

# **POVERTY AND SOCIAL EXCLUSION IN NORTH AND SOUTH**

**David O'Brien, Joanna Wilkes, Arjan de Haan, Simon Maxwell**

**Institute of Development Studies and Poverty Research Unit,  
University of Sussex**

**IDS Working Paper 55**

## **Summary**

The debate on 'social exclusion' has mostly taken place in developed countries, but closely mirrors the debate on 'poverty' in developing countries: both stress the problem of multiple deprivation, the psycho-social factors, and the importance of agency and participation in the widest sense. There are important connections to make between these separate debates, and across geographical boundaries between North and South. The Institute of Development Studies and the Poverty Research Unit, both at the University of Sussex, convened a workshop to explore the connections and draw conclusions for both theory and policy; this is the report. There were papers on new approaches to deprivation, and on sectoral issues in the areas of food, health, child poverty and labour markets. Access, personal security, vulnerability and other issues are firmly on the agenda in both North and South. There are many new connections to make.

---

David O'Brien is a Research Officer at the Poverty Research Unit, Joanna Wilkes is an Mphil student at the Institute of Development Studies, Arjan de Haan is Assistant Director of the Poverty Research Unit, Simon Maxwell is a Fellow of the Institute of Development Studies.

## 1 INTRODUCTION

This document reports on a workshop on 'Poverty and Social Exclusion in North and South', jointly organised by the Institute of Development Studies and the Poverty Research Unit, both at the University of Sussex. The workshop was held at IDS on 28 and 29 April, 1997; and was supported financially by the International Institute of Labour Studies and the UK Overseas Development Administration. Appendices 1 and 2 contain the list of papers and the list of participants.

The origin of the workshop lies in the rapid growth of thinking and action around the concept of 'social exclusion', principally in developed countries (O'Brien 1997)<sup>1</sup>, but also, thanks to pioneering work by IILS, in developing countries (IILS 1996)<sup>2</sup>. Two sets of questions immediately present themselves:

- First, how does new thinking on social exclusion relate to the large body of work on poverty and poverty reduction? Is the concept of social exclusion merely a re-labelling of poverty? Is it perhaps an explanation of poverty? Or does it offer something entirely new?
- Secondly, does a new debate in the North offer new opportunities for dialogue between North and South? Does the debate on social exclusion in the North offer new lessons for the South? Conversely, are there insights from the South that will enrich debate in the North? And, more deeply, are there common theoretical perspectives that link both North and South?

The workshop set out to address these questions. It grew out of a seminar series held at IDS in early 1997, the principal purpose of which was to bring the social exclusion debate into the purview of development specialists. It should be no surprise, therefore, that most of the papers are rooted in Northern analysis, and that most of the discussion concerned developing countries. The North-South linkages were not lost, however, and are highlighted in the following account.

---

<sup>1</sup> O'Brien, D. 1997. *An Annotated Bibliography on Poverty and Social Exclusion with Primary Reference to the UK, France and USA, Literature and Case-Studies*. Poverty Research Unit at Sussex (mimeo).

<sup>2</sup> International Institute for Labour Studies. 1996. *Social Exclusion and Anti-poverty Strategies. Research Project on the Patterns and Causes of Social Exclusion and the Design of Policies to Promote Integration: A Synthesis of Findings*. Geneva: IILS.

The papers and the discussion have been grouped under three headings: first, a section on conceptual issues; secondly, a section on perspectives of poverty and social exclusion, dealing with characteristics, causes, and policy frameworks; and, finally, a section offering sectoral insights from specialists in child poverty, food, health, labour markets and gender. The conclusions are brought together at the end.

## 2 CONCEPTUAL ISSUES

Arjan de Haan, Simon Maxwell and Jose Figueiredo set the context for the workshop. De Haan explored the competing definitions of poverty and social exclusion. Maxwell explored links between North and South, and Figueiredo provided an overview of the ILS research programme on social exclusion.

### **a Poverty and Social Exclusion: A New Research Agenda**

De Haan's paper reviewed current work on social exclusion and sought parallels with work on poverty, especially in developing countries

The term 'social exclusion' originated in the French debate about social assistance in the 1970s and was defined broadly as 'a rupture of social bonds'. De Haan noted that the terms had been interpreted in more than one way, however. In Silver's<sup>3</sup> classification, the *solidarity* paradigm related to the French experience outlined above. The *specialisation* paradigm was dominant in the US, where exclusion was tied closely to notions of discrimination. The *monopoly* paradigm was dominant in Western Europe, where exclusion was seen as the consequence of group monopoly formation where certain groups excluded others groups. De Haan accepted this diversity of approaches since they reflected different national notions of social integration. He thought the concept could be useful nonetheless because it focused on process and because it was multi-dimensional in nature.

Whether it was different to poverty was another matter. De Haan was doubtful. If poverty was defined narrowly in terms of income or consumption outcomes, then social exclusion clearly provided value-added. But much of the current debate on poverty, especially in developing countries, was concerned with wider concepts of relative deprivation, ill-being, vulnerability and capability. As in the case of social exclusion, the current poverty debate stressed process and focused on the multi-faceted nature of deprivation. There was thus a considerable overlap - and scope for fruitful interaction.

---

<sup>3</sup> Silver, H. 1994. *Social Exclusion and Social Solidarity: Three Paradigms*, ILS Discussion Paper 69, Geneva.

## **b Comparisons, Convergence and Connections: Development Studies in North and South**

Maxwell, too, was concerned with overlaps, this time between North and South. He argued that increasing attention to poverty and social exclusion in the North opened the possibility of fertile dialogue between North and South, on three questions. First, were there new *comparisons*, or lessons to be drawn across geographical boundaries, about the characteristics, causes and remedies of poverty and social exclusion? Secondly, did the rapid increase in poverty and social exclusion in the North signal a new *convergence* between North and South? And, thirdly, were there theories to hand that would expose *connections* between poverty and social exclusion in North and South?

There were positive answers to all these questions. It was easy to identify fruitful comparisons, both in the discourse about poverty and social exclusion, and in programmes to combat them. Employment programmes, for example, were generally reviled in the North but applauded in the South. Why was this? And were there not lessons to learn from the contrast between the South's emphasis on supporting flexible and diverse livelihoods, contrasted with the North's more usual concern with formal sector jobs? Why did policy-makers in the North, fighting high levels of unemployment, not give the same priority as policy-makers in the South to labour-intensive development strategies?

As these questions were explored, the convergence between North and South became apparent. Maxwell reviewed the evidence and found himself agreeing with the late Dudley Seers, that a tripartite division of the world was increasingly misleading. Indeed, there were theoretical reasons for this. Old-style modernisation theories could not explain poverty and social exclusion in the North. But new theories, often structured to account for globalisation in the world economy, could account for poverty in both North and South. There were thus good reasons for poverty specialists from different sides of the divide to work together.

## **c Social Exclusion in the South: The Research Project of ILS/ILO**

Figueiredo summarised the ILS/ILO research project on social exclusion in the South by highlighting the conceptual advances, key policy implications and research priorities that had been generated.

On the conceptual side, different approaches had been taken. Case study work in Russia and Tanzania suggested that social exclusion was a multi-dimensional definition of poverty, whereas in Thailand poverty and social exclusion were regarded as distinctly different. In India, poverty was viewed as a key cause of social exclusion. In Peru, this causality was reversed and social exclusion was seen as a cause of poverty. The ILS had not tried to impose a single analytical framework. Despite the approach taken, these studies concurred

that the relational aspects of deprivation, such as violence, and personal insecurity was a key feature of social exclusion.

In terms of policy, social exclusion presented a comprehensive perspective from which to confront the complexity of social disadvantage. Policy should have an institutional focus with the three main areas for action being i) markets, ii) enforcement of rights, where the South can particularly learn from the North, and iii) participation through activating civil society mechanisms.

Three research priorities were formulated from the ILS programme. First, how does the concept help inform development co-operation? Second, how can civil society and governments be influenced to start dialogue on social exclusion and how to address its consequences and causes? Third, how can the concept be operationalised?

#### **d Discussion**

The discussion focused on three main themes: concepts; measurement; and North-South comparisons.

On concepts, there was no real dissent from the proposition that the new social exclusion discourse in the North closely mirrored the evolving poverty discourse in the South. However, this did not make it illegitimate. In fact, the idea of social exclusion could legitimise political conversation in the North about poverty in the North. This might not take place when issues were framed in poverty discourse. The emphasis of social exclusion theory on process, and on multi-dimensional disadvantage, were both considered valuable additions to the Northern discourse. Social exclusion, it was argued, should always be seen as a process, not an end-state.

There were problems with the concept of social exclusion, nevertheless. First, there were questions about epistemology. Who decided on the parameters of exclusion? Did the poor consider themselves to be 'excluded'? And how did the theory handle 'self-excluded' groups, for instance those who overtly or covertly reject the authority of the state or society? There was a risk that use of the concept could impose an artificial, top-down homogeneity, such that people defined as excluded would be seen, illegitimately, as behaving outside social norms. The very concept of social exclusion could itself be discriminatory. Indeed, it could even be misleading, if groups considered excluded by society as a whole had very strong and cohesive internal structures of their own.

Secondly, there were issues about the extent of overlap between income or consumption poverty and social exclusion. Was it possible to be poor (in that sense) but not socially excluded? Or conversely, socially excluded but not poor? The answer to both questions was presumably 'yes', as examples from the Indian caste system, or from groups suffering

discrimination might indicate. For example, East African Asians might be considered a group both rich and socially excluded in national terms. A Venn diagram was proposed: there would be considerable overlap between income or consumption poverty and social exclusion, but not perfect overlap. Presumably, the same would be true for narrow and broad definitions of poverty.

On measurement, there was a strong felt need by some for better measurement of social exclusion: only by agreeing and measuring indicators of social exclusion could better policies be designed and their impact measured. This was not going to be easy, however. If income or consumption poverty was not an adequate proxy, alternative indicators would have to be found, perhaps based on the constraints to the capabilities of individuals (e.g. access to health care or water). It was important to recognise local specificities in the modalities of social exclusion, however; and it was necessary to capture exclusion working through institutions and other structures. Recent attempts to identify possible indicators of social exclusion, in Europe had been innovative in the integration of qualitative and quantitative indicators. However, there has been little experience on the manageability, usefulness or cost effectiveness of social exclusion indicator sets. For this and other reasons, some felt that a bottom-up, participatory process would be more productive, allowing communities themselves to determine local indicators.

Finally, there was a mutual recognition of the crippling ignorance of Northern researchers on the South and vice versa. Currently, there was community development work being done in the North but by a completely different group of professionals from those who worked on the South. It was recognised that there was very little past experience of learning from one another.

### **3 PERSPECTIVES ON POVERTY AND SOCIAL EXCLUSION**

The second section of the workshop addressed different perspectives on poverty and social exclusion. Evans provided a comparative analysis of social assistance structures in the UK and France. Jenkins presented recent findings of a longitudinal poverty study in the UK. Gaventa addressed issues of participation in North and South. Zachmann spoke about social exclusion in Africa. Murray (in absentia) dealt with globalisation and social exclusion.

#### **a Social Assistance and Social Exclusion in France and Britain**

Evans placed French and British approaches to social exclusion and social assistance and insurance programmes in comparative perspective. In both countries, the multi-dimensional and cumulative nature of deprivation was growing: precarious employment was positively correlated with bad housing, debt, poor quality neighbourhoods and weakened social ties

(family life, informal help networks and social participation). There was justification enough here, at least in France, for concern with social cohesion.

A major difference between the countries, however, was that unemployment benefit in France was traditionally largely provided through contributory mechanisms, whereas in Britain it was provided by means-tested benefits. For example, in 1993, 70 per cent of the unemployed in France relied on contributory benefits, compared to under 20 per cent in Britain. The term 'excluded' was originally coined to describe those who fell outside the contributory safety-net, particularly the young, the old, the disabled, and single parents; and was only later extended to incorporate those suffering multiple deprivation in the worst affected localities. As Evans noted, the discovery of social exclusion in France had led to the introduction of many new targeted programmes, so that the social welfare systems of the two countries were coming increasingly to resemble each other.

At the same time, targeted programmes in France, directed specifically to tackling social exclusion as well as poverty, were characteristically multi-faceted, designed not just to help beneficiaries secure jobs, but also to help them integrate into the contributory social security system. Probably the best known programme was the *Revenu Minimum d'Insertion*, in which a claimant received benefit in return for a commitment to undertake actions necessary for insertion - training, literacy courses, help with health care, parental education, etc. In general, French programmes had a strong geographical focus, targeting and empowering local communities.

Evans suggested that the adoption of a social exclusion approach in the UK would be advantageous: it would widen the official UK debate over social assistance institutions and cash-transfers beyond a simple focus on unemployment; it would offer the possibility of integrated responses that combined different levels of government; and it would focus research and policy toward multi-sectoral programmes. It was interesting that an inter-departmental group on social exclusion had recently been formed in the UK.

## **b Low Income Dynamics in 1990s Britain**

Jenkins used statistical techniques to cast doubt on the existence of a permanent 'under-class'. He analysed low income dynamics in Britain, using data from the first four waves of the British Household Panel Survey (BHPS), tracking 5500 households from 1990 to 1994. The main finding was the extent of 'low income turnover': while only 4 per cent of households were persistently income poor across all four waves of the BHPS, as many as 31 per cent were found to be income poor in at least one period. This was a substantially higher exposure to poverty than would be suggested by typical cross-section findings that 15-20 per cent of the population was poor at any one time. The figure also underestimated the incidence of

transitory poverty, since interviews were annual and there could be periods of poverty for some households between interviews.

Jenkins provided data on exit and re-entry rates. He observed that 'low income spell repetition is an important phenomenon in Britain'. It was important to understand the factors governing this 'low income churning'. Events associated with low income exit were increases in the number of earners, getting a job and demographic changes within the household. Events associated with 'entry' were decreases in the number of earners and adults. The persistently poor, by contrast, were more likely to be lone parent families, long-term unemployed, and single pensioners.

The analysis had implications for welfare benefit and labour market policies. Jenkins argued that the welfare system was particularly valuable because it played a more important temporary role for many households than often thought. However, benefits alone could not eliminate poverty: helping people out of poverty on a long term basis would mean increasing the tenure and quality of labour market attachment.

### **c Participation, Poverty & Social Exclusion in North and South**

Gaventa returned to the discussion on the processes underlying poverty and social exclusion. He was concerned with 'participation', both as an end in itself and thus a component of social inclusion, and as a means to the elimination of exclusion (e.g. minorities developing participatory strategies to address racism). His case study was of poor communities in the US, 'the South within the North'.

Gaventa outlined how participation had featured in the design and implementation of federal poverty reduction programmes in the US during the last three decades. There had been three main phases. In the early 1960s, the intent was to tackle both the apparent pauperisation and the social disengagement of the poor, by encouraging 'maximum feasible participation' in the War on Poverty. However, the outpouring of community mobilisation and action generated political conflict with local elites and administrations, and the government beat a hasty retreat. In the second phase, lasting until the early 1990s, it concentrated instead on regional economic development programmes, with much less participation. Only in a third phase did participation reappear on a substantial scale, with a new programme of Empowerment Zones and Enterprise Communities developing new forms of partnership between government and civil society. Participation, community development and social inclusion are key components of the EZ/EC programme.

Eight lessons could be drawn from this experience for participation policy world-wide: (i) governments cannot impose successful participation, but government policy on participation does matter - at the very least it encourages and legitimates grass-roots action;



(ii) participation does change the agenda, for example introducing greater emphasis on capacity-building and empowerment into economic development programmes; (iii) 'participation' can be an ambiguous term, and needs to be clarified - for some it means co-optation, for others consultation, and for others empowerment; (iv) participation that challenges power hierarchies will inevitably cause political conflict, and needs high-level support if it is to be sustained; (v) participation when social capital is strong produces better project results but where social capital is weak, participation programmes can build social capital (vi) by the same token, government institutions need to be equipped to facilitate effective participation; (vii) monitoring and evaluation is important; and last but not least, (viii) participation on its own is not enough to eliminate poverty.

#### **d Poverty and Social Exclusion in Africa**

Zachmann examined the many different ways in which Africa was excluded and the mechanisms of exclusion within African countries. Poverty and deprivation relate to the unequal distribution of assets, poor and unequal access to services, low quality of employment and productivity, restricted access to markets, lack of capital and credit, and persistent exclusionary political systems which make the policy-making process very insular. With varying degree, these characteristics contribute to the maintenance of Africa's marginal position in the world economy.

A mechanical solution would confront each of these situations independently of each other. An appropriate first response must begin with macro economic growth and supportive employment policies. The key principles of economic policy needed to emphasise competitiveness, increasing demand for labour and goods, and growth, which as experience has demonstrated, is not possible without commitment to structural adjustment. However, Zachmann argued that there was no guarantee that the positive effects of these policies would reach the poorest groups and so effective targeting was needed.

Adequate economic policies required competent governance. Economic policy would be frustrated by weak government capacity, and by lack of feed-back on the effects of policy. Participation was a rapid and cost effective way of achieving feedback, but other commentators wondered how appropriate this was for macro-level economic policy.

#### **e Globalisation and Social Exclusion**

Murray's contribution explored the economic roots of social exclusion, both for poor groups within countries, as in the case of Europe and the US, and for groups of countries, as in the case of Africa. He was particularly concerned with the phenomenon of globalisation, and with the scope for local responses to the adverse social consequences.

Murray argued that the dominant feature of globalisation was the process of accumulation. Attempts in the 1970s to preserve national economic space had been undermined by neo-liberalism, and we now observed 'social democratic depression' in countries and areas that had attempted to regulate markets for social objectives.

There were alternative escape routes, however, and Murray cited two. He described attempts to develop local economies, by focusing on community-based regeneration; and he commended the alternative trade movement, which was trying directly to foster more equitable trade regimes. Murray concluded that key forms of autonomy (and social inclusion?) are no longer based on the nation state, but are instead established at the level of consumer, communities and production systems.

## **f Discussion**

These papers covered a variety of themes. However, two core issues ran through the discussion: the usefulness of social exclusion as a concept; and the implications for policy. Both of these were pursued in a North-South framework.

First, there was general agreement that the multiple deprivation described by Evans captured an important reality in both North and South. Whether described as poverty or social exclusion, it had economic and social components, which needed to be addressed simultaneously. It did not seem to matter that some of these components - Gaventa had cited participation - should be both ends and means. Jenkins data had suggested that there was no permanent under-class. But did that not mean that the problem of multiple deprivation was more wide-spread and more complex than sometimes thought?

In this connection, there were interesting parallels between discussions of '*precarité*' in the French context, and discussions of vulnerability in development studies. Though labour market participation in the formal sector seemed to be more important in the North than the South, Jenkins' paper illustrated the variable and uncertain nature of livelihood, even in the UK. In this context, there was probably much to learn in the North from the participatory research methods used to explore livelihood strategies in the South. In the South, where state-supported safety nets were less common, great importance was attached by poor people themselves to coping strategies, to building up buffers against destitution, and to the diversification of income sources. Could these themes be carried over to the North?

Secondly, there was obvious potential to learn from the different approaches to social exclusion developed by government and non-governmental agencies in North and South. The options on offer in the North included wide-ranging social security programmes of a traditional kind, but also social programmes like the RMI in France, and the local economic initiatives described by Gaventa and Murray. Greater participation was an increasingly

common theme, as was the important role of local government. Again, there were obvious parallels with programmes in the South, especially local community development efforts led by NGOs, usually with a high profile given to participation. Gaventa's list of problems was familiar from other contexts. Community development initiatives in the UK in the 1960s had run into similar problems as their US counterparts. For example, it was easy to become disillusioned with local participation, when problems were seen as external to the community and structural in nature. In this context, both Murray and Zachmann had pointed to the need for policy interventions at global and national level.

One key aspect of national policy, at least in the North, had to do with social welfare. There were choices to make about the basic principles, types of benefit and forms of payment. For example, if social assistance was based on insurance principles, as in France, the poor were likely to be left out; however, if it was based on redistributive principles, then they would be selected as a beneficiary group. Developing countries could learn from the experience of the North.

Finally, the importance of greater learning was stressed. Even within countries, institutional inertia and ideology hampered collaboration between organisations with similar objectives. For example, in the UK context there had been separation between those who worked on community development and prioritised local participation, and those in charge of the social regeneration budget (SRB), which had more in common with the market-led US initiatives of the 1970s and 1980s.

## **4 SECTORAL ISSUES**

Child poverty, food policy, health, labour markets and gender were the sectoral themes. Judith Harwin addressed the impact of transitions in Eastern and Central Europe on child poverty. Liz Dowler discussed food poverty. Richard Wilkinson presented research on income inequality and health. Jane Zhang and Peter Robinson dealt with labour market issues.

### **a Child Poverty and Social Exclusion in Eastern Europe**

Initiating this series of papers, Harwin drew attention to the rapid increase in, and multi-faceted nature of, poverty in Eastern Europe; and in particular to its impact on children. The worst problems were in the Baltics and the western part of the Former Soviet Union. Both regions had experienced profound economic transformations which brought unemployment, rapidly rising wage inequality, social dislocation, and the erosion of social welfare provision. As just one example, mortality rates had increased in 15 of 18 countries studied: in Russia alone, there had been more than 1.5 million excess deaths since 1989, of which half of men and women in prime child-bearing years. Children had borne a large part of the impact of

these changes. Child poverty rates had increased at one and a half times the aggregate rate. The level of child maltreatment had increased. Also the proportion of children in institutional care rose significantly, by 35-45 per cent in Romania, Russia and Latvia. Harwin argued that the institutionalisation of children in care was a particularly acute indicator of social exclusion.

These findings had important implications for the debate on social exclusion. Harwin argued that had the international donors and national governments placed as high a premium on social reforms as they had on market-led reforms, the social and child impact would have been partially mitigated. The reforms could have been more family centred so as to defray the cumulative impact. In the absence of such family and society centred considerations, community based organisations and other elements of civil society, in addition to the individual household, provided the only layer of support to children. However, most such organisations were weak in Eastern Europe. As possible exceptions, Harwin suggested that in Hungary and Czech Republic, there existed effective networks of social ties in communities that cushioned the impact of the rapid macro-economic reforms.

## **b Food Poverty and Food Policy**

In Harwin's case, a barometer of social exclusion was the physical exclusion of children in institutions. For Dowler, social exclusion could be traced within society by food habits and food expenditure. She argued that 'those who cannot afford to eat in ways acceptable to society, who find food shopping a stressful or potentially humiliating experience because they have insufficient money, whose children cannot have a packed lunch similar to their friends, who do not call on others to avoid having to accommodate return calls - these are people excluded from the minimum acceptable way of life'. Food poverty in this sense could affect perhaps one in four of the British population.

Food poverty had tangible consequences. The unemployed, economically inactive, large households, households claiming benefits, and lone parent households all had lower nutrient and vitamin levels than those in other categories, and were more likely to be deficient. These findings were largely independent of attitudes to shopping, cooking and health. Similarly, people on low incomes had more monotonous diets. Food diversity is important as it is linked to better health. These outcomes were not the result of fickleness: Dowler provided evidence that the poor were adept at budgeting on low incomes. Rather, they were handicapped by low income, the high price of food in low income areas, and the unavailability of fresh fruit and vegetables in local shops.

Turning to policy, Dowler drew on policy frameworks developed for food security and nutrition planning in the South. The British debate had focused on local nutrition education

and food supply projects, often implemented by NGOs, all of which Dowler commended. However, experience in the South made clear that wider factors were also important, affecting income, food supply and pricing, and the location of shops. The North could learn from the South by adopting the concept of 'food entitlement', and by working towards more comprehensive food security planning.

### **c Health, Social Exclusion, and Inequality**

Turning to health, Wilkinson also made a strong case for the centrality of social exclusion. His main findings, from secondary research and from detailed cross-country epidemiological analysis, were (a) that differences in mortality between developed countries could be explained not by the level of income, but rather by the level of income inequality, (b) that mortality rates within countries were higher for the poor than for the rich, and (c) that the explanation of differential mortality lay more in psycho-social factors than in income-related or environmental factors. Thus, population studies in humans repeatedly found that psychosocial factors like having no control over work, material insecurity, lack of social support, low participation in community life, low self-esteem, and stressful life events, all impact negatively on health. Chronic stress seemed to be the key, as suggested in the Whitehall study, and had been traced physiologically in animal studies through a wide range of hormonal and metabolic processes. Psychosocial factors, Wilkinson argued, had provided consistently more powerful explanations of health inequalities than behavioural or environmental factors, like diet, smoking or poor housing.

There were obvious policy implications. If the quality of the social environment was of primary importance for health, and if this in turn was affected by material and economic inequality, then a reduction in inequality would contribute to better health for society as a whole. Contrary to previous views, related research into economic growth suggested that lower inequality was good for growth. Thus, as well as the public costs of relative poverty, the corrosive effects of inequality produce an inefficient business environment.

Wilkinson emphasised that this research was concerned with rich countries, not poor ones. Nevertheless, he saw valuable parallels in discussion within the South.

### **d Beyond Workfare: Active Labour Market Policies in OECD Countries**

Labour market participation had been repeatedly identified in the discussion as a condition of social inclusion, at least in the North. Robinson reviewed policies in OECD countries, termed 'active labour market policies', designed to achieve this end. In so doing, he touched briefly on labour market policies in the South, and particularly on the desirability of offering work through employment programmes, an approach to social security dubbed 'workfare' in the

North. Why was it that workfare stimulated critical public debate in the North, but that employment schemes were often advocated in the South?

Active labour market policies in OECD countries covered such interventions as: assistance with job searches; training programmes; recruitment subsidies to employers; special youth programmes; and compulsory work programmes. Countries often offered these in combinations, and in association with traditional unemployment benefit. For example, the UK had offered assistance with job searches to the unemployed in receipt of benefit, and was now experimenting with compulsory job placements for the long-term unemployed. Young people were usually offered compulsory training instead of benefit. programmes were much larger in some other countries: for example, Sweden in the early 1990s spent over 2 per cent of GDP on active labour-market policies, compared to 0.5 per cent in the UK.

The choice of scheme, or combination of scheme, depended on the objectives. Active labour market policies could help to (a) increase the demand for labour, (b) provide services or infrastructure, (c) increase the participants' chance of finding a regular job, or (d) check eligibility for benefits. In OECD countries, objectives (c) and (d) were usually dominant. Placement assistance and training would contribute to (c), but work-based programmes would contribute especially to (d). This was because work was usually of marginal social value and made little contribution to (b): cleaning canals and helping in libraries were two examples given. Robinson suggested that work programmes in the South would mainly contribute to objectives (a) and (b), and could therefore be more valuable.

OECD experience showed that job search and placement assistance was probably the most cost-effective form of active labour market policy. Only small-scale and expensive training programmes seemed to deliver clear, positive results. Work experience did not greatly improve long-term employment prospects, though it did help to filter out those not genuinely unemployed.

## **e Gender and Labour Markets**

Zhang dealt with issues of gender discrimination in the labour market, and made the case for gender to be mainstreamed in the social exclusion debate. Female participation in the labour market had risen sharply, but quality did not match quantity: women were still crowded in least-skilled jobs, and average wages were still only 60-90 per cent of those earned by men. Furthermore, there was little social protection for women, for example in export processing zones. It was also true, of course, that women contributed disproportionately to unpaid work in the household. Given these trends, it was not surprising to find that 70 per cent of the 1.3 billion poor in the world were women; nor was it unreasonable to talk of the feminisation of poverty.

ILO's particular contribution to the problem was through a rights-based approach. Zhang cited a series of ILO Conventions on workers with family responsibilities, home-workers, and part-time workers. Could legal instruments such as these provide a way in to the multiple problems of social exclusion?

## **f Discussion**

It was evident in the discussion that these five papers had provided new perspectives on social exclusion, in both its tangible and intangible manifestations. Dowler and Wilkinson, in particular, had emphasised psycho-social phenomena, where social inclusion (participation, control, stress reduction) were desirable ends in themselves, as well as having direct benefits on diet and health. Harwin and Zhang had documented the costs of social exclusion, for children and women respectively. In all these cases, there was more going on than simple income-poverty, and there did seem to be causality between the psycho-social factors and poverty. In Wilkinson's case, for example, the physiological studies on animals buttressed the findings of human studies.

The papers had helped particularly to demonstrate the impact of shocks. Harwin had demonstrated that the shocks associated with transition, such as the increasing private costs of health and education needs, occurred exactly when families were increasingly unable to meet these new demands. This helped to generalise Jenkins' finding on life-cycle events, and reinforce findings from the South about vulnerability and coping strategies.

Similarly, the papers had helped to reinforce earlier points about civil society. Harwin, again, raised questions about how civil society could be fostered in an accountable manner, to help layer the responses in times of distress and buttress the shocks posed to families and children. At present NGOs were often seen as either ineffectual or corrupt, but it was clear from some Eastern European experiences that a vibrant civil society did have positive influences on child well-being. Clearly, governments did rely increasingly on NGOs: the experience of local food projects in the UK was a case in point.

In terms of wider policy, much of the discussion echoed earlier themes about the need for multi-sectoral frameworks. This had been apparent in Dowler's discussion of food policy. However, it was also evident, for example, in a discussion about measures to help women re-enter the labour force. In both the US and the UK, lack or cost of child-care facilities was a major constraint to women's employment, but one not addressed by active labour market policies. In France, on the other hand, and historically in Eastern Europe, nursery provision was close to universal.

On labour markets generally, the importance was stressed of managing the demand for labour. This, too, could be an active labour market policy. Certainly, in the South, large-scale

employment programmes acted as a spur to growth and provided an important safety-net in down-turns caused by drought or other, economic shock. Experience from the South suggested that there was more scope for employment creation in the North than Robinson had allowed.

Finally, the wider benefits of tackling social exclusion were stressed once more. Early theories of economic development had argued that unequal growth was beneficial as it enabled the accumulation of capital in lead sectors. These theories influenced policy responses at the time which reinforced unequal patterns of growth. However, recent evidence had suggested that growth that distributes the gains of growth widely and equitably reinforces future growth.

## **5 CONCLUSION**

In a final set of discussions, the workshop returned to the original questions about the value of 'social exclusion' as a concept, and about the scope for new links between North and South. It also discussed future actions.

On the value of social exclusion, there was general agreement that it was useful to direct attention to the multi-dimensional nature of poverty, to the problem of multiple disadvantage, to the psycho-social elements of poverty, and to the importance of agency and participation in its widest sense. Whether these features could equally well be captured by the term 'poverty' was a moot point, however, certainly as the term was used in much of the discourse in developing countries. Perhaps this did not matter. A great virtue of the new social exclusion debate in the North, was that it had brought poverty issues firmly back into the policy arena.

At the same time, there was still much to do, and, to many present, 'social exclusion' remained imprecise and all-encompassing. These worries were not assuaged by appeals to an alternative epistemology, which would allow the excluded themselves to define the term. There were deeper problems, rooted in the different intellectual trajectory taken by social exclusion in different countries: was it in the end, in Hilary Silver's classification, about rupturing the social bond, about discrimination, or about monopoly power? Or about all of these? To some, it seemed that social exclusion was merely a metaphor, covering an unspecified range of problems.

A further problem lay in the potentially exclusionary nature of social exclusion as a concept. Various worries were expressed about the position of indigenous groups, women, and others who might find themselves marginalised in a society where the conditions for inclusion were set by others. It was suggested that pluralism should be the goal, and that 'social recognition' might be a better term than 'social inclusion'.



One possible way to overcome these problems was through tighter specification and measurement. There would be real advances if (a) the concept could be broken down into identifiable components, (b) indicators could be found for these components, (c) the characteristics of the excluded could be defined, and (d) policies could be effectively informed by these indicators. Policy-makers needed to know whether social exclusion was wide or narrow, transient or permanent, certain or probabilistic. There were lessons from research on income and consumption poverty, which had followed just this route, with constructive results.

In general, there was sympathy to the idea that the concept needed to be made more operational. Perhaps the next stage should be to incorporate ideas of social exclusion in activities like poverty assessments and public expenditure reviews - both in the South, where such instruments were common, and also in the North. If poverty assessments were to make use of participatory methods, it would be possible to draw on people's own perceptions of the dimensions and mechanisms of exclusion. The ILS project had pointed the way, however, identifying markets, the implementation of citizen rights and the development of civil society as key arenas for inclusion or exclusion.

On the North-South question, there was less disagreement, and consensus that the exchange between North and South had been fruitful and could be more so. The scope for exchange went beyond simple comparisons. Though important differences remained between North and South (not least in social security provision), there was sympathy with Maxwell's claim that there were areas of increasing convergence. Further, globalisation made it valuable to look for underlying connections between the North in the South and the South in the North.

For the future, however, it was necessary to slow down, and consider possible linkages in more detail. Projects on specific themes were suggested: small-scale credit; participation and participatory methods; social policy; food policy; public works; and others.

The workshop ended on an optimistic note. Whether labelled 'poverty' or 'social exclusion', it was clear that the debate on deprivation was entering new territory. Issues such as access, personal security, vulnerability and self-esteem were now firmly on the agenda in both North and South. There were many new connections to make.

## Appendix 1: List of Papers

- De Haan, A. 1997. Poverty and Social Exclusion: A Comparison of Debates on Deprivation.
- Dowler, E. 1997. Food Poverty and Food Policy.
- Evans, M., Paugam, S., Prellis, J.A. 1995. *Chunnel Vision: Poverty, Social Exclusion and the Debate on Social Welfare in France and Britain*, Discussion Paper 115, Welfare State Programme, London School of Economics.
- Gaventa, J. 1997. Participation, Poverty and Social Exclusion in North and South.
- Harwin, J. and Fajth, G. 1997. *Children at Risk in Central and Eastern Europe: Perils and Promises*. Regional Monitoring Report No. 4, Economies in Transition Studies, UNICEF
- International Institute for Labour Studies. 1996. *Social Exclusion and Anti-poverty Strategies. Research Project on the Patterns and Causes of Social Exclusion and the Design of Policies to Promote Integration: A Synthesis of Findings*. Geneva: ILS.
- Jarvis, J., Jenkins, S. 1997. *Low Income Dynamics in 1990s Britain*. London: IFS.
- Maxwell, S. 1997. Comparisons, Convergence and Connections: Development Studies in North and South.
- Murray, R. 1996. Poverty and Social Exclusion in North and South Seminar Series, IDS Seminar Series.
- Robinson, P. 1997. Beyond Workfare: Active Labour Market Policies.
- Wilkinson, R. 1997. *Unhealthy Societies: The Afflictions of Inequality*. London: Routledge.

## **Appendix 2: Participants**

Fran Bennet, independent  
Audrey Bronstein, OXFAM UK  
Robert Chambers, IDS  
Stephen Devereux, IDS  
Elizabeth Dowler, London School of Hygiene & Tropical Medicine  
Martin Evans, London School of Economics  
Gaspar Fajth, UNICEF  
Jose Figueiredo, ILO  
John Gaventa, IDS  
Martin Greeley, IDS  
Alejandro Grinspun, UNDP  
Arjan de Haan, Poverty Research Unit  
Judith Harwin, University of Sussex  
Alicia Herbert, Policy Studies Institute  
Stephen Jenkins, University of Essex  
Varsha Joshi, IDS  
Michael Lipton, Poverty Research Unit  
Simon Maxwell, IDS  
Robin Murray, independent  
Andrew Norton, ODA  
David O'Brien, Poverty Research Unit  
Catherine O'Donnell, Low Pay Unit Research Trust  
Mahesh Pant, IDS  
Jenny Pearce, University of Bradford  
Helga Pile, Low Pay Unit Research Trust  
Jane Pryer, London School of Hygiene & Tropical Medicine  
Peter Robinson, London School of Economics  
Ben Rogaly, University of East Anglia  
Hubert Schmitz, IDS  
Mark Singleton, Netherlands Ministry of Foreign Affairs  
Jeremy Swift, IDS  
Robert Walker, Loughborough University of Technology  
C. Whitehead, OXFAM UK  
Joanna Wilkes, IDS  
Richard Wilkinson, University of Sussex  
Robert Zachmann, ILO  
Jane Zhang, ILO