy protection agencies argue that private premises ought to be a ‘government-free sphere’. The authorities may knock on doors to offer social support, but not to check on households. It is argued that the intervention teams take residents by surprise and put pressure on them to get access to the premises. Once the intervention team is allowed into a residence, many more things are assessed and monitored than was initially agreed to or understood by the resident (the Rotterdam ombudsman speaks of a ‘trawling procedure’ that leads to numerous ‘extra observations’). Finally, severe sanctions such as expelling people from their homes and closing off the
premises with a steel door have allegedly been implemented without sufficient cause. The intervention teams respond by asserting that in over 10,000 house visits only a few cases resulted in formal complaints being made (Tops 2007: 219).

A fourth characteristic of the new urban interventions is the integral approach to solving urban problems. In the past, bureaucratic differences and disputed competences too often impeded effective problem-solving in deprived urban neighbourhoods. Too often, police interventions ran counter to the actions of social workers and vice-versa. ‘Multidisciplinary coordination’ is therefore the new buzzword in urban policies. The introduction of city marines and other street-level bureaucrats (neighbourhood wardens, street managers, police officers as ‘neighbourhood directors’, and so on) is also interesting for another reason. These new officials imply a certain de-bureaucratization of urban policy-making; the phenomenon of ‘frontline steering’ is a radical example of this trend. Frontline steering means that the implementation of social programmes (on the city’s ‘front line’) takes priority. Complex policy processes in deprived urban districts have their own dynamics that does not lend itself to being directed from above. Urban policies are therefore developed and directed by policy implementers ‘in the thick of it’. In Rotterdam, this new approach has taken form in the Bureau Frontline, and it implies a new policy logic. Traditionally, policy starts with a policy design that is determined in advance and is fleshed out in policy implementation (design logic). The problem is, however, that policy designers are often at too far a distance from actual policy practice. In frontline steering, the intervention arises in and from actual policy practice (Action logic, Hartman and Tops 2005).

Box 9.1 City marines

An example of the new integral approach to urban policy is the introduction in Rotterdam and later in Amsterdam of antisocial behaviour officers, called ‘city marines’. The idea is to have the best public servants in the worst neighbourhoods, not in city hall. City marines are appointed to tackle urgent public safety problems in specific neighbourhoods or linked to specific population categories (such as drug addicts). City marines function both as ‘lubricating oil’ and as ‘crowbars’. On the one hand, they are skilful process managers who induce all parties involved in local policies (municipal services, the police and justice department, social services, and so on) to cooperate. On the other hand, they have the power (for instance, because of their direct line to the Rotterdam municipal council) to call uncooperative institutions and officials to order. Furthermore, the city marines have their own budget (up to €3 million) that they are reasonably free to dispose of. This, of course, makes them attractive to the other parties involved (Tops 2007: 194-209).

A final characteristic of social reconquest is that urban problem solving requires policy interventions at different levels of governance. For some social problems (for example, lack of public safety), the relevant level of intervention is the street or neighbourhood. However, many problems cannot be solved at this level. Unemployment, for instance, requires social and economic interventions at city or regional level. Too often urban policy-makers waste their time trying to bring employment to the neighbourhood (with so-called neighbourhood economy initiatives). This may be a sensible in very large cities (for instance in the US), but not in relatively small cities in the Netherlands where the distance between homes and workplaces can never be insurmountable. Other issues require public policy interventions at national (or even supra-national) level. National policy interventions may be necessary when local policy practices that are meant to tackle outsized urban problems are incompatible with existing legislation.

Box 9.2 The ‘Rotterdam Act’ (2005)

An example of national policy interventions to facilitate local urban policies is the introduction of the Major Cities (Exceptional Measures) Act, also referred to as the Rotterdam Act, in 2005. The Act came about following remarks made in the media by Dominic Schrijer, then a member of the borough executive in Charlois, one of Rotterdam’s most deprived areas. Schrijer (2003), a leading social-democrat, argued that Charlois could not accommodate any more vulnerable residents. Although Schrijer deliberately spoke of unemployed people, social benefit recipients, and illegal aliens without any formal means of existence, rather than of migrants or minorities, his outburst started a local debate about a ‘migrant halt’. Marco Pastors, member of the executive representing Liveable Rotterdam, demanded a complete halt to the influx of low-income immigrants into Rotterdam; local media labelled this ‘a fence around the city’. Although the Rotterdam municipal executive distanced itself from Pastors’ anti-immigrant position, it did announce a ‘stricter settlement policy’ in certain Rotterdam boroughs. In its policy paper Rotterdam zet door (Rotterdam sees it through, 2003), it says that the city wants to control the ‘influx of deprived groups into the region, city and borough’. Anyone wishing to settle in certain problematic parts of the city has to apply for a ‘settlement permit’. Eligibility for such a permit is based on income from formal employment.* This requirement does not apply to Rotterdam residents, but only to individuals and families who want to move into these neighbourhoods from outside Rotterdam. This formulation of the selective settlement policy carefully avoided mentioning ethnic origin as the criterion for admittance to the city, because that would be discriminatory. Nevertheless, Rotterdam’s selective settlement policy was incompatible with existing Dutch legislation. The city therefore asked the Dutch government to change the law. In December 2005, the Dutch government announced a new Act that would increase the legal scope available to municipalities to deal with urgent urban problems. The Act enabled municipalities to restrict the influx of new vulnerable residents into problem-ridden urban areas (Engbersen, Snel et al. 2005: 20-21).

Note: * The criterion for eligibility for a settlement permit has changed in recent years: initially the condition was a household income of at least 120 per cent of the minimum income, later it became income from employment (certain groups such as students and old age pension recipients being exempted).
5. Discussion

In this article, we have argued that a new urban policy paradigm, social reconquest, has arisen in Rotterdam and other Dutch cities. In this concluding section we would like to compare current urban policy practices in the Netherlands with notions such as urban revanchism in American urban sociology literature. We ask whether the new Rotterdam urban policy practices are another example of urban revanchism, as others (Uitermark and Duyvendak 2008) have previously argued. Or is social reconquest in the Netherlands profoundly different from urban revanchism? At first sight, the obvious similarities between both concepts and the underlying policy practices are striking. Urban policy, both in the Netherlands and in the US, has taken an undeniably repressive turn. The period in which deviant or even illicit behaviour in cities was tolerated seems to be over. Even the famous Dutch ‘coffee shops’ that openly sell soft drugs, though still widely present in cities like Rotterdam and Amsterdam, are under fire nowadays. On the other hand, the fact that coffee shops are still present and tolerated by local authorities clearly illustrates huge differences in the public policy climate in the Netherlands and the US. If Dutch urban policy has become less tolerant and more repressive in recent years, it is at least on a different level than in the US.

We have nevertheless seen many examples of a more repressive urban policy approach in Rotterdam (and Amsterdam; Engbersen, Snel et al. 2005). The repressive aspects of the new urban policy paradigm can be summed up as more surveillance, better targeting and tougher interventions. Several policy initiatives we described here are aimed at improved monitoring of what happens in the city: observing local residents’ behaviour, keeping tags on youth street gangs, camera surveillance (not yet mentioned, but widely present in Rotterdam), even ‘looking behind the front door’ and randomly stopping passers-by to carry out ‘preventive body searches’. Finally, recent urban policy in the Netherlands has become more repressive in a sense that tough measures (including intrusions into the private lives of citizens) are no longer avoided. Such measures range from evicting undocumented migrants, illegal tenants or local residents that turn their attics into a cannabis factory from their homes and barricading their homes with steel doors, to removing hundreds of individuals who cause the greatest nuisance in Rotterdam from the streets.

All of this seems to fit perfectly with Smith’s notion of urban revanchism. However, there are at least three crucial differences between current Dutch urban policy practices and Smith’s notion of urban revanchism. Firstly, in Smith’s neo-Marxist perspective, urban revanchism is a strategy conducted by state institutions on behalf of capital and the middle classes that aims to reconquer the city. The Rotterdam experience is different. The demand for tougher police action in Rotterdam’s deprived neighbourhoods originally came from local residents’ organizations. The call for more repressive action became much louder after the rise of Pim Fortuyn and Liveable Rotterdam. Whatever one might say about Fortuyn and Liveable Rotterdam, their political support came from low-income...
groups rather than from the middle classes. Rotterdam also wanted to attract middle-class families back into the city, but this is certainly not the only reason for the more repressive approach adopted. The first and foremost reason was to create more public safety and improve the quality of life, particularly in Rotterdam’s most deprived areas.

A second major difference is that repressive policies in Rotterdam go hand-in-hand with social care. In Smith’s concept of urban revanchism this would be inconceivable, since the poor and other marginalised individuals are seen as essentially incorrigible (Uitermark and Duyvendak 2008). In this perspective, the strategy for urban policymakers is: repression and punishment (Wacquant 2008) or driving them out (Smith 1996). The Rotterdam urban policy practice is a more complex combination of three strategies: repression, social care, and prevention.

The element of social care may have been less than fully explored thus far. However, when the Rotterdam local authorities try to remove hundreds of individuals causing the most nuisance in the city from the streets, this is not a purely repressive intervention. In fact, most of these individuals (homeless people, drug addicts, people with mental problems, and so on) are placed in a social programme trying to help them to get their lives on track again. When the Rotterdam local authorities cleared prostitutes from certain areas, they offered social care and shelter to any (often addicted) woman participating in street prostitution (although it is unknown how many women accepted this assistance). The largest policy success is that Rotterdam has hardly any homeless people sleeping rough any more. This is not because the homeless have been driven out of the city, as Smith would assume, but because Rotterdam – like several other Dutch cities – has invested in shelters for the homeless in several parts of the city. Of course, the Rotterdam homeless problem has not been solved. The greatest problem now is the limited throughput from the homeless shelters to supervised or regular housing, in addition to the new homeless people arriving in Rotterdam and other Dutch cities. The number of homeless people sleeping rough has nevertheless declined radically in recent years, demonstrating the success of the social care strategy in Rotterdam and other cities.

Thirdly, as Uitermark and Duyvendak (2008) also indicated, the objectives of urban policy in Rotterdam are different. Rotterdam urban policy is not aimed at exclusion or segregation, as authors like Smith and Davis see happening in the US, but rather at disciplining and civilizing marginalised population categories. This is achieved in two ways. First, through a policy based on repression and care (see point one) and second, through creating a mixed housing stock to ensure that the middle-classes remain in the city or return. This policy of social mixing is a key element of urban restructuring in Rotterdam. To what extent the policy will be fully implemented is however questionable. Positive evaluations of certain urban restructuring projects have been published, but there is also considerable criticism of the ‘mantra of the mix’ (Bolt and Van Kempen 2009). There is justified criticism of the assumption that mixed neighbourhoods can discipline or civilize. Research has shown, after all, that mixing between socio-economic classes – in the sense...
of mutual contact – is limited. Nevertheless, it would be wrong to assume that the policy of social reconquest in Rotterdam is a policy of segregation.

Three elements, therefore, lead us to conclude that the concept of social revanchism does not apply to Rotterdam: the populist basis for social reconquest policy, the combination of repression and care, and the social mixing housing policy. There is however a revanchist tone to the populist discourse on lack of safety and quality of life that is directed against migrants, particularly Muslims.

It was therefore particularly interesting that in the 2006 local elections, migrants flocked to the polling stations to wreak their revenge on Liveable Rotterdam. The turnout increased strongly amongst people of Moroccan origin in particular: from 30 per cent in 2002 to 58 per cent in 2006 – equal to the overall turnout in the city (Tillie 2006: 22). These results show clearly that there are risks attached to a social reconquest policy strategy. On the one hand, such a policy is strongly supported (even among migrants); on the other, it contributes to creating a divided city.
Chapter 10

Social Capital in Deprived Neighbourhoods

Jürgen Friedrichs and Jennifer Klöckner

1. Introduction

The concept of social capital has become very popular in scientific analyses. Chupp (1999: 22) states that ‘in the debate over poor neighbourhoods and the ills of society as a whole social capital has become something of a wonder drug’. This perception is documented in Putnam’s optimism (2000: 3007): ‘neighbourhoods with high levels of social capital tend to be good places to raise children. In high social-capital-areas public spaces are cleaner, people are friendlier and the streets are safer’. The following four examples demonstrate the importance of the social capital concept for urban planning. First, in 1995 the Committee for Economic Development published their report Rebuilding Inner-City Communities: A New Approach to the Nation’s Urban Crisis, in which they ask ‘public officials and private business to support policies that build social capital in distressed neighbourhoods’. Second, the journal Housing Policy Debate devoted an entire issue in 1998 to the topic ‘social capital’. In the introduction, the editors state ‘there is a going consensus that social capital constitutes an important new dimension of community development’ (Lang and Hornburg 1998: 2). Third, the theme of the 1999 Urban Affairs Association’s annual meeting was ‘The Social Reconstruction of the City: Social Capital and Community Building’. Finally, the British Government held a Strategic Thinker Seminar on social capital in 2002, which included the problem of social capital and neighbourhood renewal. Given the importance attributed to the concept for neighbourhood research, we might well assume that it is even more relevant for the study of deprived neighbourhoods.

Structural conditions in a residential area, including the percentage of migrants and the migration rate, have an impact on intergenerational relationships and on the collective efficacy in the neighbourhood. In turn, both factors have an impact on the behaviour of neighbours, on observing deviant behaviour in general and on observing the deviant behaviour of young people, as well as on disorder in the neighbourhood. Our central question is whether the extent of heterogeneity or the amount of social capital of a neighbourhood can have an effect on perceived disorder and on perception of deviant norms.
2. Theory

The concept ‘social capital’ was introduced into urban sociology by Seeley, Sim and Loosley in their study of the Canadian suburb Chrestwood Hights (Seeley, McKay et al. 1956: 296-299). Later, Jane Jacobs (1961) used the term in her seminal book *Life and Death of American Cities*. Both authors use the term without defining or systematically making use of it to explain socio-spatial behaviour. In contrast, Shaw and McKay (Shaw and McKay 1969) do not explicitly use the term, but explain deviant behaviour in terms of ‘social disorganisation’. For them, neighbourhoods with a heterogeneous population – in particular those comprised of diverse migrant groups – are disorganised if the dominant American values are questioned or not accepted by deviant youth subcultures or if those values are not sufficiently institutionalised in schools, churches or families. The lack of a common value system correlates with low informal social control, especially with regard to the supervision of youth. Interpreted in this way, disorganisation is a characteristic at the neighbourhood level and indicates low social capital in a neighbourhood (Sampson, Raudenbush et al. 1997).

In 1991, Coleman (Coleman 1990: 627) says of the social capital concept:

> Social organization is important for one reason alone: to enable the social unit to take action as a unit. If bridges are to be built, wars won, food grown, criminals caught, then there must be organization. If a community can act collectively toward the problems that face it, then it is well organised.

Again, we find a clear definition of social capital as characteristic of neighbourhoods and the production of collective goods.

More generally speaking, the concept of social capital is closely related to the work of three authors: Bourdieu, Putnam and Coleman. However, their definitions of social capital differ, as do the instruments each uses to measure social capital. For Bourdieu (Bourdieu 1985; Bourdieu 1986) social capital is one of three forms of capital, the other two being economic and cultural capital; these three forms of capital are mutually convertible. Social capital essentially refers to social networks.

For Putnam, social capital is the extent to which people volunteer or participate in organisations serving the collective or national good. Based on the decreasing number of volunteers, Putnam concludes that there is a decline of social capital in the United States (US).

Aside from these theoretical differences, their varying definitions raise the methodological question of whether social capital is a characteristic of the neighbourhood, that is, the aggregate, or of the individual. For Putnam (2000: 20) and for Coleman (1988), social capital is both individual and collective; therefore, social capital in Coleman’s (1990: 302) view is more than a social-structural resource of individuals and is, more importantly, defined by its function. It is not a single entity, but a variety of different entities that share two characteristics: they ...
all consist of some aspect of social structure, and they facilitate certain actions of
individuals who form part of this structure.

This interpretation of social capital as a resource on both the individual and
the collective level can be found in several publications of Coleman’s (1988: 98;
state that ‘social capital refers to resources accessible through social networks,
norms and trust’ (italics given). Coleman’s view of social capital as a collective
attribute emerging from the relation between persons (hence networks) can be
found as well in the work of Putnam (2000: 19), who posits social capital to be
based on ‘relations between persons’. In a similar way, Forrest and Kearns (Forrest
and Kearns 2001: 2130) find local social relations to be the ‘basic building blocks
of social cohesion’.

It can be argued that the manifest interactions constitute the basis for the latent
dimensions of reciprocity and trust. Paxton (1999: 89) supplies an example in
support of such an argument:

For example, consider a neighborhood with high social capital. In that
neighborhood, the neighbors know each other, talk to each other often, and trust
each other. In that neighborhood, a mother might feel comfortable letting her
child walk to a nearby park. In a neighborhood with lower social capital, where
the neighbors do not know or trust one another, the mother would either have to
walk with her child to the park or hire someone to do it for her.

The common denominator in this argument – and others like it – is that members
of a community or neighbourhood accept rules of reciprocity and reinforce social
norms for fear of negative sanctions, the most severe of which is exclusion from

The most promising approach concerning the measurement of social capital
in urban areas is the ‘collective efficacy’ concept developed by Sampson and
colleagues (Sampson, Raudenbush et al. 1997) and reviewed by Sampson, Morenoff and Gannon-Rowley (2002) (also see Sampson 2004; Sampson 2006). Their concept has subsequently been applied by scholars from different countries
(Browning, Feinberg et al. 2004; Simons, Simons et al. 2005; Xu, Fiedler et al.
2005), including German scholars such as Oberwittler (2003; 2004a; 2007), Blasius and Friedrichs (Blasius and Friedrichs 2007; Blasius, Friedrichs et al.
2008) and Lüdemann (2005; 2006a; 2006b; Lüdemann and Peter 2007). Sampson
and colleagues refer to Shaw and McKay’s concept of social disorganisation
(1969), but also include elements of trust and social control and have developed a
new scale called ‘collective efficacy’. Collective efficacy or trust and shared social
norms are latent characteristics of a neighbourhood measured by judgements or
scales presented to the residents. The impact of these aggregated variables requires
specifying the mechanisms relating the macro level to the micro level, that is, the
development of context hypotheses.
Measuring these latent characteristics often poses a problem because if the extent of deviance is low, the latent attribute of social capital is just expected action. Or, put another way, ‘the act of intervention is only observed under conditions of challenge. If high collective efficacy leads to low crime, then at any given moment no intervention will be observed precisely because of the lack of need’ (Sampson 2006: 40) Therefore, the basic research question is whether physical disorder in an area will result in higher crime rates or in an activation of social control by residents which in turn reduces crime rates (Walklate and Evans 1999; Sampson, Morenoff et al. 2002: 465; Swaroop and Meorenoff 2006).

The Sampson et al. model is displayed in Figure 10.1. The first block comprises four non-global variables (Lazarsfeld and Menzel 1980) constructed from characteristics of individuals and aggregated to the macro-level. The second block refers to the meso-level by specifying two intervening variables, ‘collective efficacy’ and ‘intergenerational closure’. Collective efficacy is a composite measure of social cohesion and informal control which seems to be very powerful (Sampson, Morenoff et al. 2002). The concept is supposed to measure the social capital of a neighbourhood by combining two dimensions – trust and informal control.

The third block comprises the dependent variables: in our study, these were perceived disorder, observed deviance and observed youth deviance.

One methodological problem in research on social capital in neighbourhoods is measuring the collective attribute ‘collective efficacy’ of a neighbourhood using individual data (Yang 2007). Collective efficacy is supposed to exert an influence on individual behaviour at the neighbourhood level, but is measured by the aggregation of individual data. This is also the case with regard to any measurement of trust or shared norms in a neighbourhood. The assumption that specific context characteristics will have an impact on the residents’ behaviour is a common feature of research on neighbourhood context effects (for example see...
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1 (Wilson 1987; Friedrichs 1998; Friedrichs and Blasius 2000; 2003; Oberwittler 2004a; 2004b; 2007). In all these studies, multilevel models are specified and measured.

As outlined above, the assumption that the social mix or the extent of internal heterogeneity of a neighbourhood has an impact on the attitudes and behaviour of the residents rests upon implicit propositions on the social mechanisms relating the macro-level variable ‘heterogeneity’ to the micro-level outcomes. But how is it possible to specify such ‘social mechanisms’ (Mayntz 2003; Opp 2004; Hedstrom 2005)? A mechanism is an elaborated set of propositions linking at least two phenomena or observations. In our case, we intend to specify how different compositions of a neighbourhood are related to residents’ perceptions of behaviour in the area. In our view, the model suggested by Sampson and Groves (1989) and Sampson, Raudenbush and Earls (1999) serves this intention. We will adapt this framework for our purpose as explained below.

The empirical evidence supports the Sampson et al. model; more specifically, it shows the power of the concept to account for deviant behaviour. In a multilevel design Sampson and colleagues (1997; 1999) studied $N = 343$ neighbourhoods in Chicago with $N = 8,782$ respondents. Collective efficacy was used to explain the variation of the dependent variables: disorder, violence and crime. Controlling for structural disadvantages (the left block in the model), the authors found collective efficacy to have a negative impact on disorder and violent crime. In turn, as expected, disorder had no effects on collective efficacy. This study supports Sampson et al.’s model and also the ‘ecological’ validity of the concept, that is, that it is a characteristic at the neighbourhood level.

Using the same data set, Silver and Miller (Silver and Miller 2004) found former violence and residential moves to have a negative effect on informal social control (the classic Chicago School hypothesis), and satisfaction with police to increase informal social control; other structural variables had only indirect effects. Satisfaction with police had a positive effect on calling the police in a study of 20 US police districts with 1,235 respondents (Wells, Schafters et al. 2006); however, collective efficacy had no impact on control behaviour.

In a two-wave study of the residents (1,081 in the first wave, 638 in the second wave) of 47 street blocks in New York, Perkins and Long (2002) found on the individual level that length of residence, age, home-ownership and number of children had positive impacts on local motivation or participation and on social interaction. These were closely related to social capital, although collective efficacy was not correlated with social interaction.

Goudriaan et al. (2006) analysed a national sample of 101,592 crime victims ($N = 3,104$) in Dutch neighbourhoods. On the aggregate level, social cohesion had positive effects on reporting to the police.

In Germany, Friedrichs and Blasius (2003) conducted 430 interviews with residents in four deprived neighbourhood in Cologne. They found the extent of social deprivation of the neighbourhood to be negatively correlated to the size of social networks, and found that the larger the network of a person, the less that...
A study by Lüdemann (2005; 2006a) interviewed 3,612 residents in 49 urban districts of Hamburg. He found that disorder and victimisation positively influenced practised social control; furthermore, trust and collective efficacy were found to have a positive impact on the sense of social security.

The most comprehensive German study was conducted by Oberwittler (2004a; 2004b; 2007). He combined police data and postal interviews in Cologne, Freiburg and the Freiburg region, with aggregate-level information from 61 residential areas and 2,505 individuals. He found little variance between the areas with respect to social interaction; in contrast, there was more variation among areas with regard to social cohesion and trust (ICC = 2.1 per cent vs. 17.7 per cent). The extent of deprivation of a neighbourhood was therefore found to have an assumed negative effect on cohesion and trust on the aggregate level. On the individual level, Oberwittler found that residents receiving social assistance perceive less collective efficacy, whereas persons with higher levels of education perceive more collective efficacy. Local ties have no direct effect and only have an indirect effect on control expectations via social cohesion.

Our aim is to test the assumptions underlying the model in Figure 10.1 and to examine the explanatory power of social capital in a study of an urban area in Germany. However, we cannot perform a multilevel analysis in the proper sense, since we have too few cases at the aggregate level.

3. Sample Data, Variables and Methods

The random sample (707 residents) was selected by the Department of Statistics and Housing of Cologne and is comprised of persons with German citizenship aged 16 to 75 years. The face-to-face interviews included standardised questions about personal and general living conditions, attitudes towards deviant behaviour, social networks, and attitudes towards the people in the district and their behaviour.

We adopted several scales from other studies in order to examine attitudes towards social norms, the quality of a neighbourhood and frequencies of deviant behaviour and to ensure comparability of our results with those from other analyses.

To operationalise the model in Figure 10.1, we measured the macro-level variables on the level of six natural areas, the variables being percentage foreign-born, percentage receiving social assistance, percentage single-headed households and mobility rate (in- and out-migration of residents). It should be noted that the mobility rate (measured on the level of census data), as well as the willingness to move out of the neighbourhood (measured on the level of sample data) could be interpreted as both an independent and a dependent variable. Mobility is an independent variable if one assumes – in the tradition of the early Chicago School –
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1. that it leads to heterogeneity of social norms and thus to low informal social
   control. In contrast, mobility is a dependent variable if the social conditions
   in a neighbourhood force residents to move out, resulting in a higher mobility.
   Nonetheless, we used this variable in our analyses in order to replicate prior
   studies. Three of the four variables were also measured on the level of sample
   data: transfer income, single-headed households and propensity to move out of the
   neighbourhood (for categories, see Table 10.4).

   From the theoretical discussion, it is evident that the social capital concept is
   comprised of at least three different elements: (good) relations with neighbours,
   trust in the neighbourhood and informal social control. The latter element includes
   the assumption that most neighbourhood residents adhere to the same social norms,
   an assumption that can be seen as a fourth element. Sampson and colleagues
   (Sampson and Groves 1989; Sampson, Raudenbush et al. 1999) included all of
   these elements in two scales: collective efficacy and intergenerational closure.

   The ‘collective efficacy scale’, or COLLEFF, shows the evaluation of the
   neighbourhood by residents and their willingness to support it. This scale represents
   two dimensions of the social capital of the residential area: trust and informal
   control (Blasius and Friedrichs 2007). The higher the value, the more residents
   help each other and the higher the level of social capital of the neighbourhood
   (Sampson, Raudenbush et al. 1997; Sampson, Raudenbush et al. 1999).

   Good relationships with and supervision of children are important determinants
   of neighbourhood quality (See, for example, Oberwittler 2004a; 2004b; Blasius and
   Friedrichs 2007; Blasius, Friedrichs et al. 2008). We measured intergenerational
   relationships by five items which were first published by Sampson, Raudenbush
   and Earls in 1999 and have also been used by Oberwittler (2004a; 2004b) in the
   above-mentioned German study. We used these items and measured them on a four-
   point scale, with answers ranging from ‘fully agree’ to ‘fully disagree’. The items
   from the scale ‘intergenerational closure’ (INTCLOS) are supposed to measure the
   amount of supervision or surveillance of children by their parents and neighbours.
   The higher the value, the better children in the residential area are known and
   supervised by parents and neighbours. As several studies have shown, supervision
   of children turns out to be one of the decisive factors of neighbourhood quality. If
   this form of control is lacking, peers will have a dominant influence on younger
   residents; this in turn fosters deviant behaviour in teenagers (See, for example,
   Oberwittler 2004a; 2004b).

   We used three further measures for deviant behaviour. First, we captured
   the extent of disorder in the neighbourhood by the degree of perceived neglect
   (DISORDER). We translated the original scale from Ross, Mirowsky and
   Pribesh (2001). Second, the scale ‘observed deviance’ (OBSDEV) represents
   the observation of deviant behaviour in the neighbourhood, and third, the scale
   ‘deviant behaviour of youth’ (DEVYOUTH) measures observed deviant behaviour
   committed by youths. For all three scales the following holds: the higher the value,
   the more deviant behaviour observed in the area (Friedrichs and Blasius 2006).
To examine the extent of heterogeneity in an area, we used a differentiation measure developed by the Cologne Statistical Office and the Institute of Geography at the University of Cologne. These organisations developed a differentiation of the 85 Cologne districts into 269 neighbourhoods, based on objective criteria similar to the Chicago School criteria for natural areas, for example, social homogeneity and the similarity of the building structures (Warmelink and Zehner 1996). This classification is displayed in Figure 10.2.

4. Findings

With respect to observed deviant behaviour and the classification into six neighbourhoods, or six natural areas, we find the highest values in the HS and SW, the natural areas that are classified as most deprived. In the case of observed deviant behaviour of youth, the two most deprived natural areas again have the highest values, but this changes in the case of disorder; HS again has the highest value whereas the value of SW (-.05) is even slightly below average (see the negative value in the respective row, Table 10.5). We find the lowest values for these indicators in the three least deprived natural areas; GS especially has very low values. The lowest values in collective efficacy and intergenerational closure are found in the second most deprived area, HS; the highest values are found in the two less deprived areas SV and GS. It should be noted that all mean differences are highly significant, which supports the assumption of heterogeneity of an area that was assigned as homogenously deprived. However, there are quite large differences in the order of the natural areas, that is, the order in the extent of distress varies depending on the measurement level. Combining the five scales of micro- and meso-level data seems to support the ordering in level of deprivation derived from the macro-level data (percentage of households receiving social assistance).

The following table (Table 10.1) shows the results of a multiple regression on disorders, observed deviance and observed deviance of youths. In the first models, the districts of the residential areas are classified using the number of welfare recipients to represent the level of deprivation; Siedlung Vingst (SV) had the lowest rate and Schweden Siedlung (SS) had the highest rate (Blasius, Friedrichs et al. 2008).

Although there are significant effects on the dependent variables in the three basic models, only 5 per cent – and in the case of DEVBOE merely 2 per cent – of the variance is explained. The algebraic signs are in the inspected direction – all negative. Disorder is more strongly perceived in the districts Höhenberg Süd (HS) and Vingst (V), which are less deprived areas than the Schweden-Siedlung (SS) district. Similarly, in Höhenberg Süd (HS) more deviant behaviour by young people is observed than in Schweden Siedlung (SS).

By controlling for other variables, the proportion of explained variance increases, especially when controlling for disorder in the neighbourhood. The extended model explains 23 per cent of the variance. The district variables become...
less important – especially in terms of disorder – none of the area effects remain significant (Blasius, Friedrichs et al. 2008).

Collective efficacy and intergenerational closure are negatively correlated with the three dependent variables (Table 10.4). Only in the case of disorder in the neighbourhood are the effects of both characteristics statistically significant; in the other two cases only one of both variables is significant. Hence, individual variables have a larger impact on perception compared to the residential area effects.

To gain further insight into the effects of the individual variables, we show the univariate and bivariate contexts.

Table 10.1 Multiple regressions on disorder (DISORDER), observed deviance (OBSDEV), and observed deviance of youths (DEVYOUTH), unstandardised coefficients (b)

<table>
<thead>
<tr>
<th></th>
<th>DISORDER</th>
<th>OBSDEV</th>
<th>DEVYOUTH</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Model 1</td>
<td>Model 2</td>
<td>Model 1</td>
</tr>
<tr>
<td>Constant</td>
<td>-0.05</td>
<td>-0.51*</td>
<td>-0.40**</td>
</tr>
<tr>
<td>Siedlung Vingst</td>
<td>0.02</td>
<td>0.14</td>
<td>-0.39*</td>
</tr>
<tr>
<td>Germania Siedlung</td>
<td>-0.37*</td>
<td>-0.25</td>
<td>-0.40*</td>
</tr>
<tr>
<td>Höhenberg</td>
<td>-0.02</td>
<td>-0.12</td>
<td>-0.58***</td>
</tr>
<tr>
<td>Vingst</td>
<td>0.26</td>
<td>0.20</td>
<td>-0.36*</td>
</tr>
<tr>
<td>Höhenberg Süd</td>
<td>0.52*</td>
<td>0.28</td>
<td>0.01</td>
</tr>
<tr>
<td>Schweden Siedlung (ref.)</td>
<td>-</td>
<td></td>
<td>-</td>
</tr>
<tr>
<td>COLLEFF</td>
<td></td>
<td>-0.20***</td>
<td></td>
</tr>
<tr>
<td>INTCLOSE</td>
<td></td>
<td>-0.16***</td>
<td></td>
</tr>
<tr>
<td>Transfer income</td>
<td>-</td>
<td>-0.01</td>
<td></td>
</tr>
<tr>
<td>Single-headed household</td>
<td>-</td>
<td>0.23*</td>
<td></td>
</tr>
<tr>
<td>Willingness to move out</td>
<td>-</td>
<td>0.27***</td>
<td></td>
</tr>
<tr>
<td>Adj. R²</td>
<td>0.05</td>
<td>0.23</td>
<td>0.02</td>
</tr>
</tbody>
</table>

Note: * = p < 0.05; ** = p <0.01; *** = p <0.001. Transfer income: Yes = 1, Single-headed household: Yes = 1; Willingness to move out: None = 1; Yes, without activity = 2; Yes, with activity = 3.

The distributions of answers to the questions of collective efficacy and intergenerational closure are shown in Tables 10.2 and 10.3. The average ratings of neighbour relations as well as the relations to children are more positive than negative. Knowing each other and getting along well is especially marked; helping and trust is less emphasised. Although respondents strongly agree that people in the neighbourhood know the local children, many respondents deny that Vingst and Höhenberg is a good place for children to grow up, because of an absence of adults that the children can look up to.

### Table 10.2 Distribution of items on collective efficacy (COLLEFF) (per cent)

<table>
<thead>
<tr>
<th>People in the neighbourhood:</th>
<th>1. Dim</th>
<th>% Fully agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Fully disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Help each other</td>
<td>0.80</td>
<td>63.5</td>
<td>22.8</td>
<td>38.8</td>
<td>27.0</td>
<td>11.4</td>
</tr>
<tr>
<td>Know each other well</td>
<td>0.68</td>
<td>45.8</td>
<td>31.3</td>
<td>35.9</td>
<td>26.3</td>
<td>6.6</td>
</tr>
<tr>
<td>Are trustworthy</td>
<td>0.83</td>
<td>68.9</td>
<td>28.4</td>
<td>33.8</td>
<td>22.6</td>
<td>15.2</td>
</tr>
<tr>
<td>Get along well</td>
<td>0.84</td>
<td>70.7</td>
<td>33.8</td>
<td>42.9</td>
<td>18.5</td>
<td>4.8</td>
</tr>
<tr>
<td>Respect law and order</td>
<td>0.74</td>
<td>54.8</td>
<td>28.0</td>
<td>38.6</td>
<td>22.2</td>
<td>11.2</td>
</tr>
<tr>
<td>Eigenvalue</td>
<td>3.04</td>
<td>Explained variance 60.8</td>
<td>Cronbach’s alpha 0.84</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### Table 10.3 Distribution of items on intergenerational closure (INTCLOS) (per cent)

<table>
<thead>
<tr>
<th>In this neighbourhood:</th>
<th>1. Dim</th>
<th>% Fully agree</th>
<th>Agree</th>
<th>Disagree</th>
<th>Fully disagree</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adults know who the local children are</td>
<td>0.68</td>
<td>45.8</td>
<td>41.9</td>
<td>33.8</td>
<td>20.1</td>
<td>4.2</td>
</tr>
<tr>
<td>Parents know their children’s friends</td>
<td>0.78</td>
<td>61.5</td>
<td>26.8</td>
<td>43.3</td>
<td>24.0</td>
<td>5.9</td>
</tr>
<tr>
<td>Parents care about what their children do</td>
<td>0.79</td>
<td>62.1</td>
<td>24.9</td>
<td>37.2</td>
<td>31.5</td>
<td>6.4</td>
</tr>
<tr>
<td>This is a good place for children to grow up</td>
<td>0.72</td>
<td>51.8</td>
<td>17.0</td>
<td>25.0</td>
<td>30.5</td>
<td>27.6</td>
</tr>
<tr>
<td>There are adults that children can look up to</td>
<td>0.53</td>
<td>28.0</td>
<td>23.1</td>
<td>35.5</td>
<td>27.3</td>
<td>14.0</td>
</tr>
<tr>
<td>Eigenvalue</td>
<td>2.49</td>
<td>Explained variance 49.9</td>
<td>Cronbach’s alpha 0.75</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Table 10.4 Results of variance analyses on collective efficacy and intergenerational closure

<table>
<thead>
<tr>
<th>Variable</th>
<th>N</th>
<th>COLLEFF</th>
<th>INTCLOS</th>
<th>Variable</th>
<th>N</th>
<th>COLLEFF</th>
<th>INTCLOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Neutral Areas</td>
<td></td>
<td></td>
<td></td>
<td>Income in €</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SV</td>
<td>123</td>
<td>0.267</td>
<td>0.411</td>
<td>under 500</td>
<td>65</td>
<td>-0.550</td>
<td>-0.144</td>
</tr>
<tr>
<td>GS</td>
<td>104</td>
<td>0.314</td>
<td>0.255</td>
<td>500–749</td>
<td>82</td>
<td>-0.129</td>
<td>-0.018</td>
</tr>
<tr>
<td>H</td>
<td>177</td>
<td>-0.211</td>
<td>-0.132</td>
<td>750–999</td>
<td>110</td>
<td>-0.171</td>
<td>-0.216</td>
</tr>
<tr>
<td>V</td>
<td>192</td>
<td>-0.102</td>
<td>-0.208</td>
<td>1.000–1.249</td>
<td>92</td>
<td>0.081</td>
<td>0.088</td>
</tr>
<tr>
<td>HS</td>
<td>49</td>
<td>-0.390</td>
<td>-0.401</td>
<td>1.250–1.499</td>
<td>119</td>
<td>0.142</td>
<td>0.196</td>
</tr>
<tr>
<td>SS</td>
<td>56</td>
<td>0.125</td>
<td>0.003</td>
<td>1.500</td>
<td>117</td>
<td>0.254</td>
<td>-0.072</td>
</tr>
<tr>
<td>Tests</td>
<td></td>
<td>$F = 7.7$</td>
<td>$p &lt; 0.001$</td>
<td>$\eta = 0.23$</td>
<td>Tests</td>
<td>$F = 9.4$</td>
<td>$p &lt; 0.001$</td>
</tr>
<tr>
<td>Age groups</td>
<td></td>
<td></td>
<td></td>
<td>Willingness to move</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>16–25</td>
<td>88</td>
<td>-0.379</td>
<td>-0.224</td>
<td>None</td>
<td>353</td>
<td>0.238</td>
<td>0.214</td>
</tr>
<tr>
<td>26–35</td>
<td>88</td>
<td>-0.210</td>
<td>-0.192</td>
<td>Yes, without activity</td>
<td>208</td>
<td>-0.208</td>
<td>-0.176</td>
</tr>
<tr>
<td>36–45</td>
<td>114</td>
<td>-0.138</td>
<td>-0.034</td>
<td>Yes, with activity</td>
<td>145</td>
<td>-0.321</td>
<td>-0.273</td>
</tr>
<tr>
<td>46–55</td>
<td>138</td>
<td>-0.094</td>
<td>-0.042</td>
<td>Tests</td>
<td>208</td>
<td>-0.001</td>
<td>-0.001</td>
</tr>
<tr>
<td>56–64</td>
<td>103</td>
<td>0.107</td>
<td>0.102</td>
<td>$F = 23.0$</td>
<td>$F = 16.5$</td>
<td>$\eta = 0.25$</td>
<td>$\eta = 0.21$</td>
</tr>
<tr>
<td>65 +</td>
<td>173</td>
<td>0.361</td>
<td>0.201</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tests</td>
<td></td>
<td>$F = 9.1$</td>
<td>$F = 3.1$</td>
<td>Tenure status</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>9</td>
<td>333</td>
<td>-0.004</td>
<td>0.093</td>
<td>Owner</td>
<td>147</td>
<td>0.449</td>
<td>0.447</td>
</tr>
<tr>
<td>10</td>
<td>148</td>
<td>0.006</td>
<td>-0.080</td>
<td>Private renter</td>
<td>366</td>
<td>-0.142</td>
<td>-0.190</td>
</tr>
<tr>
<td>12 +</td>
<td>177</td>
<td>0.098</td>
<td>-0.087</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Education in years</td>
<td></td>
<td></td>
<td></td>
<td>Social renter</td>
<td>181</td>
<td>-0.099</td>
<td>0.014</td>
</tr>
<tr>
<td>9</td>
<td>333</td>
<td>-0.004</td>
<td>0.093</td>
<td>Tests</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10</td>
<td>148</td>
<td>0.006</td>
<td>-0.080</td>
<td>$F = 19.9$</td>
<td>$F = 21.0$</td>
<td>$p &lt; 0.001$</td>
<td>$p &lt; 0.001$</td>
</tr>
<tr>
<td>12 +</td>
<td>177</td>
<td>0.098</td>
<td>-0.087</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Typology of household</td>
<td></td>
<td></td>
<td></td>
<td>Married + children</td>
<td>145</td>
<td>-0.154</td>
<td>0.129</td>
</tr>
<tr>
<td>Transfer income</td>
<td></td>
<td></td>
<td></td>
<td>Married</td>
<td>239</td>
<td>0.217</td>
<td>0.092</td>
</tr>
<tr>
<td>Yes</td>
<td>143</td>
<td>-0.347</td>
<td>-0.075</td>
<td>Single parent</td>
<td>77</td>
<td>-0.404</td>
<td>0.009</td>
</tr>
<tr>
<td>No</td>
<td>546</td>
<td>0.085</td>
<td>0.022</td>
<td>Single-headed</td>
<td>152</td>
<td>-0.067</td>
<td>-0.245</td>
</tr>
<tr>
<td>Tests</td>
<td></td>
<td>$F = 21.5$</td>
<td>$F = 1.0$</td>
<td>Cohabitation</td>
<td>35</td>
<td>0.104</td>
<td>-0.321</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$p &lt; 0.001$</td>
<td>n.s.</td>
<td>Widowed</td>
<td>45</td>
<td>0.095</td>
<td>0.064</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$\eta = 0.17$</td>
<td></td>
<td>Tests</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>$F = 5.9$</td>
<td>$F = 3.3$</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Note: n.s. = not significant.
The strongest neighbourhood social capital (COLLEFF) and the strongest intergenerational relationships (INTCLOS) are observed in the Siedlung Vingst and Germania Siedlung areas. This was expected, since these areas are less affected by crime and poverty than the others. Older people, especially those older than 65 years, feel a stronger social cohesion. Welfare recipients and persons with earnings under the average family income of €1,250 perceive fewer positive or strong relationships with neighbours; this is true of private and social renters and those who intend to move out as well. Persons without children do not know the children in the neighbourhood, and only married people and couples maintain good connections with their neighbours.

The means of the social capital of the six neighbourhoods are given again in Table 10.5. In particular, the social capital in the neighbourhoods with low percentages of welfare recipients appears to be higher than in other areas. This supports our hypothesis that the degree to which a residential area is disadvantaged affects the social capital of the neighbourhood.

### Table 10.5 Social capital by neighbourhood

<table>
<thead>
<tr>
<th>District</th>
<th>Intergenerational closure</th>
<th>Collective efficacy</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Mean</td>
<td></td>
</tr>
<tr>
<td>22 Siedlung Vingst</td>
<td>0.411</td>
<td>0.267</td>
</tr>
<tr>
<td>23 Germania-Siedlung</td>
<td>0.255</td>
<td>0.314</td>
</tr>
<tr>
<td>24 Höhenberg</td>
<td>-0.132</td>
<td>-0.211</td>
</tr>
<tr>
<td>26 Vingst</td>
<td>-0.208</td>
<td>-0.102</td>
</tr>
<tr>
<td>28 Höhenberg Süd</td>
<td>-0.401</td>
<td>-0.390</td>
</tr>
<tr>
<td>30 Schweden-Siedlung</td>
<td>0.003</td>
<td>0.125</td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>-0.007</td>
<td>-0.005</td>
</tr>
<tr>
<td></td>
<td>Mean</td>
<td></td>
</tr>
<tr>
<td></td>
<td>-0.007</td>
<td>-0.005</td>
</tr>
</tbody>
</table>

| Test statistics      |                      |                     |
|                      | $p = 0.001            | $p = 0.001          |
|                      | $\eta = 0.25$         | $\eta = 0.23$       |
The correlations of observed deviance and disorder in the neighbourhood are low or moderate (Table 10.6). As Sampson et al. have already noted, relations between the social capital of the area and the observation of deviant behaviour and disorder can be confirmed. The social capital of the neighbourhood, measured by collective efficacy and intergenerational closure, is linked to less observed deviant behaviour and it is likely there will also be less deviant behaviour.

In Table 10.7, we present the correlations of deviant behaviour, collective efficacy, intergenerational closure and disorder, as well as the percentage of people receiving welfare payments, by district. The districts are arranged in order of welfare payment quota. Most of these correlation coefficients change only marginally when calculated for each neighbourhood, compared to those of the correlations in Table 10.6. The higher the collective efficacy and the intergenerational closure, the less disorder and deviance observed – a result that corresponds to our hypotheses.

The percentage of welfare recipients as an individual variable was not correlated or only weakly correlated to the intergenerational closure and collective efficacy in the more heterogeneous districts. It only affected persons living in less disadvantaged areas such as Siedlung Vingst or Germania Siedlung.

However, in the neighbourhood with the highest percentage of welfare recipients on the macro-level (Schweden-Siedlung), the relations to deviant behaviour do change significantly. In this neighbourhood, the link between intergenerational closure and collective efficacy to observed deviance, observed juvenile deviance and disorder is significantly stronger.

### Table 10.6 Correlation of indicators of deviance

<table>
<thead>
<tr>
<th></th>
<th>INTCLOS</th>
<th>COLLEFF</th>
</tr>
</thead>
<tbody>
<tr>
<td>DISORDER</td>
<td>-0.33</td>
<td>-0.37</td>
</tr>
<tr>
<td>YOUTHDEV</td>
<td>-0.21</td>
<td>-0.19</td>
</tr>
<tr>
<td>OBSDEV</td>
<td>-0.17</td>
<td>-0.25</td>
</tr>
<tr>
<td>INTCLOS</td>
<td>-</td>
<td>0.56</td>
</tr>
<tr>
<td>COLLEFF</td>
<td>0.56</td>
<td>-</td>
</tr>
</tbody>
</table>

*Note: All significant: p < 0.001.*

*Source: Blasius, Friedrichs and Klöckner, 2008.*
5. Conclusions

Like other German studies (Oberwittler 2004a; 2004b; Lüdemann 2005; 2006a; 2006b; 2007), our research shows collective efficacy and intergenerational closure to be valid operationalisations of social capital in the neighbourhood. These scales not only account for deviant behaviour in the US, but in Germany as well. The higher the social capital, the lower the perceived disorder and observed deviance in deprived neighbourhoods. The message is that, if residents get along well with one another, it is a good neighbourhood; residents will be more attached and will not leave the neighbourhood. Thus, there will be a low migration rate and this in turn leads residents to adhere more to similar norms, which results in higher informal social control and higher neighbourhood stability.

One unexpected finding was that the more disadvantaged a neighbourhood is, the less individual poverty affects the extent of social capital in the neighbourhood because most of the residents are poor anyway. It is only when the neighbourhood has a significantly low share of welfare recipients that individual poverty has an impact on the social capital of the neighbourhood. Thus, there is a no linear relationship between individual poverty and social capital, but there is a threshold value (Galster, Quercia et al. 2000; Galster 2003).

The higher the disadvantage of a neighbourhood, the stronger the relationship between social capital and the observed disorder and deviance becomes.
Social Capital in Deprived Neighbourhoods

implies that individual poverty has a smaller impact on the amount of social capital in highly deprived areas. There it is more the aggregate characteristic that determines the amount of social capital and less the extent of individual poverty. This means that especially in disadvantaged areas, where most of the residents receive social welfare payments, social capital is needed to fight social exclusion and poverty. Without a doubt, it is an extraordinary challenge to increase social capital, particularly in those highly deprived neighbourhoods. But it is also a worthwhile endeavour in those areas, because even a small positive change of social capital seems to have a strong impact on the reduction of deviant behaviour.

The area designated as ‘deprived’ is comprised of sub-areas or neighbourhoods of different social composition – the seemingly deprived area is heterogeneous. The policy implications of this are that policy goals need to take into account that it will be necessary to implement different measures in different neighbourhoods in order to alleviate their problems. In some neighbourhoods physical improvements could reduce the perceptions of disorder, in others the allocation of ‘problem families’ to social housing dwellings should be stopped, and in still others the informal social control should be increased.

A second major goal should be neighbourhood stability or the reduction of out-migration. This would require efforts to make both the larger area and single neighbourhoods more attractive – for example, by offering residents the chance to buy the dwelling they are currently renting.

Further research should be directed towards larger samples of neighbourhoods that vary in the extent of deprivation in order to assess the threshold values for the effects of neighbourhood deprivation and individual poverty on social capital.
Chapter 11
Competitiveness, Cohesion, and the Credit Crunch: Reflections on the Sustainability of Urban Policy

Mike Raco and Tuna Tasan-Kok

1. Introduction

This chapter critically assesses the implications of the credit crunch for broader debates over urban competitiveness and cohesion. It argues that just as cities were at the forefront of the global credit and property boom of the 1990s and 2000s, so they have found themselves at the receiving end of the on-going bust. The chapter begins by highlighting the key characteristics of the credit crunch for cities. It then addresses the theme of urban competitiveness by exploring the changing dynamics of property and investment markets; the implications of the credit squeeze for urban regeneration projects; the extent to which the physical fabric and public spaces of cities will be affected by these trends; and how the recent view on cities as sources and places of innovation, creativity, and entrepreneurship (depending on high-value business activities and high-level skills) will be affected. Following this, the discussion moves on to questions of social cohesion and examines: the implications of change for social mobility and the form and character of urban communities; the ways in which migration policies are already beginning to change and will change in the future; and the relationships between neighbourhood change and social mobility and interaction in cities. The chapter concludes by highlighting future research directions and the limitations and opportunities in continuing to think about the binary of competitiveness and cohesion.

2. Characterising the Credit Crunch

The credit crunch started in the United States (US) where a sub-prime mortgage crisis triggered a chain of financial defaults that have culminated in global financial turmoil. The first sign of the crisis was the collapse of two hedge funds owned by American Bear Stearns that had invested heavily in the subprime market in June 2007. Later on more banks realised that securities they thought were safe were tainted with what came to be called ‘toxic mortgages’ (New York Times 2009). In many ways, from the outset, the credit crunch primarily represented an urban...
crisis triggered by the cessation of the seemingly continuous flows of capital that had been invested in property market assets across the globe in the 1990s and 2000s (Harvey 2009). For instance, mortgage backed securities (MBS) became popular instruments in which a bank lender converts loans into bonds which are sold to investors, who then receive the payments of interest and capital due from borrowers (Parkinson, Ball et al. 2009). MBS were believed to spread the risk, which would otherwise be concentrated in a small number of mortgage originators. In the meantime, with lower interest rates mortgage payments became cheaper, and demand for homes began to rise, generating house price inflation. Millions of homeowners took advantage of the drop of the mortgage rate to refinance their existing mortgages. As the investment bubble grew, the quality of the mortgages went down, and risks to the globalised financial system increased, resulting in a crash in 2008-2009.

The impacts of the credit crunch for cities have been profound. As Parkinson et al., (2009) note in the context of the United Kingdom (UK), commercial MBS closed; bank lending terms on commercial mortgages tightened; and the willingness of the banks to lend on commercial property dropped dramatically. Thus the impact of the credit crunch is expected to be particularly strong in commercial property markets and, by extension, property-led urban regeneration schemes. And with the retrenchment of property markets has come the decline of manufacturing and service firms that have been unable to access credit. The fall in market demand has led to further declines in economic activity and triggered a downward recessionary spiral that has taken hold of economies in the west and developing world. Official figures show that across the 15-nation Eurozone, GDP has already fallen by 1.5 per cent between October and December 2008 with forecasts anticipating a decline of 3 per cent in 2009 (The Guardian 2009a). In countries such as the UK and Ireland the decline will be even more dramatic.

Within such a context, the competitiveness and cohesion binary of urban policy will come under significant strain. The much-heralded ‘renaissance’ of many urban centres in Europe has been fuelled by the existence of cheap and plentiful credit. In many instances urban spaces have been rapidly transformed with a high degree of private capital investment. Meanwhile, especially with the widening borders of the European Union (EU), social mobility within the metropolitan areas of the Union has been increasing in recent years. Both trends are likely to go into decline and in the following sections we will explore these new dimensions both for cities and urban societies.

3. Urban Competitiveness, Urban Policy and Property Markets: Growth Agendas without Growth

Capitalism has a tendency to create imperfect markets. Thus, financial deregulation becomes an important incentive for investment, often leading to the miss-allocation of resources and crises of growth. Cities, as nodes of global capital accumulation...
flows, are places where these financial crises are materialised and experienced in space. Since the early 1950s, institutional and political structures were deregulated in an effort to capture increasingly mobile capital. Since then, new forms of institutional regulation have been created or existing ones abolished in order to stimulate or channel flows of capital across the world. Swyngedouw (Swyngedouw 1989) has characterised this process as ‘increasingly footloose with mobile capital seeking out profitable locations’, or what Sassen (Sassen 1994) succinctly terms as the ‘hyperactivity of capital’. In the current context, where capital flows are distorted and property markets turned upside down, we might expect the spatial dynamics of urban development in cities to undergo major changes. The collapse of property markets will affect the physical fabric of cities, which in the meantime became quite dependent on the flows of capital in the property markets. The likelihood is that existing projects will be suspended, even where developments have been started and/or investors have planning permission to proceed. In the longer term, it is possible that the maintenance of existing physical environments in cities may be threatened as has happened in some urban centres in the American rust-belt (Harvey 2000).

3.1 From financial deregulation to credit crunch

Financial deregulation brings more global financial activities into cities, with a growing amount of portfolio investments and stock market transactions influential in property-led urban development. The increasing share of international capital in the property market is tied to the success of financial deregulation. The high degree of financial deregulation, in turn, opens up the urban property market to commodification and makes it easier for international capital to become mobile. On the other hand, the increasing amount of international capital and the proliferation of actors make the property market more complex. The spatial outcomes of these changes usually take the form of large-scale projects that are funded, developed, and managed by international companies or partnerships (Tasan-Kok 2009). With the increasing influence of global capital movements, urban development has become more sensitive to the fluctuations of financial markets (Fainstein 1994). In fact, at the moment that the credit crunch took hold in 2008, spatial development in cities had been mainly motivated by property market dynamics. Due to increasing flows of institutional (and individual) capital in property development and investment, urban land and property across the globe became more and more expensive, while competition for space and capital increased dramatically: property developers competed to find (and obtain) more profitable locations to develop property and to attract and persuade global (and/or local) investors for financing; property investors (not necessarily property-related companies but global institutional enterprises like banks, pension funds, insurance companies, investment trusts, etc. who established property investment branches to manage and invest their surplus capital into property) competed for acquiring the less risky and most profitable properties for their portfolio; and local governments...
for attracting private sector companies to take part of their responsibilities in the form of public and private partnerships, the largest part of which also dealt with property. Thus, ‘competition’ became the keyword for each stakeholder of the property circle, including the end users, the urban citizens, who compete to find the most affordable property for their budget to survive in growingly expensive cities.

3.2 Property market risks, urban development and planning

As Fainstein suggested (Fainstein 1994), there is always risk and uncertainty for developers and investors. Often there are projects built with little chance of success. Opportunity-led market conditions allow the investor to move from one investment to another. The portfolio of an investor, therefore, may display a high mobility of investment. Large-scale commercial property development constitutes the biggest share of these investment portfolios, but commercial property (i.e. shopping malls, entertainment complexes, big boxes, luxurious hotel complexes, business centres, etc.) is not the only spatial formation in cities. Obviously, all types of spatial development in cities are influenced by these opportunities and restrictions created by market conditions and property-related institutions. And then of course, there are also the global retail market dynamics, which did not only influence consumer behaviour of urban citizens, but interconnected to that, also choices of commercial property developers (and investors) in terms of location, size and capacity of the projects they aim to develop. All of these factors, and the push and pull between various actors and crises of the property market lead to different development processes in each city. In general, changing property-market conditions are opportunity-led, and they define the limits of urban development. These two factors show up as different locational preferences and clustering tendencies in cities (Tasan-Kok 2004).

Within this dynamic and rapidly changing setting, the role of urban planning in many European cities during the 2000s became less restrictive. City planning was re-defined as something that should not (and cannot be) prescriptive and definitive, or a practice that could shape the future of urban land uses accurately and efficiently (Tasan-Kok 2008). Within the context of increasingly flexible planning guidelines, market-driven agendas of local governments, and the existence of entrepreneurial modes governance, the location, function and organisation (and re-organisation) of land-uses in the city are now defined by the fragmented coalitions between investors, developers, banks, local governments and semi-governmental agencies. Under this opportunity-led (or property market-driven) planning agenda, the aim of urban planning can no longer be to ensure ‘oversight’ and democratic accountability, but to enable piecemeal development; the latter generates financial support for municipal governments. By the 1990s, the dominant approach was reactive planning, where development is largely initiated by private market forces (Davies 1996; Farthing 2001). Because of this, land-use plans became less detailed about what was to be developed, where and when (Farthing 2001). Because of
private stakeholders’ demands, urban development strategies and land-use plans began to respond to market conditions (as Etzioni had already warned for in 1970s), and negotiating for benefits became an important task for planners throughout the world (Claydon 1997; Sagalyn 1997). This tendency alone, long before the credit crisis arrived, had already led to certain socio-spatial fragmentation tendencies in cities as criticised heavily in the literature (Swyngedouw, Moularet et al. 2002; Moularet, Rodriguez et al. 2003; Swyngedouw 2005). At the same time, there have also been effects on the treatment of urban resources and environments and it is to these that the chapter now turns.

3.3 Property-led urban regeneration and crisis

The intensive re-use of brown-field land has become a key regeneration objective for urban policy programmes across Europe. Regeneration projects have had a major impact on the socio-spatial landscapes of cities. Increasing attention on neglected old port areas, semi-industrial brown-field zones, and usually deprived or neglected neighbourhoods can also be explained by the opportunities they offer for both public and private parties to cooperate on the basis of flagship projects, which will add to the competitive advantage of the city. Even though brown-field regeneration projects aim at social, spatial and economic change, the social dimensions of them are usually one sided (to attract high-end income groups) and without a great deal of participatory elements to figure out what the residents would really want. Moularet et al. (Moularet, Martinelli et al. 2007) define this missing element in large-scale projects as social innovations, because usually these projects ‘upgraded’ the area for more high-end residential (and business) uses, decreasing the social cohesion and isolating the area from the surrounding neighbourhoods. This meant increasing social replacements in the city (with the poor and disadvantaged groups moving further out of the city) and increasing socio-spatial disintegration in inner-city neighbourhoods.

With the credit crunch causing more middle and lower-middle income families to lose their houses, we might expect that the ongoing fragmentation, detachment and disconnection of urban land-uses from their social components will increase dramatically and that some other changes in the components of urban form and physical fabric of cities will also take place. For example, since property investors are becoming hesitant to acquire new projects, the attention for redeveloping empty plots of land and investing in depriving brown-field areas will be much less, meaning slower transformations and perhaps also delays in existing (half-done) projects. Property developers and investors, as the first reaction to the crisis, begun to make a remarkable amount of their staff redundant, which will also have effects on the efficient implementation of ongoing projects and serious delays or cancellations of the upcoming ones. Although the concrete number of job cuts in the property sector is unknown, news about property firms (from the largest to the smallest ones) suspending between 20 to 40 per cent of their workforce spread.
through the world news every day.¹ This will have direct effects on the planning
and implementation of property-led urban regeneration projects. Urban regeneration schemes are expected to be among the most affected by the crisis. Property in regeneration areas in the UK is more vulnerable to the market downturn than other types of investment property. Parkinson et al. (Parkinson, Ball et al. 2009) estimate that the total return for all property will fall by 6 per cent in regeneration areas, in comparison with falls of only 3.4 per cent, on average, across the country. Furthermore, they list a number of projects that are mostly affected by the credit crunch such as private sector-led residential developments; areas that have experienced an over-development or over-supply of residential developments; residential developments that are located in less prosperous economies; and residential-led multi-phase schemes that rely on sales from early phases to cross-subsidise development. The projects that will be least affected by the crisis are also listed by the report: some current ongoing regeneration activities where financially strong developers take part; schemes led by regeneration partnerships; retail and commercial developments which have already secured pre-lets; schemes that are tapped into areas of prevailing demand; sectors that maintained a more sustainable (steady) approach in regeneration; most schemes that do not depend on financial returns; developments in more prosperous local economies and housing for rent schemes that are not reliant on the sales market.¹

These estimations point out that in many cases, local, regional, and national governments may either have to find new instruments and institutional investments to regenerate depriving neighbourhoods and create more socio-spatial balance in cities, perhaps by seeking central government incentives, or may slow down their ambitions for brown-field regeneration in the short run. Declining property values, and collapsing confidence in the housing market, means that funding packages no longer stack up, making large-scale schemes less attractive for both public and private sector parties. However, in the long run, Investment Property Databank (IPD) estimates that the credit crunch may reveal the real potential of the regeneration areas, as it is reasonable to expect regeneration property to start outperforming soon after any recovery (Parkinson, Ball et al. 2009). However, this will require a new housing market model where new forms of tenure will have to address the reality of the credit crunch. In the UK some initiatives have already begun to appear. The new super-quango, the Homes and Communities Agency, is trying to get some large-scale regeneration projects back on track by taking a direct stake in investment sites (The Guardian 2009b). Some other measures like

offering inducements to developers on sites with existing planning permission are also likely to be introduced. The impacts of these changes will also have significant social effects for, as Vranken (Vranken 2004) argues, social cohesion has a spatial dimension (at the city and neighbourhood levels), with high levels of cohesion at the city level directly obtained where there is low cohesion at the neighbourhood and area level. Keeping this in mind, we can expect that increasing spatial isolation between different income groups due to the credit crunch may lead to less socio-spatial cohesion in cities. However, from another perspective, if the property investments slow down and property becomes less of a liquid asset, after a period of lack of private investment in urban development, the local and central governments may find other means to develop and re-develop cities.

4. The Credit Crunch and Urban Social Cohesion

The rapid downturn in European economies will have significant impacts on urban social cohesion. In this section we explore some of the early trends that are emerging and the likely social, political, and spatial outcomes of change. However, it is also important to consider what impacts the preceding period of relatively strong economic growth across Europe has had on cohesion. As noted above, the period 1995-2007 was characterised by unprecedented investments in high value urban property and a focus on creating investments to attract creative class, entrepreneurial workers (Peck 2005). The net effects of this urban policy approach were to increase social polarisation in cities between affluent, increasingly gated communities at one end of the scale and concentrations of under- or unemployed workers in low quality neighbourhoods at the other. As urban centres showed physical signs of rapid development, it became increasingly easy to overlook some of the problems afflicting poorer urban communities. Now that there is a recession, there is a danger of characterising this preceding period in a rose-tinted way, as a period in which there were universal improvements in the quality of life of urban residents.

And yet, we argue that the severity of the economic downturn will have significant short and long term impacts on social cohesion in cities across Europe in both quantitative and qualitative terms. In the remainder of this section, we identify and critically assess what we argue are two key policy fields that shape social cohesion – migration policy and neighbourhood change. We discuss each in turn.

4.1 Migration policy and social cohesion

The negative impacts of neo-liberal globalisation on populations and the environment have been documented by a range of critical writers and commentators (Aarte-Scholte 2005; Harvey 2005). However, one of the more progressive impacts...
of change has been the enhanced mobility of people across national borders, albeit in selective and discriminatory ways. As Urry (Urry 2003) notes, ‘globalisation creates a context in which there exists a dialectic of moorings and mobilities’, and many cities have witnessed new moorings of diverse migrant groups. Indeed, the 1990s and 2000s witnessed unprecedented levels of cross-national migration in the EU. In the case of London, over 30 per cent of its residents are now born outside of the UK and whilst this is clearly an extreme example, similar trends have been evident in most major urban centres (Faludi 2008). Such migration has been underpinned by labour shortages in growing economies and the expansion of employment opportunities in key economic sectors. The effects on social cohesion have been profound with cosmopolitan writers such as Beck (Beck 2000; Beck 2002) and Held (Held 2005) now arguing that a new era of global modernity has emerged in which ‘national politics and the state have become nothing more than zombies – dead long ago but still haunting people’s minds’ (Beck 2000). In their place, they argue, we are witnessing the emergence of new, multi-cultural spaces of cosmopolitanism and urban creativity.

However, with the onset of economic retrenchment, some of the assumptions that underpin this new imagined ‘reality’ are rapidly falling apart. As levels of joblessness and marginalisation grow, it will be immigrant communities, particularly those at the bottom of the economic ladder who have few savings, assets, and skills to fall back on, that will suffer the most. The OECD now estimates that in the major economies of France, Britain, Italy, and Germany, official unemployment rates will reach at least 8 per cent by 2010, with rates in marginal urban neighbourhoods likely to be significantly higher (The Economist 2009a). The existence of employment opportunities to encourage social mobility represents one of the fundamental building blocks of social cohesion (Vranken 2004). In their absence, the opportunities for migrant workers contract, leading in extreme cases to forms of reverse migration, a process that is already beginning to occur in Ireland and the UK (The Economist 2009b; The Guardian 2009b).

These pressures also have significant effects on the governance of migration at different spatial scales. In Kleinman’s (Kleinman 2003) terms, migration policy is concerned not only with the needs of the labour market but also with social cohesion, public protection, international development goals, and human rights. The challenge for migration policy is getting the balance right both within and between these objectives.

During the 1990s and 2000s this complex politics was subject to contradictory trends. On the one hand, this period witnessed the breaking down of migration boundaries within the EU, most notably in the rolling out of the Schengen Agreement in 1995 that enabled the free movement of persons between signature
Competitiveness, Cohesion, and the Credit Crunch

Many nation-states saw the in-migration of labour as vital to their competitiveness and longer term demographic future. On the other hand, countries also became increasingly selective about the migrants that they were prepared to accept, so that immigration policy became increasingly concerned with what the British government calls 'managed migration'. Broader concerns about illegal immigration and the ‘inability’ of welfare services to cope with new demands came to dominate policy discourses and agendas. Many nation-states, therefore, started to impose new rules on potential migrants, including the rolling out of points-based entry schemes that were explicitly designed to enhance the selectivity of immigration procedures. Boundaries became more selectively permeable. At its most extreme, the concept of a ‘Fortress Europe’ gained ascendancy amongst some political groups, or the idea that the EU should prevent all in-migration with the exception of key workers.

With the onset of recession, the attitudes of governments are already beginning to veer towards the latter, with a greater urgency given to the ‘management’ of migration and new restrictions being placed on the movement of non-EU workers. As the publication of the EU’s Pact on Asylum and Immigration in October 2008 makes explicit:

The EU does not have the resources to decently receive all the migrants who hope to find a better life here. Poorly managed immigration may disrupt the social cohesion of host countries. The organisation of immigration must consequently take account of Europe’s reception capacity in terms of its labour market, housing, and health, education and social services. (1)

The Pact claims that uncontrolled migration represents a direct threat to the ‘political and civilisational project that underlay the creation and deepening of the European Union’ (1). The focus is on the ‘receptive capacity’ of countries and cities, with the clear implication that the impacts of migration on cohesion can be identified, measured, and managed. Something of an ‘optimum level’ of migration can be reached that matches the receptive capacity of places and generates new forms competitiveness, without impacting on social cohesion and a sense of ‘harmony’ and ‘balance’ within communities.

However, defining what constitutes an appropriate ‘receptive capacity’ of a place is a politically-loaded process. Definitions will vary according to specific local circumstances and changing contexts. With the onset of the credit crunch, rising unemployment, and the added pressures placed on the welfare state, definitions of ‘receptive capacity’ could well change. As the EU does not have the resources to decently receive all the migrants who hope to find a better life here, the EU needs to rethink its immigration policies.

2 The Schengen Agreement was signed in 1985 by five Member States: Germany, France, Belgium, the Netherlands and Luxembourg ‘to allow the free movement of persons within the signatory States without disrupting law and order’ (Europa 2009: 1). It was subsequently adopted by all members of the EU during the 1990s, with the exception of the United Kingdom, Ireland, and Denmark, and may be rolled out across the new Member States if they are able to meet certain governance criteria.
perceived capacities are likely to shrink with considerable implications for the politics of cohesion-building. As Spencer (Spencer 2003) shows, during periods of crisis a process of ‘othering’ can emerge, so that whilst ‘labour migrants enhance competitiveness and boost economic growth, albeit to a modest degree […] low skilled older workers are more likely to see their job security threatened by mobile, younger migrant competitors’ (2). The same is particularly true for white, working-class communities employed in sectors that are particularly vulnerable to global competition and in-migration. Consequently, governments are often ‘unwilling to lead an open debate on migration options for fear of provoking public hostility. The real decisions […] are taken behind closed doors’ (5). For Kymlicka (Kymlicka 2003), the consequence of this caution is that governments are ‘terrified of provoking a backlash against even these modest affirmations of immigration and multiculturalism, and hedged them with multiple qualifications and safeguards’ (205). Even during times of growth, in many countries ‘immigrants are no longer perceived as wanted or even needed, despite the persistence of a demand for their services’ (Massey, Arango et al. 2005).

As the effects of recession begin to bite, there is evidence of a growing backlash against migrant labour. Workers’ protests in France and the UK in January 2009 were aimed at government and EU-policies and their perceived ‘failure’ to ensure that ‘home’ workers had privileged access to employment in their own countries. Such moves represent part of a wider trend, characterised by new waves of economic nationalism and a rejection of the principles associated with the free movement of labour and the social and economic orthodoxies of the 1990s and 2000s (The Economist 2009c). The rapidly declining receptive capacity of economies and societies is presented as a reason for enhanced protectionism, for ‘host’ populations against the perceived threat of ‘others’. In the UK, the government is even starting to limit the in-migration of skilled workers by tightening up its Work Permit scheme.

There is a danger that in an urban context such sentiments could easily be translated into new forms of aggressive urban politics and nationalism, underpinned by xenophobic and anti-immigrant agendas. It is in cities across Europe that extreme political parties have found the most fertile ground for their campaigns. As Swyngedouw (Swyngedouw 2005) argues, the 2000s have witnessed the emergence of new forms of ‘populism’ or agendas that are designed to seek rapid solutions to complex problems by identifying problem groups that should be targeted for forceful intervention (Mouffe 1993). The threat posed by such policies to social cohesion represents a significant danger, particularly when allied to measures such as the tightening of migration controls and a broader set of political discourses that focus on the ‘threat’ posed by the mobility and mooring of different groups. The impacts on cohesion in neighbourhoods could be particularly severe.
4.2 Neighbourhood change

A key influence on social cohesion will be the changes that take place in the property industry discussed above, and their influence on urban regeneration programmes and the quality of life of urban residents. Across the EU, during the 2000s there have been moves to establish what are termed ‘sustainable communities’ in which new housing developments are driven by public-private partnerships with the aim of creating balanced and mixed communities (Pacione 2004; Raco 2007). Planning policy is being used to create new liveable spaces that are designed to foster enhanced community-building and social cohesion. Social mixing and interaction are at the heart of these new agendas.

And yet, the crisis in housing and property markets will have a significant impact on the construction and maintenance of urban neighbourhoods and the availability of different types of property for different social groups. Housing availability is one of the key requirements for both social mobility and lifestyle change, yet in the credit crunch access to housing has become increasingly difficult. The social effects of this limited mobility will be profound in the longer term as individuals and families find themselves trapped in locations that do not cater for their changing needs. In the absence of housing options, the policy ambition of creating sustainable communities through the construction of new urban environments looks set to fail.

In addition the quality of the built environment of cities is also likely to be negatively affected by a lack of investment. This has potentially important implications as the quality of the built environment is a major contributory factor in the quality of life of urban residents and users. One of the rationales for property-led regeneration is that improvements to the urban environment encourage a greater sense of community ownership and activation and encourage citizens to think more positively about their surrounding neighbourhoods. Urban landscapes can also, it is argued, generate new forms of creativity and entrepreneurialism within deprived communities. Whatever the shortcomings of such agendas in empirical terms, one of the key rights of urban dwellers is to live in safe and clean urban environments. There is even some evidence that points to rises in criminality and anti-social behaviour in dilapidated urban spaces (Atkinson and Helms 2007).

However, there will also be other effects in urban neighbourhoods, some of which may actually encourage new forms of cohesion. Reductions in the construction of exclusive flats for creative class workers will almost certainly limit the extent of gentrification in urban areas. There may also be a reversion to social housing projects across Western Europe as public sector spending picks up the slack left by reductions in private sector investment. The problem of affordability that was a consequence of surplus capital investments in property during the 2000s (see above), may in part have been solved. If and when credit markets are re-established and moderate forms of investment return to urban housing markets, there may be scope for lower paid and key workers to access affordable property in ways that were impossible before the credit crunch. One additional benefit
of a slowing of investment relates to the natural and cultural environments of cities. Access to green spaces and bio-diverse environments represents a key part of social well-being and cohesion (CABE 2007). Heritage spaces in cities also provide cultural attachments and are essential elements of place-building (CABE and English Heritage 2006). In the absence of major regeneration project schemes, new possibilities for the creative use of urban spaces may emerge in which ecological and historical assets will be given enhanced value in the development process.

5. Conclusions: Towards a New Research Agenda

This chapter has argued that the credit crunch is likely to have a significant impact on the competitiveness and cohesion of European cities. The policy agendas that emerged during the 1990s and 2000s were underpinned by a series of assumptions about the sustainable nature of economic growth and globalisation. With the collapse of credit markets, many of these assumptions are now challenged. We argue that there is an urgent need for research to examine how these trends are unfolding in cities across Europe and what the implications will be for economies and societies.

In political terms, we have argued that there is a danger that new forms of reactionary politics will emerge to threaten both social cohesion and economic competitiveness. However, it is also possible that the new contexts will lead to an increase in social movements as communities claim more rights to the city (Harvey 2009). A new line of research could focus on the relationships between property-related (entrepreneurial) dynamics, welfare states, and social movements. More broadly, the politics of development may undergo significant change as urban and national governments may be more hesitant about the involvement of private sector investors and may re-focus their agendas in less competitively-oriented ways. This could represent a key defining moment in the history of urban policy, with a movement away from property-led development and a new prominence given to alternative ways of thinking about the boundaries between states and markets and the role of communities and other actors in shaping the form and character of cities.

There is also a need to understand the future of social and spatial mobility (and displacement) within cities and the role of welfare and housing policy in shaping these processes. While grim housing market and unemployment figures point out that the public services and the welfare system is to be significantly affected, the resilience of existing public services and new development proposals for social infrastructure, social and affordable housing, and other welfare services become blurred. It is not clear what happens to those who lose their houses and jobs, and what this will mean in terms of community and neighbourhood change. Government measures have been focused on bailing out the banks in the US and Britain, but so far plans to protect homeowners who have lost their houses remain unfulfilled.
underdeveloped. It is also not clear how local and national governments will draw the line between public and private responsibility in the near future. All these ambiguities will create challenges for future social welfare and housing policy research.

There are also broader questions concerning the changing nature of the property industry. There will clearly be structural effects on the character of industry as the sector contracts. However, it is not clear what type of property sector will emerge or how developers and investors’ attitudes to urban markets will be changed. It is likely that there will be greater risk-aversion and a concentration on ‘safe’ investment opportunities but there is also the possibility that new forms of entrepreneurial and dynamic activity will emerge in which firms are more willing to undertake risks and become market leaders. Attitudes to broader conceptions such as ‘sustainability’ and ‘corporate social responsibility’ are also likely to change and again research needs to identify what types of attitudinal shifts are occurring and what impacts this has on urban development.

In governance terms, the credit crunch also raises questions over central-local state relations. The power to implement regeneration projects has generally been devolved to local and city governments across the EU. However, national governments have now taken a greater direct stake in the provision of credit for development. This may have significant impacts on the balance of power between different tiers of government dealing with urban policy. It is not clear what will happen in the long term to the community empowerment agendas propagated by governments across the EU. With central governments’ powers increasing, the room for other interests to shape urban policy may be limited.

And finally, the chapter raises a broader set of conceptual questions concerning state-market relationships and the appropriate responsibilities of the state vis-à-vis market actors. For decades, policy agendas have been dominated by the argument that governments are constrained by markets, and that their power has been eroded. Yet the boundaries of state action have increased exponentially in recent months across the western world. Whole fields of urban policy, particularly in relation to housing, are now dependent on welfare spending – with long term implications for the politics of welfare and the ‘appropriate’ roles of states and private sector actors. Such changes call into question state-theoretical work on the dominance of neo-liberalism and its role in shaping welfare politics. Theoretical work on urban governance may have to be significantly re-aligned as the current competitive ideology of urban policy, which has been increasingly attached to neoliberal market dynamics, needs to become less ambitious to be able to accommodate less risks and more flexibilities to cope with the rapidly changing socio-spatial conditions. In this respect, new creative policy ideas and research prospects will be needed in the short run to increase the sustainability of urban policy in the long run in order to balance the distorted socio-spatial dynamics.
Chapter 12
Explanations for the Development of Large Housing Estates in North-Western European Cities

Ronald van Kempen and Karien Dekker

1. Introduction

In Europe, most of the dwellings constructed in the first three decades after the Second World War were built on large housing estates. These estates were carefully planned and almost always constructed according to a strict urban development plan. The newly emerging neighbourhoods embraced the ideas of an ideal housing area created by the leading architects and urban planners of the time: spacious and attractive apartments (for that time) in multifamily blocks surrounded by large green areas. The estates were frequently planned as self-contained neighbourhoods including schools, shopping and leisure facilities, general practitioners’ surgeries and estate centres in which all kinds of activities could be carried out. In most estates, pedestrian areas were separated from car traffic, while through-traffic was redirected around the estate. This was the period in which the ideas of Le Corbusier, who introduced his ‘Ville-Radieuse’ concept as the solution to the European housing problem at the Third ‘Congrès International d’Architecture Moderne’ (CIAM) in 1930, proved highly influential (Turkington, Van Kempen et al. 2004; Hall, Murie et al. 2005; Van Beckhoven, Bolt et al. 2009).

In almost all European countries, many of these large housing estates are now seen as urban areas in decline. Problems often cumulate, which makes living in these estates unattractive for an increasing number of people. This leads to a situation in which those who can afford it move away from the estates, leaving dwellings vacant, which leads to a situation in which new groups, often without any alternative in the housing market, move in. Often, problems become bigger: an intricate combination of events and factors may gradually lead to very problematic housing areas that may eventually become the worst urban areas to live in (Van Beckhoven, Bolt et al. 2009).

In this chapter, we want to focus on the problems in post-war large housing estates in north-western European cities and on the policies designed to counteract these problems. Firstly, we aim to find out if the philosophy behind these policies and the actual contents of the programmes are coherent. Which developments or
what situations led up to the intervention? What are the problems and what are the
causes of these problems (causal relationships)?

This chapter is in large part based on an extensive study of three estates in three
European countries: the Netherlands, the United Kingdom (UK) and Sweden.
This study was part of the research project RESTATE (Restructuring Large
Housing Estates in European Cities), carried out between 2002 and 2005 under
the Fifth Framework Programme of the European Union (EU). In this project, we
examined the policies directed at these estates, the effects of these policies and the
expectations of the policy community and of the inhabitants for the future of these
estates. This chapter will mainly focus on the north-western European estates.¹

2. Elements of Change in Post-war Housing Estates in North-Western Europe

Numerous models have been put forward that explain the development of
neighbourhoods in general and post-war housing estates in north-western Europe
specifically. Among the most often used and cited models are those by the Dutch
professors Prak and Priemus (1986), who did not specifically focus on estates, but
instead focussed more on spirals of decline in the social rented housing stock in north-western Europe; the team around William Grigsby (Grigsby, Baratz et al. 1987), who
presented a model of neighbourhood change in general; Temkin and Rohe (Temkin
and Rohe 1996; Temkin and Rohe 1998), who specifically introduced the social factor
in neighbourhood change; Anne Power (1997), who focused specifically on high-rise
estates; and Hans Skifter Andersen (2003), who focused on developments in Denmark
and placed a great deal of emphasis on the ethnic change in housing estates.

All these models have been used in further research on the development of
neighbourhoods in general and of large housing estates in particular. They have
also been criticised for various reasons (Van Beckhoven, Bolt et al. 2009). The
Prak and Priemus model is seen as an adequate model for explaining the decay of
the social rented stock, but it is unclear where a negative spiral starts. The Grigsby
model is probably quite useful for the American situation, but far less applicable
to the development of estates in Europe because it seems to allow only limited
room for the national state, the local government and the social rented stock. In
most European countries, these factors should not be overlooked when analysing
neighbourhood change. The models by Anne Power may pay too much attention to
management issues. Temkin and Rohe (1996) may pay too much attention to
social factors and the model by Skifter Andersen contains so many relationships
that it becomes unclear how to read it and how to use it.

¹ Following Anne Power (1997), we define large housing estates as groups of
dwellings that are recognised as a distinct and discrete geographical area. We have added
one characteristic to this definition and define large-scale housing estates as developments
planned by the state or with state support and have confined our attention to housing estates
built in the second half of the twentieth century with at least 2,000 housing units.
In our opinion, all these models are surprisingly seldom used in practical situations. They do not figure in policy memorandums on the national or local scale, at least not in European countries. Building a model thus seems to be a scientific rather than a practical exercise. Policy makers have their own models or do not use models at all. The reason for this may be that the scientific models are too intricate or are quickly seen as inapplicable to a national or local situation.

We consider this a missed opportunity. We think that using a model of neighbourhood change can improve policies, because models can prevent policy makers from forgetting crucial elements and relations. For this reason we have created our own model of the elements of change in post-war housing estates in north-western Europe. This model is purposefully simple. We believe that such a model may serve several goals:

- It can be used as a guideline for the analysis of the developments in, and with respect to, an estate; when using the elements and relations in the model, a clear picture emerges about the developments that affect the estate;
- It prevents policy makers from forgetting to take crucial elements and relations into account;
- It provides an opportunity to compare developments between estates, as well as between different cities and countries.

Our model is presented in Figure 12.1. Below we give a brief outline of the elements and relations in the model. Following this general presentation, we will look at the developments of estates in three western European countries. In this way, we hope to make clear that using such a model is useful for the analysis of the development of housing estates.

2.1 Urban context

The development of an area cannot be seen as separate from other areas of the city. This means that urban structure matters. If no new neighbourhoods are built in a city, the possibility of problems with competition is reduced. But it is essential that additional urban context factors are taken into account. For example, it matters if an urban housing market is characterised by a lot of stress (many households on the waiting list for a home) or not. Stressed housing markets force more people to live in neighbourhoods not of their own choice. More relaxed housing markets naturally offer more choice. It may also matter if the city is characterised by rising house prices in the owner-occupied sector, a large number of immigrants, which may increase the number of unemployed (all looking for inexpensive housing), and so on. Attention to developments outside the estate itself is, in our opinion, crucial for a comprehensive analysis of present and future developments of the estate.
The initial quality of the housing stock and the design of an estate are seen as important predictors of the development of a neighbourhood. Oscar Newman (1972) was among the first to criticise the design of post-war high-rise housing estates. His environmental deterministic position has been adopted in Europe by Alice Coleman, who argues in her book *Utopia on Trial* (1985) that the design of high-rise public housing estates is responsible for antisocial behaviour. Examples of problematic design are: monotonous housing blocks, unattractive public spaces, unsafe corridors, dark parking places and garages, large roads and density of the built environment (too many buildings in an area). In terms of initial quality, the poor quality of the stock can be seen in the materials used: in some areas physical decay occurs because the concrete starts to crumble or the metals start to rust. Anne Power (1997) stresses the role of physical conditions in fuelling social problems. She describes the problems of post-war large housing estates as a vicious circle of design, renting and social difficulties. The circle starts with signs of physical decay that may cause difficulties with letting. This can lead to the acceptance of more vulnerable households by housing officers in order to avoid vacancies, which in turn may worsen the estate’s image. At the same time, a poorly designed public space is expected to affect life on the estates (Sendi, Aalbers et al. 2009).
1 For example, when a public space cannot be used in a proper way, because, for instance, it is made of material dangerous to children, this may seriously affect the possibility of people making use of that space.

2.3 The state of the buildings and neighbourhood

The present state of the dwellings and the neighbourhood is partly explained by the initial design and the initial quality. The general idea is that as dwelling units age, they tend to depreciate. It is definitely not the case that dwellings and the estate automatically find themselves in a state of decline after 40 or 50 years, but in some areas physical deterioration does set in after several decades. This is partly a consequence of the design and the building materials used, but the way the buildings and their surroundings are used by the present inhabitants is especially crucial. When inhabitants show a lot of responsibility, chances are greater that no large problems will arise.

But when the area is inhabited by households that do not take care of their dwelling and show only disrespect for their living area, a neighbourhood may quickly deteriorate into an area characterised by unattractive dwellings, neglected lawns and unsafe streets. This in turn may encourage households who can afford it to move away to better places and may prevent new households from moving in, especially when more attractive areas are available elsewhere. An undesirable place to live may quickly deteriorate, as Prak and Priemus (1986) demonstrate with their ‘spirals of decline’. According to the ‘broken windows’ theory of urban decay (Wilson and Kelling 1982), minor evidence of public disorder (graffiti, garbage, broken windows) attracts criminal offenders, which leads to a downward spiral of decay.

Of course it is not only the inhabitants’ use of the dwellings and the estate that determines the fate of a housing estate. When the owners of the estate, such as housing associations or local councils, fail to act when problems arise, an estate may quickly deteriorate (Prak and Priemus 1986). A lack of upkeep and a failure to invest in an area which is on the brink of becoming a distressed area may lead to an acceleration of the process of physical as well as social decline.

2.4 Organisational issues

The changing character of the welfare state is a major topic for many housing and urban researchers in Europe (Van den Berg, Braun et al. 1998; Van Kempen, Vermeulen et al. 2005; Van Kempen and Murie 2009). Changing priorities within a welfare state (for example, a development from a more social to a more entrepreneurial state with a stronger focus on economic development and a weaker focus on supporting the poor), can result in declining incomes for those who do not work (elderly, handicapped, unemployed or those on welfare). As a result, these state-dependent low-income households are at risk of ending up in areas where dwellings have a (very) low rent, like the post-war housing estates.
Another consequence of a welfare state in which priorities are changing is the impact it has on the quantity, quality, location and allocation of the housing stock itself. Austerity programmes may lead to lower subsidies for housing. A deliberate choice for a more market-oriented approach may lead to more and more expensive owner-occupied dwellings, while at the same time affordable dwellings are demolished to make place for these more expensive alternatives. This combination has been occurring in the last decade in the welfare states of western and northern Europe, especially (Van Kempen, Bolt et al. 2009).

Other issues, specific to the institutional context, influence developments in post-war housing estates. First, allocation rules and procedures may matter. In a situation in which only poor households are allowed to inhabit social rented housing, concentrations of low-income households easily emerge. In a situation in which households with higher incomes are also allowed to live in these estates, a much more mixed population results. Allocation rules have led to an increasingly homogeneous socio-economic population profile in many post-war large neighbourhoods in countries like the Netherlands (Van Kempen 2000) and the UK (Goodchild and Cole 2001).

As we indicated before, it matters if the owners of the stock take care of problems in the estate. Therefore, management issues with regard to the division of money are important. When the management of a housing association or a local council decides that investments for improving estates should go to some estates and not others, the logical consequence is that some estates are thrown back on their own resources more than others. For example, the selection of only 40 problematic neighbourhoods in the Netherlands in which a specific neighbourhood policy is to be carried out automatically implies that other areas are not part of this policy. The latter areas will receive less money and will probably suffer from a so-called waterbed effect: they will inherit problems (such as criminal activities) from areas that are part of the policy (Bolt and Van Kempen 2009).

2.5 Population dynamics and related problems

The initial design, organisational issues such as allocation procedures, the present state of the neighbourhood and the dwellings, the reputation of the area, the relative position of the estates within the urban housing market and the urban market itself together determine which kind of population is prominent in an estate. The population composition of an area is an important indicator of the present function of a neighbourhood. In some cases this function is characterised by the presence of a relatively stable and satisfied population, but in many cases the post-war estates are characterised by a rapidly changing population with increasing numbers of low-income households, unemployed individuals with a low education level and ethnic minority groups. However, we should be careful about automatically attaching a negative label to such concentrations. These concentrations do not have to be problematic. There are numerous examples of mono-ethnic areas that seem
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1 to thrive relatively well, even despite the existence of a large degree of poverty (Dahya 1974).
2 A change in population composition of an area is perhaps more important than the actual population composition of an area (Grigsby, Baratz et al. 1987).
3 An influx of a new group may affect the satisfaction of the present inhabitants. The influx of a new ethnic group especially may change the opinion of the older inhabitants and may lead to less satisfaction with the neighbourhood or even with the home (Van Kempen, Bolt et al. 2009). A changing population in an area may be assessed negatively because the remaining original inhabitants may have lost friends and neighbours or because the new population categories are seen as an economic or social threat. The influx of ethnic minorities especially is often seen by natives as a negative development. The same holds for an influx of people with a lower socio-economic status (Dekker and Van Kempen Forthcoming).
4 While Grigsby and colleagues (1987) mainly focused on changes in the income profile of neighbourhoods, there are indications that changes in the ethnic composition of a neighbourhood play a significant role in neighbourhood decay, at least in the eyes of other groups. Dekker and Bolt (2006) found in two Dutch post-war neighbourhoods that many respondents complained that their neighbourhood was deteriorating and that this appeared to be highly related to the (perceived) increase of the number of ethnic minorities, in this case mainly Turks and Moroccans (Van Bergeijk, Bolt et al. 2008). Population change therefore is a crucial issue in explaining neighbourhood satisfaction, especially when such a change involves spatial concentrations of ethnic minorities.
5 Population dynamics and residential mobility can thus seriously influence the opinion people have of their living environment. They can also affect the bonds with the neighbourhood and the social contacts with the other inhabitants in the neighbourhood. In general, people who have lived for a long time in an area are more attached to the neighbourhood than those who have moved there only recently. They also have more social contacts in the neighbourhood. This dynamic also works the other way around: a positive attachment to the neighbourhood has a positive effect on the propensity to remain and on the willingness to improve the neighbourhood (Ahlbrandt and Cunningham 1979). Additionally, social cohesion is found to be a strong determinant of neighbourhood confidence (Varady 1986), which in its turn plays a key role in explaining mobility decisions (Goetze 1979). Indeed, when attachment reinforces the willingness of the inhabitants to improve the area, a negative spiral may be stopped. Attention to attachments thus seems to be crucial in an analysis of neighbourhood developments.
6 Population dynamics and, more specifically, new spatial concentrations of specific groups may also lead to problems with respect to safety and health. Safety may decline and feelings of danger may increase when criminality increases among some subgroups (Aalbers, Van Beckhoven et al. 2003) And because certain health problems are more concentrated in some groups than in other groups, a concentration of a group in an estate may lead to an increase of different health problems. For example, the influence of neighbourhood deprivation has been
related to obesity in Eindhoven, in the Netherlands (Van Lenthe and Mackenbach 2002). Also, life expectancy in poor neighbourhoods is two to three years less than in neighbourhoods with a higher average household equivalent income (Van der Lucht and Verkleij 2001).

2.6 Competition and image

At present, most post-war large housing estates in western-European cities are not the most attractive places to live. This is partly due to the quality of these estates themselves, which date from the 1950s and 1960s, but is also partly due to the many other more attractive dwellings and neighbourhoods that have been built since. Those who could afford to move did so, leaving dwellings in the post-war housing estates vacant. The vacancies were generally filled with households with the same characteristics, or with households belonging to weaker groups – such as the unemployed and other low-income households – for whom it was not possible to choose other neighbourhoods because they did not have the financial means. The competition with other, often newer, estates consequently resulted in a different population composition in the post-war estates.

The process just described refers to the concept of filtering. The main idea of filtering theories is that, as dwellings and neighbourhoods age, they tend to depreciate. This is due not only to physical deterioration or obsolescence, but also to relative depreciation. Even if neighbourhoods remain in good condition, over time they will have more and more trouble competing with new neighbourhoods, which are usually added to the market at the top of the quality and price hierarchy and are more geared to contemporary housing preferences. Therefore, according to this theory, dwellings and neighbourhoods inevitably filter from higher status to lower status populations (Myers 1990).

When a neighbourhood’s bad reputation takes on a fixed form early in the course of its history, it is very hard to get rid of that stigma (Hastings and Dean 2002). The presence of even a small number of dilapidated dwellings is seen by other property owners as a sign that the neighbourhood is deteriorating, which means that they have little incentive to invest in maintenance and improvement. The pattern may become self-reinforcing (Permentier 2009, see e.g.), and the neighbourhood’s negative image becomes difficult to change.

3. Using the Model

In this section, we will confront the model presented in the previous section with empirical data from three cases. These case study areas are set in the capital cities of the UK (London), the Netherlands (Amsterdam) and Sweden (Stockholm). We use information from the reports written by the researchers who formed part of the RESTATE team in those respective countries: Andersson and colleagues (2003).
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1 for Sweden; Hall and colleagues (2003) for the UK; and Aalbers and colleagues (2003) for The Netherlands.

We have studied the reports and structured the information in such a manner that the countries are comparable. The findings in this chapter can thus be seen as a qualitative meta-analysis of different studies. The basic question addressed in the reports is what types and combinations of problems have been identified in the large housing estates and the factors associated with them. The RESTATE-researchers gathered their information by analysing reports and memorandums written by policy makers from each country. They interviewed about 25 people in each city and used the interviews for the interpretation of the documents.

For each neighbourhood, we start with a brief description of the urban context of the neighbourhood, followed by a succinct description of the relative importance of each of the elements in the model for explaining neighbourhood development.

4. The Bijlmer in Amsterdam

4.1 Urban context

The Bijlmer was built in the 1970s as a high-rise development south-east of Amsterdam, a city of roughly 700.000 people. The pressure on the Amsterdam housing market is enormous because of its popularity among many different population groups, and consequently there are relatively few vacancies, although vacancy rates are slightly higher in the Bijlmer than in the rest of the city. Compared to other European cities, Amsterdam is not very segregated (Musterd and Van Kempen 2009), yet there are differences between pre-war neighbourhoods (generally more prosperous) and neighbourhoods built in the first three decades after the Second World War (less prosperous). Concentrations of deprivation can be found in the Bijlmer and also in the western part of the city.

There are two important events in history that have influenced the development of the Bijlmer. First, prior to the independence of Surinam in 1975, many Surinamese entered The Netherlands and settled in the housing available in the newly built Bijlmer. Second, the new low-rise single-family suburbs built around Amsterdam (Almere, Purmerend, Amstelveen) attracted those households that could afford to move, leaving the least prosperous households behind and making room for new immigrants. We will return to the issue of population dynamics later in the chapter.

3 This section is based on Aalbers et al. (2003).
4.2 Design and initial quality

The majority of dwellings in the Bijlmer is spacious (often more than 70 square metres) and of good initial quality. The neighbourhood had been designed as a park with apartment blocks in it, rather than the other way around. However, due to financial resources that turned out to be more limited than had been envisioned, parts of the initial design were never realised: most housing blocks have fewer elevators than planned, and storage boxes were built at street level. Before demolition and rebuilding took place, the majority of housing (85 to 97 per cent) was in the social rented sector, but due to relatively high prices and low incomes a large share of the population benefited from a high rent subsidy per year. The housing stock was partially restructured at the time of the research (2004): a number of high-rise complexes were demolished and low-rise and single-family dwellings were built, many in the owner-occupied sector. But many high-rise structures still remain.

4.3 State and decay

The internal quality of the apartments is good, but the (semi-)public space is poorly maintained. The large green areas are seen both as an asset and as a threat to the neighbourhood. The green areas are appreciated as recreational facilities,
but are often experienced as unsafe places. In the Bijlmer, while internal design is not a problem, the entrances, public corridors and the boxes on the ground floor are considered unsafe. Some shopping centres are located below street level and are therefore dark and considered unsafe by the residents.

4.4 Organisational issues

The allocation system has had an important impact on the population dynamics of the Bijlmer. The City of Amsterdam has an allocation system for social rented dwellings. There are waiting lists and it is not unusual for a household to wait for a few years for a social rented dwelling. Until 2000, parts of the Bijlmer, however, were not part of this city-wide allocation system and waiting lists were shorter. Consequently, many households who did not want to wait for a dwelling elsewhere and moved to or started their housing career in the Bijlmer. The result was a concentration of the unemployed, low-educated people, ethnic minorities and low-income households.

Other organisational issues have not played a very important role in explaining the development of the Bijlmer; financial and management issues have not had a profoundly negative or positive impact. It is noteworthy, however, that the Bijlmer management is characterised by its multi-ethnic composition and bottom-up involvement of many ethnic organizations. This bottom-up involvement has been an important political issue in the Bijlmer (Dukes 2007), but without it the development of the area would not have been very different, in our opinion.

4.5 Population dynamics

The Bijlmer is characterised by an influx of immigrants which started almost at the time of building; today the neighbourhood is still considered as the ‘gateway to the Netherlands’ for legal and illegal immigrants. Turnover rates in the Bijlmer are high and the average duration of stay is only 4.5 years (the Amsterdam average is 7.7 years). The average monthly income per person is lower in the south-east, in the Bijlmer, than in Amsterdam.

The respondents in the RESTATE-project consider the concentration of unemployed, low-income and low-educated people to be a problem. The share of ethnic minorities is high in the Bijlmer compared to Amsterdam. There is an overrepresentation of Surinamese, Antilleans and Ghanese, although the differences within the area can be substantial. There are areas with about 90 per cent ethnic minorities, but also an area with only 6 per cent. The share of households with children is much higher in the south-east (35 per cent) than in Amsterdam (24 per cent), and many of these (16 per cent of all households) are single-parent families. In addition, the number of drug addicts is substantial (about a hundred people).

The concentrations of residents in problematic situations and with short-term-stay perspectives, as well as a negative perception of the present state of the buildings and the neighbourhood, are important determinants of a further decline
1 in quality of the area: some of the residents dump their garbage, vandalise public 1
2 areas and paint graffiti on the walls. The homeless and drug addicts create feelings 2
3 of insecurity among other residents and live unhealthy lives. In general, both 3
4 objective and subjective safety is low (although improving slowly). Consequently, 4
5 satisfaction with neighbourhood aspects (maintenance of public space, signs of 5
6 regeneration) is very low, and so are levels of social cohesion, participation and 6
7 neighbourhood attachment. This promotes high turnover rates, which in turn 7
8 reduces attachment and cohesion. 8
9
10 **4.6 Competition and image** 10
11
12 A key variable in the decline of the Bijlmer neighbourhood was the development 12
13 of more attractive housing elsewhere in and around the city, which made the 13
14 neighbourhood relatively less attractive. Many households who could afford to 14
15 move away and increasingly moved to suburban settings around Amsterdam. 15
16 This trend, combined with an influx of immigrants from the former colonies 16
17 of the Netherlands, resulted in the quick decline of the relative position of the 17
18 neighbourhood in the housing market. The development of the neighbourhood 18
19 was strongly influenced by the population composition and the initial design of the 19
20 buildings and the neighbourhood. 20
21 In summary, the Bijlmer is doing slightly better now, because of a large urban 21
22 restructuring process; our model, however, has revealed a dangerous combination 22
23 of negative scores on almost all factors and developments over the past decades. 23
24 Our analysis has also shown that an initial good quality of homes in an estate is not 24
25 enough for the positive development of that estate. 25
26 26
27 27
28 **5. Bow HAT, Tower Hamlets in London** 28
29
30 **5.1 Urban context** 30
31
32 The City of London has some of the highest levels of poverty, unemployment, 32
33 crime and benefit dependency, as well as poor levels of educational attainment, in 33
34 the UK. Due to demolition of part of the social rented stock and extremely high 34
35 housing prices in the owner-occupied sector, pressure on the housing market is 35
36 high. London is a predominantly white city, with an 80 per cent white population 36
37 and a wide variety of ethnic minorities that make up the other 20 per cent. The 37
38 largest immigrant groups in London are Black Caribbeans and Indians. The Bow 38
39 Housing Action Trust (HAT) in Tower Hamlets in London was built as a high-rise 39
40 unit in the 1960s and 1970s. The area is located in the centre of London and was 40
41 restructured at the beginning of the twenty-first century. The new housing was 41
42 built for the sitting tenants and consists mainly of single-family homes. 42
43
44 **4** This section is based on Hall et al. (2003). 44
5.2 Design and initial quality

The initial design of the estate was poor: for example, the long corridors of some blocks provided convenient hiding places for criminals. The original housing stock was of low quality: it was poorly insulated, lacked windows and had very basic bathroom facilities, inadequate drainage and poor rubbish disposal facilities. Rubbish, for example, was collected at the end of each corridor in a rubbish room, which made the adjacent apartment a very unattractive home because of the smell. Many bathrooms were built without windows or ventilation options.

5.3 State and decay

Before the restructuring took place, the initial poor quality of the buildings suffered further decline due to poor management and lack of cleaning. New problems surfaced, such as windows that would not close properly, leaks, inadequate lifts, condensation and cockroaches.

5.4 Organisational issues

Organisational issues, especially allocation rules, have had a strong impact on population dynamics in Bow HAT. In the 1970s, white families tended to be...
allocated the most modern housing, which at that time were in Bow. Ethnic
minorities were generally assigned to the older public housing in the eastern part
of the city.

Essential to understanding the state of the neighbourhood in 2003 is the
knowledge that Bow was transferred from the council to the HAT (Housing Action
Trust) in 1993. Starting in 1993, the HAT began to demolish all 1,500 high-rise
units and replace them with 1,000 new homes. The new homes were designed
in close cooperation with the tenants. Consequently, they rarely moved out of
the neighbourhood, because they were awaiting their new home in the area. The
tenants only had to move once, because the new homes were built before the old
ones were demolished. To create enough empty space, Bow has functioned outside
of the ‘regular’ admission system for public housing since 1993: there have been no new assignments to the area. Consequently, the socio-economic composition of the population has been basically frozen. Due to the ‘closing off’ from the urban housing market, the influx of new residents has been very limited. The development of the Bow area has been significantly influenced by the closing off from the regular admission system, which resulted in a very stable community with few changes.

5.5 Population dynamics

Bow is a poor, predominantly white working-class neighbourhood. There are few job opportunities within the area and dependency on disabled and unemployment benefits is high. Yet, most residents do not want to travel to work outside the area. Most people that work do so in low-skilled jobs (clerks, secretaries, personal and protective services, plant machine operatives). The Bow estate in 2003 is characterised by a very low proportion of ethnic minorities (20 per cent), compared to the surrounding neighbourhood (36 per cent). The population in Bow HAT is further characterised by a higher proportion of elderly residents and few households with children or young adults.

Despite the stability of the community, the neighbourhood is faced with severe problems with respect to health, safety, cohesion, participation, attachment and satisfaction. These problems are strongly influenced by the population composition. There is a high concentration of long-term illness, single parents, teenage pregnancies, drug addiction and asthma. Yet, the levels of social cohesion among whites are high, although at the same time ethnic and racial tensions exist.

5 After 2004, when the neighbourhood was ‘opened up’ to the very tight urban housing market, the population became more diverse in ethnicity, socio-economic status and lifestyle. Old Ford Housing Association took over the Tower Hamlets Housing Action Trust. Old Ford won the Gold Award for cohesive communities in 2008. The jury said ‘Old Ford has demonstrated its unique intercultural approach to the community in Bow, East London, encouraging residents to recognise and appreciate diversity but use common goals and interests to work and socialise together’.
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1 in schools. The level of crime is about ten times higher than the national average
2 and there are rivalries between gangs of local black versus Bangladeshi youth.  
3 Despite these problems, there is a high level of satisfaction among residents: over
4 80 per cent of the residents state that Bow is a good place to live. Bow can be
5 described as a cohesive society of residents that have lived there for a very long
6 period.
7
8 5.6 Competition and image
9
10 The image Bow has, according to respondents, is worse than the actual situation.  
11 The media especially tend to be negative about this neighbourhood, whereas
12 the residents themselves are positive, as we have seen above. Since Bow has
13 functioned outside of the housing market for so many years, it is hard to identify
14 its position in this market.
15
16 In summary, the problems in Bow can in large part be explained by the
17 population structure of the area. The cause of this structure is found to be largely
18 the result of the combination of low quality of dwellings (as opposed to the Bijlmer)
19 and an allocation system that directed the white urban poor to this area.
20

6. Husby in Stockholm, Sweden

6.1 Urban context

Stockholm is a large city with a steady population of 800,000 people in the city
and with rapidly growing suburbs around it. The city had low levels of segregation
until the 1970s; since then socio-economic differences between parts of the city
have increased. Concentrations of low-income households can be found especially
in the large housing estates that are scattered around the edges of the city. The
Husby estate in Stockholm was built at the end of the Million Home Programme, a
large housing construction scheme in Sweden that ran from 1965-1974. The
Husby is part of a larger post-war development called Kista and is located close
to an industrial high tech plant which has provided many jobs for the residents of
the estate.

6.2 Design and initial quality

The development of the Husby estate was not problematic from the start, as the
development of other post-war estates in Sweden had been: lessons were learned
from the earlier developments and incorporated into the initial design of Husby,
resulting in a more personalised design with many meeting places and community
centres. Most buildings in Husby have five floors, with higher densities in the

6 This section is based on Andersson et al. (2003).
central area where the service functions are also located. Most dwellings are in the rented sector. The neighbourhood is connected to the Stockholm metro system and has its own metro stop. The quality of the initial design is experienced positively, but kitchens and bathrooms need to be refurbished after 20 years of use, according to the policy makers that were interviewed.

6.3 State and decay

The owners of the estate take their maintenance responsibility seriously and consequently the process of physical decay that can be noted in some other estates has not seriously set in at Husby.

6.4 Organisational issues

The management of the estate is characterised by exceptional input from and dependency on individual policy makers. According to the Swedish research team (Andersson, Molina et al. 2003), the effect of the management as well as the issues that are focused upon is largely dependent on the qualities and capacities of the policy makers. Responsible administrators and non-governmental organisations seem capable of generating sufficient funding for improvement programs for the
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1 neighbourhood. The capabilities of the management are mentioned as key aspects in the development of the neighbourhood: the Husby area is deprived, but not the most deprived neighbourhood in the country. Politicians have successfully lobbied to generate more funding from the Metropolitan Development Initiative for this area and that seems to have helped.

6.5 Population dynamics

9 The population in Husby has changed quickly since the early 1990s. As explained above, Husby is part of a larger post-war development, Kista. This relative proximity to other large estates has had its impact on the population. The other neighbourhoods in the larger area (Kista) were often the first entry point into Stockholm for many immigrants. A spill-over effect occurred and Husby also became attractive to the immigrants because of its proximity. Husby now experiences a high turnover rate and has seen a rapid rise of the share of ethnic minorities. Its population is characterised by low labour market participation and low incomes. The share of immigrants is still below 50 per cent, but is increasing. The largest immigrant groups are from Iran and Iraq. High levels of residential mobility of ethnic minorities exist between the immigrant-dense estates, further strengthening the social relations between the immigrants in the estates. In Sweden, the concentration of ethnic minorities is believed to be an important threshold to integration. Neighbourhoods with concentrations of ethnic minorities are also perceived to be unattractive by native Swedes. The concentration of low-educated, low-income, unemployed residents and ethnic minorities in a neighbourhood also results in poor health for many residents. Immigrants tend to be in worse condition physically and psychologically. However, crime, according to the police, is not higher in large housing estates than in other areas in Swedish cities. Yet, public opinion differs and the subjective feelings of safety in a large housing estate are not very positive.

6.6 Competition and image

13 The Husby neighbourhood had a reasonable position in the housing market until households with low socio-economic status moved in from the adjacent neighbourhoods. Successful lobbying to generate funding for the neighbourhood has since earmarked the neighbourhood as a problematic area. And according to some of the key respondents interviewed, a poor reputation and this image of being a problematic neighbourhood were quickly established.

Two important aspects differentiate the development of Husby from other estates. First of all, the initial design of the estate is rather good. Despite some small problems with street lights, the estate is of rather high quality. The good design and quality can probably be maintained because of efficient management and successful initiatives by individuals to generate funding for the neighbourhood. Second, the geographic location of the neighbourhood has led to the spill-over effect.
of ethnic minorities from surrounding neighbourhoods into Husby. Consequently its position in the housing market has declined, and it attracts more low-income households. The development is strongly influenced by good quality management by individuals in the administration and by non-profit organisations.

7 Conclusion

We focused our chapter on post-war housing estates. These areas have quickly become the most problematic areas in many cities in northern- and western-Europe. We illustrated our model with three case studies: Amsterdam, London and Stockholm. These areas have developed broadly along the same lines. Initially many of these areas were very popular places to live for many household types. But when newer, more attractive areas started to emerge on the outskirts of the cities in suburban locations and in many cases also in the central areas, the existing rented multifamily dwellings in the post-war estates started to become less attractive. Competition with newer neighbourhoods built in the vicinity of the post-war areas definitely influenced their position in the housing market in a negative. A filtering process set in: households who could afford to move left the estates and moved to more attractive housing and areas (either more central, or more spacious, suburban environments). Post-war estates often became concentration areas for low-income households in northern- and western-European cities.

Grigsby and colleagues (1987) were at least partly correct in indicating the significance of increasing poverty for negative developments in neighbourhoods. More poverty means less money for maintenance, consequently the physical appearance of the area degenerates. Residents that can afford to leave, do so and are succeeded by households with few choices in the housing market. Moreover, when people have to settle in dwellings and areas that they have not really chosen, the responsibility felt for the dwelling and the environment is often low. In many estates, particularly those in western-Europe, this intricate process has taken place.

In this chapter, we presented a model of neighbourhood change as a useful analytical tool. The model is a schematic presentation of the issues that are – in our opinion – important in analysing the explanations for the current situation of the problems in post-war housing estates in western-Europe. It represents the elements and relations that should be taken into consideration when analysing the complex question of what causes problems in these neighbourhoods. Unlike many other models of neighbourhood change and decline, the model we have provided is rather simple and straightforward, as it is intended to provide a guideline for the analysis of developments in and with respect to an estate. A logical analysis of the elements and relations in the model provides a clear picture of the developments that affect an estate. Policy makers can use the model to identify which problems should be approached first, and to avoid spending time
and money on decisions regarding policy interventions that will probably not solve the problem in this neighbourhood. Moreover, using this model for analysis of developments provides the opportunity to compare developments between estates and between different cities and countries.

We have applied the model to analyse the developments of post-war housing estates in three north-western European capitals: Amsterdam, London and Stockholm. In broad terms the general story of neighbourhood decline appears to be valid in all of these estates; when using the model, however, some interesting points emerge:

• The initial design of the neighbourhoods influences only part of the development. The Bijlmer area in Amsterdam was built with spacious dwellings of a high quality. In contrast, Bow Hat in London had problematic dwellings from the start. Yet both areas have more or less the same social problems. This raises significant questions about the work of those authors who focus very strongly on initial design as the most important driver of problems.

• The same holds for the initial design of public space, but in a different configuration. In both the Bijlmer and Bow Hat the initial design of the semi-public space was poor, in Husby (Stockholm) it was of reasonable quality. Yet, in all three case studies problems have arisen, either due to the influx of ethnic minorities and low-income households, and/or due to the poor quality of the initial design.

• The case of the Bijlmer in Amsterdam and the case of Bow Hat in London show how the allocation system of households can have an important impact on the population composition. Dwellings in the Bijlmer were easily accessible for households with very little choice in the housing market; hence, concentrations of ethnic minorities and low-income households occurred. In Bow Hat the opposite happened: due to the closing off from the regular housing market, hardly anybody moved into the neighbourhood, resulting in substantial population stability and satisfied residents.

• It seems that a change in neighbourhood population in ethnic or socio-economic terms is usually the first step towards decline. In all estates, the relation between population change and social problems is apparent.

The attention paid by national or local government authorities to a decline in urban neighbourhoods can be crucial to the path the estates eventually take. At the moment, an increasing number of post-war large housing estates are targeted by specific urban policies. Policy attention, especially in combination with financial resources, can change the trajectory of an estate immensely.

When the largest problems of an estate are put in terms of population composition, especially in terms of socio-economic and ethnic concentrations, it is easy to see dispersal of these concentrations as the most logical solution. Many policy interventions focus on the creation of a ‘social mix’, of a diverse
neighbourhood in socio-economic and ethnic terms. However, mixed populations are not automatically safer, more cohesive, or satisfactory, nor does the image of the estate improve rapidly. Policy makers are generally rather naïve about the positive effects of the presence of higher-income groups. Many studies have already indicated that people belonging to different groups within a neighbourhood tend to live separate lives (Kleinhans 2005; Musterd and Andersson 2005; Van Bergeijk, Kokx et al. 2008).

Looking at the model presented in this chapter, it becomes clear that simple changes like creating a better mix within a neighbourhood are not sufficient to create better neighbourhoods. The broader urban context is important: developments in one area cannot be separated from developments elsewhere. For example, creating a better neighbourhood by demolishing affordable dwellings and building more expensive owner-occupied homes may attract new inhabitants, but when the same kinds of new dwellings are being built elsewhere at the same time, in more attractive suburban environments, the chances for success drop. And building more mixed housing in an area may be completely unsuccessful if the negative reputation of an area does not improve.

We do not want to end this chapter in a negative note. It is our firm belief that many post-war housing estates have a lot of positive characteristics. Despite the problems often found in these areas, many residents are still satisfied with living in these areas. Many dwellings are of reasonable to good quality, public spaces are not always dangerous, but are sometimes seen as the essential positive feature of the area, and people often have good contacts with their neighbours. The latter is in particular the case when they belong to the same ethnic group. It may be a good idea to listen more closely to those inhabitants who have positive experiences and try to find out what matters to them. Before focusing on radical solutions like demolition, it is worth finding out how a neighbourhood could be improved using smaller, less drastic measures.
Conclusion

Building Bridges Between the
Social and the Spatial?

Katrien De Boyser, Caroline Dewilde, Danielle Dierckx

This volume – Between the Social and the Spatial – intended to tackle some pressing problems concerning research into the social and spatial dimensions of poverty and social exclusion. But perspectives on the possible cross-fertilisation of these research traditions differ. Some authors are convinced that the spatial dimension is inherent to every social problem (see, for instance, the chapter by Christian Kesteloot, Maarten Loopmans and Pascal De Decker). Others are more reserved and seem to be of the (more or less implicit) opinion that research into the social and the spatial should be considered as separate disciplines, while expressing, though, the need for intensified mutual fertilisation. As we have seen, most of the issues discussed in this book are directly related to the stepping stones Jan Vranken formulated in his introductory essay. The way his research career developed, shows that for him the spatial dimension is crucial to the study of poverty and social exclusion, and will, in all likelihood, become even more important in times to come.

The contributors to this volume elaborated on societal challenges, relevant developments at the macro-, meso- and micro-level, and recent research findings in (the overlap between) both research fields. The complementarities that can be identified in the chapters of this volume cannot hide the differences in research results and opinions about the ways social exclusion and poverty should be researched and could be tackled through policy interventions. We believe, however, that contrasts and disagreement lead to new insights, which hold the promise of generating scientific progress. In this concluding chapter, we stress the most remarkable elements arising from the chapters in this book, and put forward some ideas for further research.

1. Cities and Welfare States in the Face of Economic Decline

The economic crisis has become a worldwide challenge in no time. In this sense, it is an obvious exponent of the globalisation process, which has been intensively discussed during the last decade. The world, and in particular every nation-state, is ruled by a variety of global networks. This does not mean that nation-states, or regional or local governments, have become obsolete, which brings us to the –
largely unanswered – question of the extent to which the local government level
is affected by the current economic decline. And which instruments are there to
provide answers to this question? As Jack Burgers states, creative solutions will
be necessary to maintain the economic and social strength at the neighbourhood
and the city level. But, what is meant by these strengths and what has the local or
city level to offer?

It is clear that European cities – and more in particular areas in need of
development – are likely to be heavily impacted by the current financial and
economic crisis, maybe even more than countries as a whole. The profound impact
of the credit crunch on urban areas is especially felt in hard-hit property markets,
and in the manufacturing and service firms which are faced with a declining
demand and a more restricted access to credit. Existing or planned regeneration
projects are in danger of being suspended and the maintenance of existing renewed
environments is at peril. Today, there is no evidence on how (hard) the credit crunch
actually hit(s) European cities (and Member States) in terms of their development,
competitiveness and cohesion. Questions to be answered in the near future are
formulated by Mike Raco and Tuna Tasan-Kok. How can we understand/predict
future social and spatial mobility within cities? And what is the role of welfare
and housing policy in shaping these processes? They also draw attention to the
changing nature of the property industry. Could it be that capital is retreating
from the urban scene? And if so, how will this affect the development of deprived
neighbourhoods? And in more general terms: is urban development sustainable
without neo-liberal market dynamics? Moreover, researchers and policy makers
will need to be especially vigilant for the social consequences of the current crisis:
what happens to those who lose jobs and houses? Where will they end up, now that
in many cities, inner-city areas of redevelopment have been reclaimed by higher-
iccome groups, as pointed out by several of the contributors to this volume?

The increased dependency of urban regeneration projects on private capital
might also have an impact on those population groups living at the ‘margin’ of the
city in large housing estates. In their chapter, Ronald Van Kempen and Karien Dekker presented an overall analytical model that implies all the relevant factors for designing and evaluating the development of large housing estates: not only population composition, but also the urban context, initial design and quality, the current state and decay of the housing and public space, organisational issues, and competition and image on the housing market. This analytical model might prove to be a valuable instrument when it comes to gauging the impact of the current credit crisis on the further development of large housing estates. Depending on the duration of this period of economic bust and depending on the population groups that are hit the hardest, we can expect at least some changes in population composition of these estates. Also, as private partners might have less funds to their disposition or even withdraw altogether, urgently needed refurbishment plans might be postponed or even cancelled.
2. Social and Spatial Interventions at the Local Level

Nobody assumes that, now that the economic crisis is becoming more widespread, old strategies in social and spatial policies have to be abandoned. Existing strategies are challenged, but the core of the discussion remains untouched. As Jan Vranken indicated, the social and spatial dimensions enter the arena together in the debate on social cohesion. Now that, during the last decades, development programmes and projects have taken place in many deprived areas of European cities, a large body of research allows for assessing the impacts of these approaches. Several ‘fields of tensions’ can be derived from these experiences.

For example, do an area-based approach and urban policy efforts really contribute to the level of social cohesion of the neighbourhood, to the social capital of its residents and ultimately to the fight against social exclusion and poverty? Jack Burgers states that, while physically restructuring deprived neighbourhoods can be seen as a purpose in itself, it also can change the social composition of deprived neighbourhoods and contribute to a higher quality of housing conditions. On the other hand, regeneration as such does not seem to result in increased social cohesion on the neighbourhood level or in increased social capital on the individual level. Moreover, the author points out that the idea of mixed neighbourhoods is very difficult to realise, given the fact that residential mobility is motivated to a substantial degree by the desire of people to live amidst their ‘own kind’ in terms of ethnicity and socio-economic status. Entry of middle-class members of minority groups into middle-class neighbourhoods is looked upon as a sign of decay by the people who already live there. Further research into the motives of people of different backgrounds in terms of socio-economic status and ethnicity for staying in or moving into or out of a neighbourhood is needed. Consequently, Burgers defines spatial segregation of ethnic groups, even when the differences in income and education among them are significantly reduced, as a potential major research topic for the near future. His findings moreover show that, as Kesteloot, Loopmans and De Decker also argue, that urban sociologist should perhaps pay more attention to the relational dimension of space, and thus be aware of the limits of an area-based approach. The methodological exercise of taking into account population dynamics and mobility patterns into and out of certain areas might be a difficult one, but it is nevertheless very important. Otherwise, a successful urban regeneration project might actually result in a null-effect, as groups of disadvantaged people are just ‘relocated’ to a new problem area. Or as Burgers states: we might just be ‘reshuffling the deck chairs on the Titanic’.

As we stated, not all research results and opinions are similar. In contrast to Burgers, Jürgen Friedrichs and Jennifer Klöckner find that the more disadvantaged a neighbourhood, the stronger the relationship between neighbourhood-level social capital and the observed disorder and deviance becomes, while individual-level characteristics seem to become less important. If there is a high level of social capital, there will be lower perceived disorder and observed deviance in bad neighbourhoods. Good neighbourhoods have inhabitants that get along well
and are attached to the neighbourhood, resulting in lower migration rates, similar
norms, higher social control and more stability. Thus, the positive functioning of
individual-level social capital is dependent on the quality of the neighbourhood,
with individual-level social capital as a more important determinant of deviant
behaviour in ‘good’ neighbourhoods and neighbourhood-level social capital in
‘bad’ neighbourhoods. The question remains however, how social capital can be
increased in these disadvantaged neighbourhoods, as other authors in this volume
signal the failure of ‘social mixing’ and tendencies of people to have contact with,
and live in the vicinity of, their own ‘kind’. Any attempt to make use of social
capital in order to decrease observed deviance and disorder will need to take
account of these findings.

This relates to the question formulated by Jan Vranken about the ‘undesirable’
consequences of social cohesion. From the above research findings, one could
deduce the hypothesis that in more deprived neighbourhoods, cohesion more
often goes hand in hand with exclusion, while this is not necessarily the case in
neighbourhoods characterised by a higher amount of individual-level social capital.
In the latter neighbourhoods, inhabitants are less ‘in need’ of social cohesion, as
they can perfectly manage on their own and live ‘parallel lives’. All in all, we
need to gain a better understanding of how exactly neighbourhood-level and
individual-level social capital can improve the quality of life of neighbourhoods’
residents, especially since historical research (see the chapter by Catharina Lis and
Hugo Soly which is discussed more extensively in the next paragraph) has shown
that informal care was never the most important form of help for poor people in
early modern Europe: their survival depended more on the availability of work,
supplemented by (semi-)formal poor-relief arrangements. In this sense, the ‘world
we have lost’ never really existed, so then, why and how could it come back?

3. Towards a Repressive and Upper-Level Turn in Social and Spatial Politics

In their chapter on urban policy changes in Rotterdam, Eric Snel and Godfried
Engbersen warn against repressive changes in different policy contexts. The
way problems are defined, determines the kinds of solutions or actions that will
be taken. Together with Cochrane (2007), the authors assess that urban policies
nowadays focus on ‘managing disorderly places’ instead of ‘fighting social
deprivation’. Not only the discourse has changed, the Rotterdam case also shows
how policy measures are becoming more and more restrictive. Problems which
were tolerated before (e.g. illegal subletting and undocumented residence) return
on the priority list of police departments. The authors formulate this in terms
of a ‘social reconquest’, referring to repressive police operations in vulnerable
neighbourhoods, and to the whole range of social and physical interventions aimed
at changing the social structure of neighbourhoods.

Another recent development relates to intergovernmental relations. More
specifically, questions are raised concerning changing central-local state relations.
1 Whereas all over the European Union, the local level is recognised as an actor in developing urban planning, development and regeneration projects, central states have recently enhanced their power by setting up credit provisions in times of economic weakness. We therefore assume that the neighbourhood and city level will be challenged in terms of attracting and creating new jobs and in terms of trying to keep ongoing and planned programmes on track. Creativity will be necessary in order to (re)assert the relevance of the local policy level.

4. Dealing with New Social Risks at Multiple Levels

Governments on multiple levels are challenged even more by the growing vulnerability to so-called ‘new social risks’: the increasing instability and precariousness of labour market careers (especially for low-skilled workers) and the growing number of divorces leading up to a rise of (often poor) single-headed households. Often, these new social risks cumulate for specific population groups, which are concentrated in certain neighbourhoods. One factor binding governments on all societal levels (local to supra-national) is the constant search for new ways to increase social cohesion, for solutions for social problems and for new and better kinds of social interventions. A concern which is present on the local, national and supra-national level is the need to deal with – what Serge Paugam calls – ‘the new precarious fringes of society’. He refers to the above mentioned new societal risks, and in particular to the increasing precariousness of jobs in unstable labour markets, which tends to lead to some sort of collective anxiety. Moreover, the income uncertainty that is felt by parts of the population possibly has important consequences, also in terms of postponing or (not) taking important life course decisions, as Jos Berghman and Annelies Debels point out. Furthermore, according to Walter Van Trier, labour market participation might have lost its emancipatory capacity or its capacity to empower, so that firms can no longer be considered as ‘third places’, settings in which people meet as equals, disregarding race, class or national origin. In his view, this might well be the reason why André Gorz decided to do away with the principle of ‘work’ as a ticket to citizenship, and is now in favour of an unconditional basic income guarantee.

In order to address this new (or at least more generalised) type of social risk, policy makers at the level of the European Union have turned to the concept of ‘flexicurity’. Both labour market policies and traditional social policy instruments are seen in this debate as key elements in cushioning the blows of flexibilising and globalising labour markets. The concept of flexicurity refers to more flexibility on the labour market on the one hand, and to a more secure living standard on the other, by ensuring that people are both adequately protected in case of unemployment, while at the same time providing ample opportunities for (decent) re-employment.

We would like to add some further questions to this ongoing debate. Firstly, while for highly skilled and high-income workers the flexicurity concept is a relatively...
The attractive concept, the question remains what it will take to strike the right balance between flexibility and security for low-skilled and low-income workers. Further research is needed here. Secondly, is the argument of the authors valid when they argue that if major social institutions are taken care of at the level of the European Union, smaller-scale institutions (and related policies) will automatically be taken aboard? Thirdly, one of the pitfalls of this approach lies in the non-compulsory character (soft law) of the available instruments. Next to the risk (as pointed out by Berghman and Debels) of being as little effective as inclusion policies, this could hold a risk of legitimising more flexibility on the labour market (which is relatively easy to accomplish) without necessarily adding anything to the ‘security’ aspect of the flexicurity concept (which is time- and resources-consuming – (social) policy making is typically an incremental process). Fourth, as we have seen in many chapters in this volume, unemployment tends to be spatially concentrated, experienced by people who often lack the skills or capacities to be more ‘flexible’.

Ideally, policies aimed at re-employing people quickly should take this spatial dimension into account, for instance by making sure that there are sufficient re-employment opportunities in disadvantaged neighbourhoods or by supporting multi-problem households in their quest for employment, for instance by making sure that lone mothers on large housing estates can go to work without having to worry about child care, transport costs or commuting time. Otherwise, flexicurity might become a concept that is only applicable to the middle- and higher-incomes classes in their newly renovated inner-city neighbourhoods.

According to different authors in this volume, the so-called new social risks are considered as inherent to the (yet incomplete) transition to European post-industrial labour markets and societies, where individual security tends to depend less on the protection from threats to male-breadwinning, but rather on the (in)capacity to confront challenges that rise over the individual life course, as Jack Burgers points out. The challenge to move away from industrial settings and conditions is also present in literature on urban development, as urban areas that have a strong and relatively recent industrial history tend to lag further behind. Burgers pleas for traditional cities to reinvent themselves in order to create jobs and realise the economic goals of the ‘Major Cities Policies’. Developing new city images and identities however requires heavy investments. As countries tend to invest in already strong and prosperous urban regions, Burgers concludes that de-industrialising cities will be confronted with an extra burdensome task at hand.

5. Poverty Measurement, Policy-making and Academic Accountability

From different – rather methodological – chapters of this volume, we distil that moving from a single-dimensional focus to multidimensionality has consequences for both research and policy-making. First of all, this shift poses considerable theoretical and methodological challenges, as is shown by Anthony Atkinson and Chris de Neubourg, Keetie Roelen and Franzisca Gassmann. The questions...
Conclusion

1. The questions raised in these chapters are to be considered carefully by researchers when
2. taking into account different types of domains and indicators in the construction
3. of multidimensional deprivation/poverty indicators. Questions arise about the
4. use of absolute measures compared to the definition of relative cut-off points,
5. where we also consider prevailing standards of living and/or the time frame; or
6. about whether to consider the ‘scope’ of a problem (in terms of head counts) or
7. its ‘depth’ (the extent of deprivation/poverty). In responding to these – at first
8. sight methodological – questions, one should also consider another important
9. dimension for researchers, which we could call ‘academic accountability’. By this,
10. we mean that researchers need to be aware of the impact their methodological
11. choices and (ultimately) findings may have, and of the presuppositions they make
12. when designing indicators for policy-making. In the process of ‘putting together’
13. multidimensional indicators, researchers – consciously or unconsciously – take
14. decisions which have underlying ethical connotations about the meaning of
15. poverty, its causes and how we should go about distributing the scarce resources
16. targeted at the poor.

17. Following Atkinson, the question arises whether one should consider good
18. health or ‘the highest possible educational attainment one can achieve’ as an end in
19. themselves – or as absolute? Or can good health also be defined in more ambitious
20. terms (because easier to achieve) in more affluent societies, thus relatively? In
21. terms of a monetary poverty indicator, one could ask the same question: is it
22. more ethical to ‘create’ indicators which show a larger share of the population
23. experiencing financial difficulties rather than to present the small share of people
24. living in deep poverty?

25. Related to this, de Neubourg and colleagues show in their chapter that the
26. differences in unidimensional (that is, monetary) and multidimensional approaches
27. have substantial consequences for social policy, because they guide it along
28. different paths. Many people are not poor in the monetary sense, but experience
29. serious deprivation on one or more other domains such as health or labour, and
30. vice versa. As monetary poverty more and more proves to be a bad proxy for other
31. deprivation indicators than generally expected, serious questions have to be asked
32. concerning the implications for research and for social policy. While this issue has
33. already been addressed by many authors analysing data from advanced welfare
34. states, in this chapter the authors demonstrate how this problem of the ‘mismatch’
35. between poverty measures is also present in less developed countries.

36. More recently, the spatial dimension has entered research on poverty and social
37. exclusion in a completely novel way. More in particular, the ‘Eastern’ enlargement
38. of the European Union, which started in 2004, has confronted both European social
39. researchers and policy makers with the seemingly discomforting fact that the ‘old’
40. income poverty indicators no longer suffice to describe the experience of poverty
41. and social exclusion. As demonstrated by Fahey (2007), income differences
42. between the Member States are now so wide that what is defined as the poverty
43. threshold in the ‘richer’ Member States would count as an above-average income
44. in the ‘poorer’ Member States. Furthermore, economic development in several
of these ‘new’ countries seems to progress at several speeds, favouring some (usually urban) regions much more than other (usually rural) regions, creating large regional differences in economic affluence and living standards within countries. Finally, some of these countries house a substantial Roma-minority, most of whom live in extremely deprived conditions (European Commission, 2005). All this has resulted in pleas for a new, ‘European’ way of thinking about the concepts of poverty and social exclusion, and their measurement (e.g. Kangas and Ritakallio, 2007; Delhey and Kohler, 2006). The difficulties experienced with monetary indicators are likely to trigger new dynamics in both the measurement of poverty and possibly in poverty-policy making in the coming years. From a policy perspective, de Neubourg and colleagues also underline, as many before them have done, that the safest way to approach poverty issues will probably be to take different measures into account: both looking at the people experiencing problems on separate dimensions and looking at people experiencing deprivation on different dimensions at the same time provides more useful policy information, especially for monitoring and evaluating policy. In practice, there is a need for taking the analysis a few steps further by decomposing poverty indices into various dimensions for several subgroups. The spatial (urban-rural) dimension is one of the elements which are important to look at, also within the enlarged ‘European’ context.

6. Poverty in Space and Time

Different chapters in this volume show that poverty differs not only when measured differently, but also in reference to space and time. Within the European Union, being poor in southern rural areas is not the same as being poor in an northern urban area, just as being poor in the 1970s (or in pre-industrial times for that matter) is not the same as being poor today. Or as Paugam formulates it: ‘the “poor” are not a fixed social ensemble’, meaning that poverty takes on different forms depending on societies, their histories and their state of development. When looking at the current erosion of political consensus on the importance of welfare states and their social systems, one of the responses – as a counterpart of the larger role that can be allocated to market forces in a so-called ‘insurance state’ – is to restore the principle of the ‘caring society’. Using this ‘extended’ time perspective – when looking back for ‘strategies’ to deal with poverty in the pre-industrial ages and the nineteenth century – provides for an interesting exercise. Catharina Lis and Hugo Soly put the nostalgia for the caring pre-industrial society into a more realistic perspective. They establish that this idealised society where ‘people care for people’ and where interpersonal arrangements within families and neighbourhoods were thought to be stronger, is somewhat of an artefact. Throughout their chapter, we get a rather grim view of these ancient arrangements. According to the authors nor the family, nor the neighbourhood nor poor relief have ever generated sufficient income for society’s poorest to enable them to
survive. On the other hand, we can wonder whether this caring society is yet so far away as it seems to be. In his chapter, Serge Paugam argues that in poorer economic regions of the European Union, family solidarity remains intensive and collective: especially Mediterranean societies still seem to preserve traits of rural societies. One could wonder whether these systems, ‘organised out of resistance to misery’, would disappear if economic development became more intensified in these regions. Furthermore, an extension of Paugam’s analysis to the ‘new’ European Member States might provide for a insightful test case, allowing for a further empirical verification of his typology of integrated, marginal and disqualifying poverty.

7. The Bumpy Road ahead in the Conceptualisation and Measurement of Poverty as a Truly Multidimensional Concept

Ever since the 1970s, the concept of poverty in western welfare states has been at the centre of a vivid debate in the social sciences. The least we can say is that the search for a defining criterion or demarcation line for ‘poverty’ has brought us enriching and diversified conceptual frameworks. Next to the (ongoing) shift from uni- towards multidimensional concepts and operationalisations of poverty, there exists a growing interest for the ‘time and space’- aspects of poverty. So far, multidimensional poverty measures generally do not take into account the spatial dimension. On the other hand, most of the chapters in this contribution focusing on the spatial dimension of poverty implicitly define poverty as a concept that is wider than income poverty, as many inhabitants of disadvantaged neighbourhoods are confronted with an accumulation of problems. In this sense, one could say that urban sociologists have managed to rise above the ‘measurement approach’ debate which has been crippling poverty research for the last decades (e.g. Ringen 1988).

Further diversification in terms of the dynamics (time perspective) and spatial diversity (and change) would be enriching and challenging at once. In addition to the more ‘measurable’ aspects of poverty (which therefore are sometimes thought to be more amenable for policymakers), there are less ‘seizable’ elements in the experience of poverty, in its transmission and in the perception of poverty by the population at stake and at large, which are important for a sound understanding of what poverty is and how it can be fought. In this conclusion, several avenues for further research in this direction have been identified.

1 This was among other things the result of research into the dynamics of poverty over the life course and between generations, and of research into the differences in poverty (dimensions) between welfare states, and into disparities in social problems between regions or in urban-rural settlements.
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