**Instituto Superior de Ciências do Trabalho e da Empresa**

ISCTE

Departamento de Economia

# GLOBAL RESTRUCTURING AND LOCAL ANTI-POVERTY ACTION: LEARNING FROM EUROPEAN EXPERIMENTAL PROGRAMMES

Volume I

**José Manuel E. Henriques**

Thesis submitted for partial fulfilment of the requirement for the degree of

**Doctor in Economics**

Specialised in Development Economics

Supervisor:

ao. Univ. Prof. Doktor. Herwig Palme

June, 2006

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*Aos meus filhos Carolina e Ricardo, verdadeiros co-autores deste trabalho.*
*Com eles se foi consolidando em mim o sentido da esperança*
*e a possibilidade de construir o futuro.*

*Preface*

*The work presented below was initiated in the early 1990s. Circumstances of my personal life and professional opportunities favoured options that influenced the development of the initial project in a substantial way. The work became part of my own personal development.*

*The understanding of my responsibility as a citizen dealing as social scientist with issues related with human suffering influenced the understanding of the purpose of the final achievement of the research being undertaken. When dealing with the experience of poverty, anti-poverty action becomes a key imperative of scientific results. Not just the progress of science as such.*

*Meanwhile, several professional activities have been experienced by me where the epistemological, conceptual and theoretical framework of this work was already present. In this sense, this framework was already influencing the course of events in which I have been involved since the formal beginning of this work. Even if it was not always present in a detailed and explicit way, it was influencing my practice. It was influencing my perception of the reality as well as my perception of the challenges involved in the situations I was experiencing.*

*That was the case of my professional involvement in the development of the European programme Poverty III as a member of RDU Portugal. This involvement had its start one month after the formal initiation of my PhD activities. In this sense, it was already this conceptual and theoretical framework that influenced my contribution 'to making things happen as they happened'. The lessons of Poverty III have been also the result of my personal involvement in 'animation' activities, in supporting local research or in supporting self-evaluation activities at project level. The approach to 'realist evaluation' as it is formulated in this work was already present, though in an embryonic form.*

*Other programmes are 'revisited' in this work. In all the cases I have been involved in preparing evaluation exercises. 'Revisiting' these Programmes as well as the lessons learned from their results, is also 'revisiting' my own experience of participating in their evaluation. Therefore, in 'revisiting' Employment & Adapt (INTEGRA) or PRU, I am also 'revisiting' the effects of my personal change due to my participation in POVERTY III. It was not only the*

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*'same' epistemological, conceptual and theoretical framework. It was also the change, or consolidation, of this framework due to my personal experience. It has been tested by my own personal involvement as pro-active agent in assessing their own lessons.*

*To mention but a few professional involvements with relevance for the development of this work it is worth starting to refer my brief participation in the launching of the Programme 'Unions against Exclusion'. Next, my participation as a member of the 'experts group' in charge of preparing the first steps of the European Employment Strategy after the Essen Summit in late 1994 was a critical moment in my personal change. Together with my colleague Paulo Madruga, we have been in charge of analysing the contribution of the small and medium size enterprises and of the local employment initiatives to employment. This corresponded to the line of reasoning that later was on the basis of defining the second pillar of the European Employment Strategy in 1997.*

*With the political changes in Portugal in 1995 and the political options of placing anti-poverty action high in the agenda, the support to national activities mobilised my efforts in the form of training activities, participation in seminars and workshops related with anti-poverty action. The launching of a Minimum Income Programme, of a 'Social Employment Market' Programme, of a National Anti-Poverty Programme and of a 'Social Network' Programme are examples of national activities that deserved my full commitment whenever my participation was asked for. That is also the case in what concerns Community Initiatives such as URBAN, LEADER or Employment & Adapt that developed a remarkable number of initiatives at national level.*

*In 1996, I changed University. The challenge of developing my academic work in a new public University was experienced with intensity. Participating in the creation of a new degree in Economics in a University more open to contemporary problems and interdisciplinary work was particularly stimulating.*

*In 2000, I initiated my participation as member of the experts group in charge of designing and preparing a 'methodological package' in the field of anti-poverty action and combating exclusion in the context of the ILO STEP Programme. It was expected that it would become a relevant instrument of methodological support to all those that would need it in any part of the world. It was based on European experience and strongly influenced by the experience*

*gained by Poverty III in what concerns its principles and its conceptual basis. The 'Learning and Resources Centre on Social Inclusion' (CIARIS) was the result of this effort and I am now coordinating 'CIARIS Portugal Agency'.*

*When I started my involvement in Poverty III, I could not anticipate how deeply this personal and professional experience would influence my life and the course of the development of my PhD work. The limits, and potential, of academic contributions to anti-poverty action became quite clear within this experience at European level. Soon it could be felt that the strategic challenges of a Programme of this kind could hardly be met by conventional approaches to 'scientific' work as more currently understood. Also the nature of contemporary poverty problems and the policy challenges of innovating in anti-poverty action require new approaches. I was soon particularly impressed by the epistemological as well as conceptual and theoretical issues in dealing with the 'economic dimension' of alternatives to welfare-dependency.*

### *Resumo*

Este trabalho discute *como* os Municípios podem reforçar o seu contributo para a luta contra a pobreza num contexto mundial de reestruturação global. Em primeiro lugar, começa por introduzir a relevância da *'transição paradigmática'* nas ciências sociais no âmbito da luta contra a pobreza e apresenta o contributo do *realismo 'crítico'* como possível quadro de referência epistemológico para a coerência e legitimidade científica do trabalho a desenvolver. Seguidamente, o trabalho propõe um modo de conceptualizar a luta contra a pobreza. Conceitos como *'pobreza'*, *'necessidaddes básicas'*, *'agência e estrutura'*, *'localidade'* e *'integração económica'* são discutidos e o seu conteúdo definido com rigor. Em terceiro lugar, o desenvolvimento teórico do trabalho oferece uma perspectiva de diferentes contributos na explicação do processo de 'reestruturação global', desenvolvimento local e planeamento territorial. A mudança contemporânea é explicada como *transição* para um regime de 'acumulação flexível', é desenvolvida uma teoria de *'subdesenvolvimento local'* orientada para a acção e é apresentada uma teoria de planeamento como *'empowering dialogue'* oferecendo em conjunto um quadro de referência coerente onde situar a acção Municipal na luta contra a pobreza. Finalmente, com base na *'síntese realista'* diversos programas 'experimentais' de iniciativa Europeia e respectivos exercícios de avaliação são *'revisitados'* e *'lições'* são retiradas. Estes programas oferecem muitos exemplos de possíveis formas de concretização da acção. A relevância dos seus resultados é assegurada pelo quadro epistemológico, conceptual e teórico deste trabalho. É possível discutir a dependência *conceptual* e *contextual* das 'ideias *potencialmente* migrantes' e que podem ser consideradas como resultando das aprendizagens proporcionadas pelos programas. Também é foi possível discutir a sua contribuição para a legitimidade de *mensagens-chave* e *implicações de política* e propor algumas perspectivas para futuros desenvolvimentos do trabalho agora apresentado.

**Palavras-chaves:** reestruturação global; pobreza; desenvolvimento local; planeamento territorial.

***Abstract***

This work discusses *how* Municipalities can improve their contribution to anti-poverty action in a context of global restructuring. First, it starts by introducing the relevance of the *'paradigmatic transition'* in the social sciences to anti-poverty action and presents the contribution of *'critical' realism* as a possible framework for ensuring coherence to the work to be developed. Second, the work proposes a way of conceptualising anti-poverty action. Concepts such as *'poverty'*, *'basic-needs'*, *'agency and structure'*, *'locality'* and *'economic integration'* are discussed and defined with precision. Third, the theoretical development of the work offers an overview of contributions aiming to explain 'global restructuring', local development and territorial planning and discusses their relevance to anti-poverty action. Contemporary change is explained as a *transition* to 'flexible accumulation', an action-oriented theory of *'local underdevelopment'* is developed and territorial planning as an *'empowering dialogue'* is presented offering a coherent framework where to situate Municipal anti-poverty action. Finally, on the basis of *'realist synthesis'* several European experimental programmes and their evaluation exercises are *'revisited'* and *'lessons'* are learned. These programmes offer many examples of action possibilities and enable the identification of policy implications. The relevance of their outcomes is given by the epistemological, conceptual and theoretical framework of this work. It was possible to discuss the 'concept-dependent' and 'context-dependent' relevance of the potential *'migrating ideas'* learned from experimental action. It was also possible to discuss their contribution to the legitimacy of *key-messages* and *policy implications* and propose some different perspectives for future developments of the work presented now.

**Key-words:** global restructuring; poverty; local development; territorial planning.

# GLOBAL RESTRUCTURING AND LOCAL ANTI-POVERTY ACTION:

## LEARNING FROM E XPERIMENTAL PROGRAMMES

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**PART I**

**Chapter 1.  RESEARCH PROBLEM**

**1.1. The research problem and its context**

Poverty is an expanding phenomenon in Europe. Under contemporary conditions it is becoming more complex and exhibiting increasingly diversified concrete manifestations. This is particularly the case in *'distressed urban areas'* of the urban-metropolitan peripheries. The Municipalities of these areas are confronted with specific local problems which coincide with the increasing complexity of contemporary forms of poverty. This is combined with accelerated territorial change due both to 'global restructuring' and to socio-functional restructuring of urban-metropolitan areas as a whole.

This work can be viewed as a contribution to enhancing the capacity of Municipalities to cope with poverty problems in these contexts. It attempts to address directly the specific relations between existing conditions and poverty or anti-poverty action. Specifically, it attempts to clarify, on one hand, the complex relations between unemployment, precarious employment, cutbacks in state provided social protection and poverty and, on the other hand, between economic integration, local development and territorial planning in anti-poverty action.

The *structural* nature of poverty and social exclusion has been shown by scientific research and already politically recognized by the institutions of the European Union. As early as in the text of the Resolution of the Council and of the Ministers for Social Affairs of 29th September of 1989 one can read: *"Note that the process of social exclusion is spreading in a number of fields, resulting in many different types of situation affecting various individuals and groups of people in both rural and urban areas; note that the reasons for this process lie in structural changes in our societies and that, of these, difficulty of access to the labour market is a particularly decisive factor"*. Some years later, in 1992, the Communication of the European Commission 'Towards a Europe of Solidarity' recognised in point 9.: *"The controversy surrounding the notion of the 'new poor' is a reflection of this changed thinking, which has gradually yielded the idea that the situations encountered, and particularly the mechanisms causing them, are structural in nature"*

Given its *structural nature* and its contemporary *complexity* and *scale*, poverty cannot be understood as a problem to be tackled by means of deprivation-oriented social policy. Understanding poverty as a residual phenomenon of growth and understanding anti-poverty action as deprivation-oriented income support will be ineffective and financially unsustainable by means of compensatory measures. As was already politically recognized, reformulation of conventional economic, social and spatial policies is required if significant changes should be achieved in the European context of poverty. Therefore, poverty is best understood as a *development* problem requiring *policy integration* at different *territorial scales* and the search for *new institutional and organizational models* for *specific* anti-poverty action.

This was the sense of the initial decisions of the European Council in 1975 when innovation oriented experimental European anti-poverty programmes were initiated. This perspective was particularly emphasized by the end of the third European Anti-Poverty Programme in 1994. However, after the Essen Summit in 1994, it started to be assumed at European level that employment provided the best route out of poverty and social exclusion and all the efforts concentrated on employment issues until the late 90's. The entitlement to a job was recognised as ensuring access to the goods and services needed for life maintenance and development. In 2000, the Lisbon Summit reintroduced a specific concern with poverty issues. It stated that the European high levels should be considered as *non-acceptable*. On the basis of the *'Open Method of Coordination'* a *European Strategy for Inclusion* was initiated with the aim of reaching a significant reduction in poverty in the next 10 years (from 18% to 15% in 2005 and to 10% in 2010). The European Commission was asked to present a community action programme. Employment was still recognised as the key route to integration and social inclusion but it was specifically stated that social exclusion goes *beyond* *i*ssues of unemployment and access to the labour market as can be found in the Communication from the European Commission of 2001 *'Building an Inclusive Europe'*.

At the *local level*, this means an important challenge in terms of conventional practice as poverty is no more understood as a problem to be tackled by means of social policy alone. It has come to be understood as a development problem requiring a specific local response linked to all dimensions of current Municipal and central statutory action as well as the involvement of all relevant social agents. Concrete manifestations of poverty are unique. Therefore, anti-poverty action has an unavoidable local dimension as poverty becomes concrete in

increasingly complex, spatially diversified and local specific contexts. Also the relations between lasting changes at individual or household level and lasting changes at community or local level require clarification in anti-poverty action. Furthermore, anti-poverty will have both a local and a non-local dimension, aiming at societal change given the structural nature of poverty.

The incorporation of these kinds of challenges in current territorial planning requires conceptual and theoretical development. Territorial planning is a future oriented activity whose theoretical object remains on *linking* scientific knowledge to action in the public domain. Given the context-dependency of the concreteness of poverty and the role of 'locality effects' in its constitution, the social usefulness of science challenges the hegemonic scientific paradigm. *Searching for possibilities* may well require the observation of existing realities actively made *invisible* by hegemonic epistemological, conceptual and theoretical assumptions. On the other hand, s*earching for possibilities* may still *not* have empiric evidence yet. *Searching for possibilities requires* that knowledge has to be produced on the basis of the identification of 'causal powers' that may lead to *possible* empirical manifestations and of the conditions that may facilitate the activation of these 'causal powers'.

Up to now, research concerning the specificity of Municipal anti-poverty action has mainly focused on social services, the empowerment of civil society and the role of the 'social economy'. The role of Municipalities concerning specifically the *economic* dimension of anti-poverty action has received less attention.

Thus, this work aims at producing knowledge about *how* Municipalities *can act*, focusing on the *economic* dimension of anti-poverty action. The central research problem to solve can be stated as follows: ***how* can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in territorial planning for local development?**

This central research problem requires the previous production of knowledge about three underlying domains, which requires further clarification.

One domain concerns the theoretical development concerning the relations between political-economic contemporaneous change and the emergence and persistence of poverty and the *possibilities* of anti-poverty action. The following detailed research problem can be formulated

as follows: ***how* is 'global restructuring' related with poverty and *possibilities* for anti-poverty action in contemporaneous conditions?**

A second domain concerns the linking of anti-poverty action *both* to local development theory and to planning theory. The following problem can be formulated: ***how* can municipal territorial planning for local development incorporate the challenges of poverty and anti-poverty action in 'distressed urban areas' of urban-metropolitan peripheries?**

A third domain concerns the specific challenges of anti-poverty action and explores the experience and contributions of European and national experimental programmes aiming at innovation in public response. This can be achieved by the solution of the following research problem: ***how* can the *lessons* learned from European and national experimental programmes dealing with poverty related issues contribute to illustrate the potential role of Municipalities in anti-poverty action?**

This work assumes the challenge of contributing to the social usefulness of science towards the *'empowerment'* of Municipalities, understood as social agents, in the context of a wide societal mobilization for combating poverty at national and European level. It aims at providing knowledge about the specificity which *'distressed urban areas'* of the urban-metropolitan peripheries areas under contemporaneous conditions of 'global restructuring' brings to anti-poverty action and attempts to achieve a proposal for action.

### *The European policy context*

The European integration process proceeds in a worldwide context of 'global restructuring'. And the very existence of poverty, and the scale it is showing, stresses the urgent need to combine economic ambitions with a higher concern for internal cohesion and its social dimension.

As introduced above, poverty and social exclusion are still expanding phenomena at European level and an adequate response is still *lacking*.

The risk of poverty has for decades, touched a high percentage of the European population (CEC, 2003). About 35 million people live in persistent risk of poverty and, in 1999, 9% of the European Union population were living in a low-income household and had been in this situation for at least two or three preceding years. And even as if assumed currently that employment is the best route out of poverty, the *'working poor'* still represent a very high percentage of the European poor.[1] 7% of the population in employment in the (EU25), amounting to an estimated 14 million people, live in a household whose income is situated below the national poverty line.

In the Communication from the European Commission, *'Joint Report on Social Protection and Social Inclusion 2006'*, it is remembered that the review of the Lisbon strategy in Spring 2005 posed a Tow-fold challenge for the work under the 'Open Method of Coordination' (OMC) for social protection and social inclusion. As it is written in the 'Introduction': *"It found a gap between the common European objectives and the policies established to address them – for the OMC this means that the process should move beyond identifying broad principles to focus on the effectiveness of policies"*.

Also the results of specific experimental anti-poverty programmes (1975-1994) are modest and poorly represented in actual policy making. Actually, there was not always a coherent evolution in the European process of dealing with poverty and anti-poverty action since 1975. It is possible to identify three different phases.

*First*, the recognition of the limits of conventional social policy in the late 70's lead the European Commission to initiate the promotion of experimental anti-poverty programmes that lasted from 1975 to 1994 (Poverty I 1975-1980, Poverty II 1984-1989, Poverty III 1989-1994). These programmes aimed at contributing to a higher public *awareness* concerning today's problems of poverty and social exclusion, promoting *innovation* in anti-poverty action and preparing *policy recommendations* at European, national and local level. In these programmes, action at *local level* was emphasized in what concerned specific anti-poverty action. And, as the demands and conflicts emerging from poverty are primarily linked to the local state, *Municipalities* were strongly encouraged to play an increasing role in anti-poverty action. As

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[1] "Statistics in Focus, Population and Social Conditions", "In-work poverty", 5/2005, available at: http://epp.eurostat.cec.eu.int/cache/ITY_OFFPUB/KS-NK-05-005/EN/KS-NK-05-005-EN.PDF, viewed 27 May 2006.

mentioned above, this phase was strongly influenced by a growing consensus according to which, to understand poverty as a *residual* phenomenon of growth and to understand anti-poverty action as *deprivation-oriented* income support will be *ineffective* and financially *unsustainable* by means of compensatory measures. As was already politically recognized, reformulation of conventional economic, social and spatial policies is required if significant changes are to be achieved in the European context of poverty. This perspective reached its highest formulation in the White Books on *'Growth, Competitiveness and Employment'* (1993) and on *'European Social Policy'* (1994). The *interdependence* among policies was a key issue. The economic dimension of anti-poverty action was seen as a condition for overcoming deprivation-oriented income support (therefore the claim for *active* social policies and *beyond* social policies) and social cohesion was seen as a condition for global competitiveness.

After the Essen Summit (1994), it started to be assumed at European level that employment provided the best route *out* of poverty and social exclusion and all the efforts should be concentrated on employment issues. The entitlement to a job was recognized as ensuring access to the goods and services needed for life maintenance and development. After a first attempt to launch a European Employment Strategy following the Essen Summit in 1994, only after the adoption of Article 137 in the Amsterdam Treaty (1997) was it possible to launch a European Employment Strategy at the Luxembourg Summit in 1997. During this phase, poverty issues *ceased* to receive a *specific* and *autonomous* focus. Anti-poverty programmes were not continued and poverty issues were indirectly treated in experimental programmes related to employment issues (Community Initiative Employment & Adapt, Integra strand), to urban issues in distressed urban areas (Community Initiative Urban) and to rural development in regions facing development problems (Community Initiative Leader). The Community Initiative 'Employment & Adapt', especially 'Integra' strand, addressed the particular difficulties of those in poverty or social exclusion in acceding to a job. The '*empowerment*' of the poor and excluded has been elected as a key theme in this strand. Later, the Community Initiative Equal, tackling inequality and discrimination in employment currently being developed, incorporated *'empowerment'* as one of its five principles of action.

In the early 2000 the beginning of a *third* phase can be identified and specific anti-poverty action has been addressed once more. At the European Councils in Lisbon, Feira and Nice, the Member States of the European Union decided to make the fight against poverty and social

exclusion one of the central elements in the modernisation of the European social model. It was also decided that policies for combating poverty and social exclusion should be based on an *"Open method of coordination"* combining national action plans and a programme presented by the Commission to encourage cooperation in this field. In the framework of the *"Lisbon Strategy",* and as part of the *European Strategy for Social Inclusion,* the Member States should prepare *National Action Plans for Social Inclusion* and the European Commission should prepare a new European Anti-Poverty programme. This initiative follows from the introduction, through the Amsterdam Treaty, of the fight against exclusion in the provisions relating to the Union's social policy (Articles 136 and 137 of the Amsterdam Treaty). The Member States submitted their National Plans for Inclusion in June 2001 and in June 2003 and they were analysed by the European Commission. The Joint Report on Social Inclusion (2001) is one of the first relevant reports to come out of this process. It describes the overall progress being made, the approaches being taken by the different member states and identifies key challenges. The emphasis on the interdependence of policies was given renewed attention within the initial steps of the "Lisbon Strategy". A good example of this perspective can be found in the Report prepared by Didier Fouarge (CEC, 2003) *"Costs of Non-Social Policy: Towards an Economic Framework of Quality Social Policies – And the Costs of Not Having Them"*. He discusses the relation between market imperfections and the role of social policy and sees poverty as a cost of non-social policy. He further discusses the role of social policy beyond redistribution as having an impact on the economy in terms of allocation and stabilisation. In the 'executive summary' one can read: *"The debate on these functions of the welfare state is commonly taking place against the background of the alleged trade-off between economic efficiency and equity. Starting from this alleged trade-off we show that from a theoretical as well as empirical point of view this trade-off emanates from a short sighted understanding of economic mechanisms. More equity can go hand in hand with more efficiency. In other words, a generous level of social protection does not necessarily lead to lower economic achievements. On the contrary, social policies based on investments in human and social capital are conducive to higher economic efficiency for they improve productivity and the quality of the labour force. Social policy is therefore a productive factor, even though its costs are generally visible in the short term while its benefits are often only apparent in the long term"*.[2]

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[2] The document can be directly accessed at:
http://europa.eu.int/comm/employment_social/news/2003/jan/costofnonsoc_final_en.pdf , viewed 27 May 2006.

Crosscutting the different phases, the local level in anti-poverty action always received remarkable attention. However, the *'local'* remains associated with different meanings. The *local character* of the projects in European experimental programmes, the restructuring of state response at *lowest territorial levels* in coping with the context-dependent concreteness of the complexity, spatial diversity and local uniqueness of poverty manifestations and the increasing involvement of *Municipalities* (local governments) in anti-poverty action are different dimensions requiring *specific* and *autonomous* approaches and developments.

First, the *local character* of projects in experimental programmes aiming at innovation in public response corresponds basically to a specific *methodology* of analysis and intervention without which the very sense of *acting by projects*, experimenting for innovation and evaluating for policy recommendation cannot be found.

Second, the restructuring of state response relates with issues involving '*decentralisation'* or '*deconcentration'* in the relations with the national territory. And the increasing involvement of Municipalities relates back with the need to discuss the substantive nature of anti-poverty action, making concrete the challenge of dealing with development issues when traditional state response is based on social policy and sectoral approaches.

Finally, it is being increasingly recognized that Municipalities are confronted with an increasing complexity of urban problems in '*distressed urban areas'*, namely, all those more directly related to urban blight, unemployment and poverty and social exclusion. It is also recognized that these problems should be tackled on the basis of comprehensive approaches. The complexity, as well as the political and policy relevance, of social problems associated to European urban areas was particularly emphasized by the European Commission in its Communication *'Towards an Urban Agenda'* in April 1997 and has later been addressed by other initiatives. The *territorial integration* of physic, economic and social dimensions for contextual change was the particular challenge proposed by the Community Initiatives Urban I and II aiming at the promotion of innovation in this domain.

Finally, the integration of anti-poverty action in Municipal territorial development planning still does not correspond to current practice. This integration requires a contextual understanding of the working of structures and mechanisms underlying the local concreteness of poverty as well as specific and adequate *'frameworks of meaning'* for action.

*Specificities of the Portuguese context*

According to global analysis undertaken at European level, as well as at national level, poverty in Portugal touches a very high percentage of its population. According to the latest statistical data by Eurostat, social inequalities, together with the incidence, intensity, and severity of poverty show the highest figures within Europe (EU 15). Also the persistence of these situations is higher in Portugal with its chronic character associated with situations of multiple deprivation (Ferreira, 2005).

It is not a new reality and it is not primarily linked to economic restructuring and unemployment. The Portuguese poor may be integrated in the formal labour market, may be active peasants or small farmers and may be full right pensioners. But, though unemployment has not been the main cause of poverty in the past, the current increase in unemployment can have severe social consequences due to insufficient statutory social protection and decreasing social protection offered by social networks.

At national level, anti-poverty action has historically been considered to be a traditional concern of religious organizations of the civil society. The Portuguese "Misericórdias" and other religious organizations of civil society related to the Catholic Church have played a major role in this field.

Statutory action in combating poverty only received a specific focus after the creation of a National Anti-Poverty Programme in 1990 (1990-2003). This national Programme followed the launching of the third European Programme and was also based on local projects. As the Programme was created starting with all those projects that applied first to the European Programme, the discourse of this Programme (principles and procedures) influenced the development of the projects. This programme has never been formally evaluated.[3]

Following the European Council Recommendation of 24 June 1992 *'On common criteria concerning sufficient resources and social assistance in social protection systems'*, a *Minimum Income* was created in 1996 whose implementation depended on local commissions and partnership institutional and organizational arrangements. The perception of these resources was

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[3] A synthetic overview of the Portuguese Anti-Poverty Programme and an analysis of some of its projects can be found in Amaro (2003).

associated to an integration plan involving the whole household of those benefiting from it. The integration plan was supposed to be prepared with the participation of the beneficiaries. In 2002 new legislation introduced a more restricted understanding of 'minimum income' and the very name was changed to *Social Integration Income* ("Rendimento Social de Inserção").

The limits of the formal employment system to ensure the economic integration of poor households, led the Portuguese authorities to create the so-called '*Social Labour Market' (*"Mercado Social de Emprego") in 1997. This approach focused on the activities and organizations offering specific training contexts (protected training activities, *"enterprises d'insertion"*, etc.) in order to facilitate the access to employment for all those in a situation of poverty.

In 1999, the national '*Social Network Programme'* ("Programa Rede Social") was launched. It recognized local authorities as having a relevant role to play at parish and municipal level in the context of combating poverty. The Programme is based on wide partnerships at local level. Local authorities are invited to play a leading role in these partnerships (Local Commissions for Social Action at county level, and Social Parish Commissions at parish level). A *Social Diagnosis* ("Diagnóstico Social") and a *Social Development Plan* ("Plano de Desenvolvimento Social") are expected to be prepared in each county ("concelho").  In 2006, almost all Municipalities are directly involved in this programme.

As the Portuguese institutional system assigns a crucial role to local authorities in promoting development and as Municipalities command ambitious planning instruments to ensure this, the linkage of development promotion and territorial planning measures came into special focus in the field of anti-poverty action.

Municipalities are playing an increasing role in development promotion since the political changes occurred in the country in April 1974. They received formal competencies and ambitious planning instruments explicitly concerned with the local dimension of development promotion.

Though not explicitly concerned with anti-poverty action, several Municipalities have undertaken interesting and innovatory initiatives aiming at inducing development that actually reveal a coherent concern with anti-poverty combat (animating the potential for

entrepreneurship among the unemployed, enhancing competitiveness of small firms to prevent unemployment and create jobs, supporting small farmers in collective forms of organizing the distribution and commercialisation of their products, etc.).

Both in a direct and in an indirect way, one can notice an increasing involvement of Municipalities in development promotion and anti-poverty action. This occurs as a result of the local concreteness of poverty and the political will to promote 'development', partly as a result from legal constraints concerning the preparation of the Municipal *Master Plan* ('Plano Director Municipal' (PDM)) and strategic plans. The legislation creating these planning instruments assumes that there exists a local specificity of development issues and that it is a Municipal 'attribution and competence' to find the most adequate way to cope with this specificity.

The fact that a very relevant number of Portuguese Municipalities were directly involved in the National Anti-Poverty Programme, in several European experimental programmes and in the *Social Network Programme* represents a major involvement of Municipalities in poverty related issues. Even if this fact does *not* correspond always to a full and coherent commitment at political, organizational and technical level, it offers opportunities to contribute to the reinforcement of this level of action in the Portuguese society.

Thus, if the local dimension of anti-poverty action is *not* the only relevant dimension for action, it is at this level that the concreteness of lived poverty can be *directly* addressed and it is at this level that *contextual* change in order to achieve lasting changes in poverty situation of poor households can be better conceived and fought for. A major contribution to poverty reduction could be actually achieved if the *totality* of Portuguese localities could exhaust their potential *possibilities* for anti-poverty action. And Portuguese Municipalities have here a relevant role to play.

## 1.2. Conceptual, theoretical and empirical aspects of the research problem

The central problem in this work is placed in the context of contemporary European challenges. In its formulation, there is a relation between the lasting economic integration of poor households, the intentional change of the local socio-economic context and the nature of territorial planning practice for anti-poverty action and local development, which requires conceptual and theoretical development. Linking Municipal anti-poverty action to local development and territorial planning requires conceptual reformulation and theoretical development as regards the relation between poverty, socio-economic processes and space.

The *'paradigmatic transition'* in regional development theory and in planning theory, as well as the ongoing *'paradigmatic transition'* in the social sciences themselves, offer opportunities for the solution of this kind of problem. Emerging alternatives to the *'hegemonic paradigm'* in Economics also open promising perspectives to the analysis of the relations between socio-economic processes and poverty, anti-poverty action and local development.

These contributions allow a more precise definition of the *economic* dimension of poverty and anti-poverty action, as well as the *economic* dimension of local development processes aiming at lasting anti-poverty effects.

### *Conceptual and theoretical aspects of the research problem*

Research on poverty along recent years developed basically around two methodologies which are *complementary* in understanding reality but very *difficult to link* together. The first is a macro one and focuses on all the risks of impoverishment indicators, including the poverty lines, and factors such as unemployment, single parenthood, old age or segregated residence. This kind of methodology operates with potential and quantitative relations and mainly focuses on statistical analysis. This approach does not focus on *'the poor'* but rather on *'poverty'*; it searches for general features and 'new' consequences. Pioneering research on this basis can be found in the contribution of Peter Townsend (1979). The second focuses on life stories and social processes involving the behaviour and the chain of events affecting the individuals and households. It aims at searching for knowledge about *the poor,* knowledge about *how poverty is actually experienced*. The research conducted by Pierre Bourdieu published as *"La Misère du*

*Monde"* (1993) and the research conducted by the World Bank on *"Voices of the Poor"* (2003) are two relevant examples of this kind of approach.

These two approaches cannot be connected either *logically* (the first operates with potential and quantitative relations while the second deals with effective phenomena and qualitative processes) or *technically* (the quantitative data produced by the first cannot be corroborated with precision in the second, as what matters here is the typology of processes rather than numbers that cannot be representative) (Mingione, 1996, p. 12).

Actually, this is a relevant aspect, as this work aims to deal with anti-poverty action. Concrete manifestations of poverty are *unique*. Therefore, anti-poverty action has an unavoidable *local* dimension as poverty becomes concrete in increasingly complex, spatially diversified and local specific *contexts*. Also, the relations between lasting changes at individual or household level and lasting changes at community or local level require clarification in anti-poverty action.

The difficult connection between the two approaches is particularly expressive when analyzing the relations between unemployment and poverty aiming at anti-poverty action. On one hand, knowledge about *poverty* has to be related with knowledge about the *poor,* knowledge about *how poverty is actually lived,* about how poor people *actually experience poverty* and how poor people see *changes in their own* situation. On the other hand, unemployment is not the only reason for the contemporaneous expansion of poverty, and access to a job is not enough for overcoming poverty. Among those facing unemployment, poverty can be prevented, and acceding to a job may not be enough to ensure the economic integration of poor households. The relations between poverty, unemployment and precarious forms of employment, though *apparently* obvious, are not known in detail in all their dimensions.

Therefore, conceptual and theoretical contributions to the creation of *'frameworks of meaning'* to anti-poverty action in urban-metropolitan context are not widespread. There seems to be an actual need for conceptual reformulation and theoretical development, in order to facilitate an adequate understanding of the complexity of contemporaneous poverty situations, and in order to find a basis for the effort of linking the challenges of anti-poverty action to local development and territorial planning. Some issues deserve specific theoretical development.

First, the actual implications of the contemporaneous context of *transition* in political-economic and cultural conditions for the concreteness of poverty and anti-poverty action have to be clarified. If this context of *transition* is not explicitly addressed, it will be more difficult to situate the sense and social usefulness of anti-poverty action. In the context of the post-Fordist debate, regulation theory and restructuring theory are *revisited* and retained as theoretical supports to this undertaking. Linking an analysis of localities, understood as *contexts of real interaction*, to the *spatiality of social phenomena* and to the *space-time* constitution of the social reality, these contributions offer unique frameworks for the development of this kind of analysis in contemporaneous conditions. It offers the possibility of relating *structuration* and *agency* to the socially constrained subjective interpretation of needs, resources and reasons for not being met. It also offers the possibility of relating structuration and agency to action possibilities to overcome unmet needs.

Second, the actual relations between unemployment, precarious employment and poverty raise rather complex issues. The *contextual interdependency* between job loss, loss of income, loss of social protection (social rights) and loss of social networks directly and indirectly related with unemployment has to be clarified. Theoretical contributions to the relation between needs satisfaction and capital restructuring pay little attention to poverty issues and pragmatic criteria in designing needs oriented anti-poverty action.

In anti-poverty action, it is crucial to know *how* in each local community basic needs actually relate to intermediate needs and *how* money resources relate to *other* resources in meeting intermediate needs and in the production of livelihood. Current public action aimed at tackling the *economic* dimension of anti-poverty action is mostly oriented to training, intending to increase employability and integration in the formal employment system. But, in a context of increasing unemployment, access to employment by the poor may require direct additional job creation. The potential role played by entrepreneurship and the creation of micro-firms, or the activities and organizations of the 'social economy', have to be analyzed, as well as their relations with the formal local economy.

The conceptual reformulation and theoretical development required to address the specificity of the *economic* dimension of anti-poverty action cannot be based on the contributions of the hegemonic paradigm in Economics alone. Alternative contributions are needed and revised. The context-dependency of entrepreneurship among non-traditional entrepreneurs (poor people,

unemployed, etc.), firm strategies enabling the rising of income in micro-firms, at least at minimum-wage levels, innovation in product and adequate technologies, or the role of non-price factors in marketing, are examples of specific issues requiring adequate analysis.

Third, the relation between territorial dynamics, intentional change of the local socio-economic context and local development explicitly addressing the local-global interplay (also understood as a local-national-global interplay) in a context of *transition*, requires specific theoretical development as well. Not all change at local level may be understood as *local development*. The kind of local change contributing both to prevent poverty and to ensure lasting changes of the poverty situation of poor households, requires detailed analysis of theoretical contributions to local development.

Furthermore, theoretical contributions to local development in urban-metropolitan context are not widespread. Early contributions to local development were basically concerned with *'underdeveloped' regions* and reflected the conceptual and theoretical bias of the paradigms they belong to. Urban-metropolitan areas are, *per definition*, considered to be included in *'developed' regions* and their specificity is not explicitly approached in terms of locally induced development possibilities, namely, under Municipal initiative. The local links between the particular combination of the specificities of the local economic structure and of the local functional integration in the metropolitan (residential specialization, etc.) constitute an additional challenge to the analysis of local development. Linking anti-poverty action to the intentional change of the local socio-economic context in urban-metropolitan areas aiming at local development requires, therefore, specific theoretical development.

Finally, territorial planning plays a relevant role in *making concrete* the nature of Municipal action aiming at local development when understood as *intentional change* aiming at lasting anti-poverty effects. But current planning remains strongly dependent on 'the production of *the* plan', rather than on processes of collective self-empowerment in order to facilitate intentional change, for example.

Access to land plays a central role in anti-poverty action and land use control also plays a central role in intentional contextual change. But territorial planning theory remains strongly influenced by *'spatial separatism'* reflecting the effects of the 'crises of theory *in* planning. The implicit assumptions in conventional territorial planning concerning the separation

between socio-economic phenomena and physical phenomena ('spatial separatism'), the relation between planning and regional development and the relation between the role of the state and the 'production' and 'resolution' of problems are carefully analysed.

This is particularly acute in a country like Portugal, where the relations between state and society have to be analyzed in the framework of a *semi-peripheral* society, where the state plays a central role in social regulation. In Portugal, there are no political regions in the continental territory and regional development policy does not have a strong tradition.

So, theoretical contributions focusing on the *spatiality* of the social phenomena are approaches that require explicit theoretical development. Overcoming the shortcomings of *spatial separatism* requires that local socio-economic and physical processes have to be approached in an integrated way if anti-poverty effects are expected to occur. Land use control, stimulation of entrepreneurship, the enhancement of competitiveness of local firms, or an acceptable supply of public facilities are examples of issues requiring this kind of integration.

The contemporary challenges to planning theory place a clear emphasis on the need of theoretical development in substantive theory. Process theory hardly remains dependent on developments in this field.

### *Empirical aspects of the research problem: Experimental Programmes aiming at innovation and their strategic lessons for Municipal anti-poverty action*

The kind of conceptual and theoretical development that is aimed at, cannot occur without an empirical context of analysis. Therefore, the developments and achievements of particular experimental programmes are '*revisited*'. They will offer the empirical basis for exploring illustrations of innovative possibilities for action, as well as the identification of conditions that facilitate innovation in anti-poverty action. The relation between those conditions and the 'causal powers' that might be potentially deployed by Municipalities are further explored.

The *local character* of projects in experimental programmes, aiming at innovation in public response, corresponds basically to a specific *methodology* of analysis and intervention, without which the very sense of *acting by projects*, experimenting for innovation and evaluating for

policy recommendation cannot be found. For example, these kinds of programmes require specific evaluation approaches. They involve the need to analyse *conditions of possibility* for qualitative change in current practice (innovation) to become concrete. The evaluation of programmes with these kind of characteristics is expected to contribute towards producing knowledge about the *contextual conditions* underlying the results of action. It is further expected to produce knowledge about the *generalizing conditions* for the achieved results. Generalizing conditions can take both the form of *methodological recommendations* for action ('methodological transferability'), and the form of *policy recommendations* to endorse to different territorial scales and domains of public action. On the other hand, experimental programmes based on local projects produce some form of *territorial selectivity*. Not the *totality of localities* will be involved. Assuming that the problems dealt with in the framework of these programmes are not understood as problems *from* the projects localities, but rather problems *in* the projects localities, the nature of the possible contribution of these specific local projects has to be made clear.

Specific innovatory practices are identified, aspects of methodological transferability are discussed, and general policy implications are derived, in order to link *strategic lessons* of the programmes to Municipal anti-poverty action in 'distressed urban areas'. The relation between the specificity of the Portuguese context, the programme's rationales and the nature of the achieved results is analysed. Also the relation between the conceptual and theoretical assumptions, and the kind of innovation achieved in linking anti-poverty action to access to the employment system, to territorial integration and to local development is assessed.

The *strategic lessons* which emerged from the evaluation exercises of the Portuguese Programme to Support Local Employment Initiatives, the Community Action Programme to Foster the Economic and Social Integration of the Least Privileged Groups (Poverty III), of the Community Initiative 'Employment' ('Integra' strand, Thematic Group 'Empowerment'), of the Portuguese Urban Renewal Programme and of the Community Initiative Equal will be '*revisited*'.

These *lessons* offer a point of departure for the analysis. Issues concerning '*methodological transferability*' of achieved results, and issues concerning the implications of their '*policy recommendations*' for Municipalities in the domain of anti-poverty action, are explored and a '*synthesis*' is prepared.

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**1.3. Presentation of the work and of chosen methods**

The work is divided into an **epistemological, conceptual and theoretical part (Part I)**, an **empirical part (Part II)** and a final part **(Part III) with a synthetic overview of basic conclusions**, proposals for Municipal anti-poverty policy and planning in 'distressed urban areas' and suggestions for further research.

**Part I** presents the epistemological, conceptual and theoretical analysis.

In **Chapter 1,** the research problem and its context are introduced. Aspects of European policy and specificities of the Portuguese reality are presented.

In **Chapter 2**, an overview of epistemological issues is briefly proposed in order to situate the option for a 'critical realist' approach assuming there is a 'crisis' of the *hegemonic paradigm* in the social sciences. The relation between natural and social sciences, the relation between disciplinary and thematic scientific knowledge, the subject-object relation and the relation between scientific knowledge and common-sense are issues presented to illustrate the reasons for basing decisions which have been taken.

The contributions of a 'critical realist' epistemology are presented in relation to those issues. The specificities of social sciences, the role of abstraction in structural analysis, issues concerning self-knowledge and inter-subjectivity, and the challenges of social usefulness in the social sciences, are examples of the issues directly addressed.

In **Chapter 3**, the central concepts of the work are presented, their content is defined and their contribution to conceptualizing anti-poverty action is suggested. The concepts of 'poverty', 'basic-needs', 'agency and structure', 'urban locality' and 'distressed urban area' and 'economic integration' are discussed.

A synthesis is attempted and a concept of anti-poverty action is proposed.

In **Chapter 4**, the theoretical development of the work is presented. In the context of the post-fordist debate, regulation theory is *revisited* and retained as initial theoretical support to explain contemporary political-economic change and its cultural implications. Local development theory and planning theory are further developed in this framework.

In **Chapter 4.1.**, the relations between 'global restructuring' and the contemporary forms of poverty are explored. Social phenomena and individual lives undergo major changes in contemporary conditions, involving various ways of adaptation and various forms of social coping, producing more complex patterns in the way poverty is experienced and perceived.

Regulation theory does not correspond to a single body of knowledge. In this case it will be understood as corresponding to a major theoretical way of inquiry, specifically focusing on the contemporary conditions of *'transition'*. The theoretical development will be further based on the approach suggested by David Harvey and his explanation of the *'transition'* to *'flexible accumulation'* as a new round of *'time-space'* compression in capitalist organization. This theoretical development will help to understand better the contemporary conditions which underlie the growing emphasis on the 'local' (*'here'*) and on the 'short-term' (*'now'*).

The relations between the contemporary forms of poverty and the cultural dimensions of restructuring are analysed in terms of attitudes and patterns of behaviour, favoured by the material changes underlying capital restructuring. Changes in people's values, changes in access to information and commodities, changes in people's mobility and in their ability to maintain social relations across the globe, and changes involving the patterns of local communities due to the global-local interplay are analysed. These dimensions are put in relation to theoretical contributions that relate the understanding of *'practical consciousness'* and *'existential rationality'* with the *'survival strategies'* of poor households (household divisions of labour, passive resistance strategies, household adaptive strategies, etc.).

In **Chapter 4.2.**, the theoretical contributions to the relations between global restructuring and local development are assessed and several contributions are analysed in more detail. A theory of *'local underdevelopment'* is proposed in order to offer a *framework of meaning* for analysing the local-global interplay and for analysing the specificity of the Municipal initiative in local development promotion and anti-poverty action.

In **Chapter 4.3.**, the contemporary forms of poverty and the specific nature of planning for anti-poverty action and local development in 'distressed urban areas' are discussed as territorial planning problems. Planning theory is revised and assessed in relation to this precise planning problem. The chapter analyses the relations between the 'crisis of the theory *of* planning and the role of theory *in* planning, and presents a proposal of theoretical development aiming at the possibility of linking theoretical development in procedural planning theory to the challenges of anti-poverty action.

This theory will be used as a contribution to the development of substantive theory *in* planning, enabling the needed links between physical planning and socio-economic planning at local level. This development has theoretical implications for the development of a process theory *of* planning and this is analysed on the basis of contemporary theory and practice of territorial strategic planning. A theory of *planning as an 'empowering dialogue'* is proposed, which will be based on the contributions of the theory of 'local underdevelopment' discussed above, and which will address the specific need of linking technical and scientific knowledge to anti-poverty action and local development.

**Part II** presents the empirical analysis.

In **Chapter 5.**, the role of experimental programmes in European action for social innovation is analysed.

In **Chapter 5.1.**, the specificity and challenges of experimental programmes aiming at the promotion of innovation is introduced. Being based on local projects, these kinds of programmes reproduce some form of *territorial selectivity* and implicitly assume that their results depend on the contextual achievements of the projects that constitute them. Epistemological as well as methodological implications of experimental programmes are discussed, particularly in what concerns evaluation and meta-evaluation exercises when *revisiting* their achieved results. First*,* their evaluation results are analysed in order to identify *strategic lessons* concerning Municipal anti-poverty action of *'urban distressed areas'* in the urban-metropolitan periphery. Second, the relation between the Programme's proposals and the potential role of Municipalities is discussed.

Within the conceptual and theoretical *'framework of meaning'* developed before (see chapters 2, 3 and 4), it is analysed how those Programmes eventually contributed to illustrate their potential contribution for action, how new possibilities for action (innovation) might have emerged from these programmes and how their action-oriented implications may be put to value in terms of the potential activation of Municipal 'causal powers'.

In **Chapter 5.2.,** the *'Community Action Programme to Foster the Economic and Social Integration of the Least Privileged Groups'* (Poverty III)" (1989-1994), was evaluated. The specific effects of adopting principles of action such as *'multidimensionality'*, *'partnership'* and *'participation'*, is analysed. How the relation between anti-poverty action, economic integration' and local development was dealt with will also be analysed. The evaluations undertaken in the framework of the Programme started to be based on self-evaluation procedures at project level. National evaluations and European thematic evaluations were also developed at the final phase of Poverty III. The evaluation studies were based on specific surveys and on in-depth interviews with heads of projects, project staff members and participants. Evaluations also have been based on documents prepared by the Commission of the European Communities, the Central Unit, the *'Research & Development Units'* (RDU's) of each country and by the local projects. Some documents were also prepared by researchers engaged in trans-national thematic research and by RDU's and project members involved in trans-national thematic working groups ('Habitat', 'Local Economic Development', 'Economic Integration', etc.). These documents are reviewed and the Porto project is taken as a case study. Interviews are conducted with the former head of project as well as staff members.

In **Chapter 5.3.**, the evaluation of the four Portuguese local projects involved in the European 'empowerment' thematic group of 'Integra strand' of the Community Initiative Employment (1998-2000) is *revisited* and analysed in order to identify strategic lesson for Municipal anti-poverty action. The specific effects of adopting 'empowerment' in linking access to employment to anti-poverty action is analysed with detail. The four projects were evaluated following the methodological proposals of realist evaluation. In-depth interviews were undertaken with heads of projects, staff members and participants. The projects were evaluated, assuming its context-dependency on their localities. Extended-case method and life stories have played a central role. One project developed in Lisbon ("Cova da Moura") is taken as a case study.

In **Chapter 5.4.**, the interim evaluation of the Portuguese Urban Rehabilitation Programme is analysed. The achievements in implementing the principle of *territorial integration*, linking actions in the built environment to actions aiming at job creation and inclusion of people in poverty or social exclusion will be analysed.  The evaluation was inspired by the methodological proposals of realist evaluation. The local sub-programmes were evaluated given their context-dependency on the localities they belong to, and given the concept-dependency of the analysis of local problems and the formulation of objectives and strategies by heads of the 11 sub-programmes and their staff members. One project developed in the Metropolitan Area of Lisbon ("Vila Franca de Xira") will be taken as a case study.

In **Chapter 5.5.,** the interim evaluation of the Community Initiative Equal and the Self-Evaluation exercise undertaken by Equal Managing Authority exercise will be first analysed. Second, the *"Living Document"* prepared by the Portuguese National Thematic Network on *"Pathways to Integration"* (19 "Development Partnerships") will also be analysed. The policy messages prepared by the National Thematic Network have been *inspired* by the methodological implications of *'realistic evaluation'*. These policy messages are '*revisited'* and the implications for Municipal action are analysed.

In **Chapter 5.6.**, presents an overview of the lessons learned by 'revisiting' the experimental programmes.

**Part III**, presents a summary of results and the main conclusions of the work.

In **Chapter 6.**, new directions for action are proposed and suggestions for further research are presented.

## Chapter 2. EPISTEMOLOGICAL ISSUES

### 2.1. Epistemological aspects: the 'paradigmatic transition' in the social sciences and critical realism

The social sciences are undergoing a phase of *'paradigmatic transition'* (Capra 1982; Kuhn 1962; Santos 1987; Santos 1989; Santos 2003b). This has fundamental consequences for any contemporaneous attempt to develop scientific work. Therefore, the crisis of the hegemonic paradigm *could not be ignored* since the very beginning of the work that follows.

However, not only could it not be ignored, but a full and satisfying solution to such a complex challenge could not be achieved in this context. The author's background and reasons of space and time would not help to facilitate the undertaking. The choice has been to briefly identify *crucial issues* related with the crisis of the hegemonic scientific paradigm, to show the *direction* of recent developments within the framework of a *possibly emergent* alternative scientific paradigm and to make explicit how a *possible response* can be provisionally found within the framework of a 'critical' realist epistemology.

This effort was required in order to *specify* the assumptions on the basis of which the scientific claim of this work can be found and further developed in the future. Recent developments in the domains of philosophy of science, epistemology and theory of knowledge over the last three decades, have been introducing crucial challenges to the hegemonic modern 'newton-cartesian' paradigm. Its crisis is being increasingly accepted within the world scientific community. It is already the object of a significant number of relevant contributions (Bauer 1986; Bunge 1982; Capra 1982; Capra 1975; Damásio 1994; Devereux 1973; Feyerabend 1975; Gleick 1989; Hofmann 1981; Kuhn 1962; Morin 1973; Moscovici 1972; Pirsig 1974; Prigogine and Stengers 1979; Santos 1987; Santos 1989; Santos 2003b).

Anti-poverty action is a domain of research where a number of critical issues are directly linked to the crisis of the hegemonic paradigm.

Anti-poverty action involves the interdependence of the natural and the social sciences. Poverty is about human suffering and unmet human needs are at the basis of experiencing poverty. And overcoming poverty and meeting needs have both biological and social dimensions (health, food and nutrition, shelter and housing, etc.). The debate on basic-needs touches this kind of border. The distinction between natural and social sciences is required in order to grasp the challenge of understanding the complexity of human life in society and in nature. Yet, this separation cannot be '*reified*' as human reality is lived on the basis of mutual interdependency. Actually useful scientific contributions to anti-poverty action and local development have to rely on the understanding that poor people are human beings that are natural as well as social. Biological, psychological and cultural dimensions are experienced interdependently in each human being. Even if we may concentrate on the social and economic aspects of this change, we must not forget this underlying critical dimension of human difference as overcoming poverty leads us to the analysis of human needs. The relations between the biological and psychological, social and cultural dimensions of human nature correspond to an old debate in the medical sciences. The development of the neo-cortex depends on the development of language and language itself depends on the neo-cortex and brains. Psychosomatic aspects of ill health show how psychological and social conflict can have biological effects. Also dynamic psychology (psychoanalysis, group-analysis, etc.) shows how personal interaction by means of '*speech acts*' may have both psychological and biological effects in overcoming human suffering.

In anti-poverty action, action oriented knowledge is specific as the concreteness of poverty is context-dependent. The complexity, spatial diversity and local uniqueness of the context-dependent concreteness of poverty call for the context-dependent concreteness of anti-poverty action. Knowledge based on laws, formal causality and generalization of observed regularities is of little help in designing unique '*projects of hope*' for particular individuals, households or groups or in designing '*strategic visions*' for communities in localities or regions. The multidimensionality of poverty has to be understood in its *wholeness*. To know about poverty is also to know about how poor people live and experience those problems the *non-poor identify* as poverty problems. A disciplinary division of reality does not help to reconstitute the complexity of experienced life. The utility of scientific knowledge based on quantification and generalization serves little purpose for anti-poverty action. The *wholeness* of knowledge has to show its usefulness in the reconstitution of local cognitive projects, understood as '*projects of hope*' for specific groups. Action in the world requires that the disciplinary fragmentation may not hinder the *reconstitution of the totality of reality* where anti-poverty action becomes concrete. To deal

with aspects of social reality 'abstracting' from others may require a thematic rather than disciplinary fragmentation. On the other hand, in anti-poverty action, scientific knowledge is asked to reach beyond observable phenomena and show how *'projects of hope'* may be linked to *'non-observable possibilities'*. Structures 'producing' poverty problems have to be captured *beyond the surface* of observable phenomena. And when the structural nature of problems is clarified, scientific knowledge is needed in order to identify *'possibilities'* about non-observable dimensions of reality that *may become observable* if the adequate action is undertaken (eradication or mitigation of poverty). Understanding poverty and designing anti-poverty action constitutes a major challenge in contemporaneous societies. It faces relevant limits within positivistic assumptions.

The substantive content of anti-poverty action is not independent from the way the *'object'* of action is approached. If anti-poverty action is conceived as dealing with problems real people experience, facing unmet basic-needs in real places, to which they are historically tied by cognitive and affective bonds, or to which they are determined to belong, the *'subject-object'* relation becomes a relation *between subjects*. In anti-poverty action, the role of planners cannot be dissociated from a relation between subjects aiming at emancipation and empowerment. If poverty is to be overcome, the *'subjects'* of knowledge become more critical about the limits of possible objectivity, and the *'objects'* of knowledge become more aware of their potential role as *'subjects'* and 'owners' of planning relevant useful knowledge. If participation of poor people in designing, implementing and evaluating anti-poverty action is to happen, these issues require adequate attention.

Anti-poverty action is also about interaction between planning agents and other social agents either for the purpose of controlling some undesirable change or for the purpose of enabling action aimed at some desirable change. In anti-poverty action, planning agents call for scientific support which searches for practical adequateness (eradicating or mitigating poverty). Yet, the other social agents develop their strategies on the basis of common-sense knowledge. Scientific knowledge may face sterility in anti-poverty action if not *'retranslated'* into common sense knowledge in order to make interaction possible. Scientific knowledge has to make itself understandable in the very terms that enable *dialogical interaction* where it becomes concrete. In anti-poverty action, the potential of scientific knowledge for emancipation cannot realize itself *as* scientific knowledge.

These are examples of areas where both the natural and the social sciences face limits within the hegemonic paradigm. It is not only a claim for more interdisciplinarity among the social sciences, or even for the integration of the natural with the social sciences. The need of *'another'* scientific knowledge is becoming more apparent if relevant planning for anti-poverty action is to be achieved.

## 2.2. The crisis of the newton-cartesian paradigm

The *'hegemonic paradigm'* in the social sciences was constituted between the XVI and XIX century. The fundamental divisions between science and common sense and between nature and human were critical dimensions of a new vision of life and the world, highly influenced by anti-dogmatism and anti-authoritarism. What follows are just elements of a possible speculation based on existing partial contributions organized by Boaventura de Sousa Santos (1987, 1989, 2003b).

Meanwhile, the crisis of the 'newton-cartesian' paradigm became irreversible. It started with Einstein with quantic physics and the relativeness of distant simultaneous events. Microphysics introduced how it is impossible to observe or measure phenomena without interfering with them following the work of Heisenberg, Bohm, and others. The rigour of mathematic was questioned by Gödel and could be compared with alternative forms of rigour. A new concept of matter and nature was introduced by Microphysics, Chemistry and Biology with the contributions of Prigogine, Jantsch, Haken, Eigen, Maturana, Varela, Thom, Bohm, Chew and Capra (cited in Santos 1987). The role of laws and causality is discussed and the very notion of law is being reformulated, with notions such as system, structure, model or process increasingly used instead. Nevertheless, it is perhaps too early to speak about an *emergent* alternative scientific paradigm.

Four issues can be identified as crucial axes of the most important elements of the crisis: the problem of *scientificity* concerning the specificity of social sciences and their relations with natural sciences; the methodological problem of *disciplinarity* and generalization in the production of scientific knowledge; the problem of *objectivity* and intersubjectivity in scientific practice; the problem of ensuring the *social usefulness* of scientific knowledge in contributing to avoiding human suffering.

**a) The natural sciences as the model of scientificity and the social nature of all scientific knowledge**

Faith in the possibility of a controlled observation and faith in the instrumental role of mathematics to ensure the rigor of knowledge are basic elements of epistemological confidence within the hegemonic paradigm. The social sciences first developed in the XIXth century should follow the model of scientificity of the natural sciences in pursuit of rigor.

Yet Physics and Biology themselves started to question the traditional dualisms between organic and inorganic, human and not human. Self-organization and self-reproduction are examples of explanatory tools imported by those sciences from the social sciences.

Emergent contributions to an alternative paradigm challenge the dualist distinction between natural and social sciences. According to them, this dualist distinction loses its sense and usefulness as it is based on a mechanicist conception of matter and nature, which is being questioned from within Physics (Capra 1983).

Examples are identified showing how some progress in the natural sciences is already   being based on the import of models developed by the social sciences (self-organization, etc.). The social sciences are progressing mainly due to anti-positivist streams under the growing influence of the humanities. Under the humanist influence, the scientific development is placing the person as agent and subject and is placing nature in the centre of the person. All nature becomes human.

**b) Disciplinarity, causality and 'law-like' generalization and the local character of total knowledge**

According to the hegemonic paradigm, to know is to quantify, to divide and to relate in order to reduce the complexity of the real world. The laws of nature can be identified once the *'initial conditions'* have been identified. Knowledge is possible in terms of the identification of laws derived from the regularity of observed relations. The progress of scientific knowledge is supposed to be ensured by means of generalization based on quantification and uniformization.

A formal causality is assumed. Laws refer to the functioning of relations not to agents or finalities. This makes prevision possible within a *'mechanicist determinism'* of the 'world-machine'. The past will be repeated in the future. Absolute space and location and absolute time are never considered to be relevant 'initial conditions'.

But, to quantify is also to disqualify, and to divide into parts destroys the possibility of knowing the organic wholeness of objects. Specialization and mathematic rigour was achieved by an arbitrarian partialization of reality to reduce complexity. Emergent contributions stress that the 'new' scientific knowledge aims at being total, aims at grasping the unique and indivisible totality. The unavoidable fragmentation is thematic not disciplinary.

Being total, scientific knowledge is local. It aims at reconstituting local cognitive projects. It aims at exemplarity and transferability of illustrated total knowledge in order to help the *'emigration'* and the *'translation'* to other contexts. Generalization occurs by means of quality and exemplarity, not by means of operationalization, quantification and uniformization.

Being total and local, it is not deterministic knowledge. It searches for *'conditions of possibility'* for human action in the world based on a specific and unique space-time context. Methodological plurality and *'transgression'* become inevitable.

**c) Objectivity and the subject-object relation and the self-knowledge of the knowing subject**

Scientific knowledge is supposed be objective and this is ensured by a set of methodological procedures.

Emergent contributions stress how the *'interference'* of the subjectivity of the knowing subject cannot be avoided and how it cannot be distinguished from the subject-object relation. To make subjectivity explicit becomes a condition in the 'objectification' process of scientific knowledge. The intersubjective relation between the 'subjects' and 'objects', that are also 'subjects' in the context of the social sciences, becomes in itself an issue requiring clarification. The object of the social sciences is constituted by subjects, human beings as the knowing subject.

In fact, as Quantic Mechanics proved, the act and the product of knowledge are dependent on each other. The object becomes a continuation of the subject. Therefore, objectivity in scientific knowledge also depends on self-knowledge of the knowing subject. Self-recognized ignorance which is made explicit becomes a condition of progress. Science does not discover. It creates. The creative act of the knowing subject implies that he needs to know about himself before knowing what it is possible to know about reality *through* himself. Metaphysic assumptions, value judgements or personal beliefs become an integral part of scientific knowledge.

The cognitive, affective and emotional dimensions of the knowing subject are present in the choice of the object or in the emotional attitude towards it. A counter-transfer occurs between the knowing subject and his object of knowledge (Devereux 1973).

In the social sciences the subject-object relation is an inevitable inter-subjective relation and knowledge becomes strongly self-biographic. An attempt is made to be intimately connected with the object of study.

**d) Scientific knowledge, technical uses of science and dialogue with common sense aiming at a new form of relevant scientific knowledge**

Technical uses of scientific knowledge are based on the assumption that sciences can only be built *'against'* common sense. It is based on an implicit value judgement, which recognizes a different social status to scientific knowledge as a superior form of rationality.

But, scientific knowledge may face the risk of being sterile if it cannot be used by anyone without an academic education. Without its *'translation'* into common sense, scientific knowledge will remain incomprehensible in its potential contribution for emancipation. No one form of knowledge is in itself 'rationale'. Only the *wholeness of possible forms of knowledge* is rational. Without the *'dialogue'* with other forms of knowledge, scientific knowledge risks remaining *'specialized ignorance'* or with no relevance in the context of anti-poverty action and local development.

The promotion of dialogue with all forms of human knowledge becomes a constant in an emergent paradigm. Common sense also plays a central role. Its utopian and liberating character can be enriched with a dialogue with scientific knowledge giving rise to a new rationality.

Therefore, the aim is a *double epistemological rupture*. Once constituted as science, scientific knowledge requires a second epistemological rupture in order to fulfil its possible emancipatory potential again as common sense.

In a historical context of 'paradigmatic transition', the epistemological condition of science reflects itself in the existential condition of the knowing subject. If knowledge is self-knowledge, ignorance is self-ignorance.

A *'prudent knowledge'* is needed, where instead of being a technical limit for the progress of science, assumed insecurity may be the key to another attitude and a contemplative rather manipulative knowledge of reality.

## 2.3. The 'paradigmatic transition' in the social sciences and critical realism

A realist epistemology will be adopted in order to establish the coherence of a *'framework of meaning'* in the contemporary context of 'paradigmatic transition' and ensure that the necessary conditions for the scientific work are developed.

Realism was already considered to be the epistemological position offering the greatest opportunities for the theoretical development of the relations between space and social processes (Palme, 1989, p. 23), the improvement of planning theory and practice (Cooke, 1983, p.17) and evaluation (Pawson and Tylley 1997). In another context, realism was considered one of the major influences in recent developments in restructuring theory (Bagguley et al.1990, p. 3). Also within Economics, realism is receiving increasing attention (Fleetwood 1999; Lawson 2003; Lawson 2000; Lawson 1992).

Critical realism offers a conception and analysis of the nature of reality, both natural and social. Critical realism is bound with ontology, with enquiry into the nature of being, of existence, including the nature, constitution and structure of the objects of study (Lawson, 1997, p. 15).

In short, reality exists independently of consciousness. Critical realism distinguishes in the social world between social entities, which have causal properties, and contingent events to which the social entities give rise. But the relations between causal entities themselves are

assumed to be complex. Empirical phenomena are supposed to reflect the intricate relations between entities with the mutual realisation, part-realisation or blocking of their causal powers.

In what follows, the main assumptions of the realist approach to be used will be briefly and explicitly developed on the basis of recent contributions (Fleetwood 1999; Lawson 2000; Lawson 1992; Outhwaite 1987; Palme 1989; Sayer 2000; Sayer 1984; Urry 1981).

## a) Society, social relations and the specificity of the social sciences

The expressions science, natural science and social science will be used to identify systematic, rigorous and self-critical knowledge and as synonyms for disciplines that study nature and society (Sayer, 1984, p. 14).

Critical realism starts with the belief that there is a world existing *independently of our knowledge of it* (Sayer, 2000, p. 2). Realism asserts the existence of the objects of research as independent of the enquiry about themselves. It is assumed there is a material and social world that exists independently of any individual consciousness and which is knowable by consciousness. It is further assumed that true theories of real entities can be obtained (Lawson, 1992, p. 21).

Critical realism proposes a *'stratified ontology'*. It starts with the belief that the world is stratified. One can differentiate between the *real*, the *actual* and the *empirica*l (Sayer, 2000, p. 11). The real is understood as whatever exists (be it natural or social) and the realm of objects, their structures and powers. Whether they are physical or social, objects have certain structures and causal powers understood as capacities to behave in particular ways. The *real* refers to the structures and powers of objects. The *actual* refers to what happens if and when those powers are activated and the *empirical* is defined as the domain of experience.

*Observability* may make us more confident about what we think exists, but existence itself is not dependent on it. Therefore, it is possible that powers may exist unexercised, and what *has* happened or been known to have happened does not exhaust what *could* happen or have happened. The nature of real objects constrains and enables what can happen but does not pre-determine what will happen. A realist ontology makes it possible to understand how we could *be or become* things, which currently *we are not* (Sayer, 2000, p. 12). Objects have causal liabilities

or passive powers understood as susceptibilities to certain kinds of change. As Andrew Sayer writes (2000, p. 11): *'Realists therefore seek to identify both necessity and possibility or potential in the world – what things must go together, and what could happen, given the nature of the objects'*.

In the social sciences the social realm exists independently of any individual consciousness. The social realm is the domain of matter whose existence depends, at least in part, on intentional human agency. And knowledgeability presupposes relatively enduring (intransitive) objects of knowledge, objects that exist and lie at a different level to events and their patterns. The possibility of social science depends on establishing the reality of social structures and social relations and on establishing that it is possible to know *non-empirical* features of reality *through their effects*. Just as with the reality of magnetic and gravitational fields, it can only be known by their effects on objects of direct experience. Using the same argument it becomes possible to establish the reality of social structures like rules and social structures. Rules of language are known through 'speech acts' which they facilitate (Lawson, 1999, p. 222).

The particular difficulty within the social sciences relies on the *mutual dependency* between social structures and human agency. Social structures remain intransitive, though they facilitate human acts and they are reproduced by the very acts which they facilitate. Social structure is seen as a *duality*, as both condition and consequence of intentional human agency (Lawson, 1999, p. 11). Although dependent on human agency, social structures, relations, practices, conventions, exist prior to any individual act and govern it by providing limiting and enabling conditions as necessary for action to take place. It is in this sense social structures have causal powers. As social structures exist only by virtue of human activity, the reproduction and transformation of these structures will often be unintended (Lawson, 1992, p. 25). If the reproduction, or transformation, of social structure is rarely an intended project, it is equally the case that the individual agents are not always aware, certainly not discursively or self-consciously so, of the structures upon which they are drawing (Lawson, 1997, p. 169). And if it is the dependency of such structures upon human agency that marks them out as being social, it is their ability to make a difference to (to enable as well as to constrain) physical states, or actions that establishes that they are real. On the other hand, given the open nature of human action (the fact that each person could always have acted otherwise), social structure can only ever be present in an *open system* (Lawson, 1997, p. 32).

The term *critical* in critical realism relates to the recognition of the *human agency-dependent nature of social structure*. As social structure is dependent on human agency it is open to transformation through changing human practices which in turn can be affected by *criticising* the conceptions and understandings on which people act. The sciences are themselves social structures unavoidably susceptible to change through critique (Lawson, 1997, p. 158).

In critical realism, social relations also play a relevant role in establishing the reality of social structure. One has to distinguish between *substantive* relations of connection and interaction and *formal* relations of similarity and dissimilarity. Things, which are connected, need not be similar. Another useful distinction in abstractions concerns *contingent* and *necessary* relations. Relations are external or contingent when both objects can exist without each other, the nature of the objects does not depend on the relation. Relations are internal or necessary when what the object is depends on its relation to the other. A slave cannot exist without a master, or a tenant without a landlord (Lawson, 1997, p. 164; Sayer, 1984, p. 82).

This distinction has crucial implications in social science. Many actions often assumed as existing in isolation are in fact embedded in internal relations. As many actions are context-dependent they involve internal relations. They are rule-governed and they do not count as actions of these sorts in the absence of their particular contexts. On the other hand, a *practice is concept-dependent*, it is internally related to particular concepts. In social science permanent awareness has to be given to the *internally related nature of human action* (Sayer, 1984, pp. 82-83).

Structures is the term used to represent sets of *internally related objects or practices*. Within social structures there are positions associated to roles and it is important to distinguish between the occupant of a position and the position itself. The occupants of positions cannot be considered individually responsible for the effects of the working of the structure. The structure of social relations, with their resources, constraints and rules determines what happens, even though these structures only exist where people reproduce them. The reduction of structures to the individuals who compose them and the underestimation of the interdependence of positions lead to what is called the *'fallacy of composition'*. What is possible for one individual may not be possible for all individuals simultaneously (competitiveness of individual firms, qualification of unemployed, etc.) (Sayer, 1984, pp. 84-87).

This also leads to the relation between structure and agency in social reproduction and transformation, which will be further developed below (c.f. 2.2.4). The most durable social structures are those which lock their occupants into situations, which they cannot unilaterally change. But although structures are invariant this does not mean that they can never be gradually changed from within. Religious structures, teacher-pupil relations and the marital relations change as balances of power and constitutive meanings and practices have shifted. Social structures are reproduced where people reproduce them but not in an automatic and intentional way. Social structures are difficult to transform. But the execution of the actions necessary for their reproduction has to be seen as a skilled accomplishment requiring specific kinds of practical knowledge. (Sayer, 1984, pp. 87-89).

According to realism, scientific knowledge about society is contextual, it is *context-dependent* knowledge. Individuals cannot develop knowledge independently of a society in which they can learn to think and act. Knowledge is gained through activity both in attempting to change the environment and through interaction with other people (it is not gained purely through contemplation and observation of the world). As people and their ideas are included as objects of knowledge, the relationship of knowledge to practice may be interactive rather then passive.

Like in self-reflection, in thinking about ourselves we can change our object. Social science can have a similar effect on its object. And knowledge concerns also knowing how to do something, it is not only propositional or referential. The institutional context within which scientific knowledge is developed reinforces this tendency for propositional forms and to activities of speaking and writing. The production of knowledge is social activity and the tendency to 'reify' the social world turning it into things independent of us should be counteracted. The development of knowledge requires linguistic, conceptual, cultural and material tools.

Finally, social science is not to be considered as the highest form of knowledge. It is a specialized type of social activity which cannot exist without rules, ethical principles, honesty of reporting and refusal for illogical arguments, a kind of knowledge which scientism denies, excludes or derogates (Sayer, 1984, pp. 17-19).

**b) Abstraction, structure and cause**

In the context of a critical realist epistemology, 'theory' will be understood as a prescription of a particular way of conceptualising something, and 'theorizing' involves primarily a process of *'normative explication'*.

Effective conceptual change is difficult. As we can only forge new concepts out of old ones, some of the latter may be part of the problem we are trying to escape from. To abandon too much may have the consequence of destroying our ability to think. When faced with an anomaly a fundamental reformulation of basic concepts may be required which change the sense of major parts of the system. These changes involve reconstructions of the networks of sense-relations linking and forming concepts. These alterations require that problematic *concepts have to be 'explicated'*, namely, by giving concise definitions to important but vaguely understood terms (Sayer, 1984, pp. 75-76). It should be remembered here that reference to a word (object referred) and its sense (set of connections or sense-relations) are interdependent. The act of reference must invoke or reconstruct sense-relations (Sayer, 1984, pp. 54-55).

In fact, data gathered in science is *(pre-)conceptualised*, it is not a *'given thing'*. It will be necessary to think about these *'hidden'* concepts and not only work with them. Observation is *'conceptually-saturated'*. Instead of ways of understanding objects they are taken as descriptions of observable characteristics of the objects themselves. Experience is always conceptually mediated. Answers to empirical questions presuppose answers to questions about the scientific concepts used in identifying their objects, presuppose understanding the constitutive concepts given the concept-dependent social objects and taking account the (empirical) circumstances in which they are used concerning any kind of question about concepts (Sayer, 1984, pp. 49-51).

*'Stylised facts'* facts represent this concept-dependent identification of empirical phenomena (Lawson, 1992, p.26). *'Stylised facts'* are conceptualised phenomena, for example, a broad but not universal generalisation about an event regularity that is regarded as significant enough, given the context that an explanation is called for.

Abstraction helps to individuate objects, their attributes and relationships. As knowledge aims at being practically adequate, it is needed to abstract *from* particular conditions. To know about wholes one has to select and abstract their constituents. One abstracts *'from'*, isolating in thought

a one-sided or partial aspect of an object. One abstracts from the many other aspects, which together constitute concrete objects. When each of the abstracted aspects has been examined, abstractions can be combined in order to grasp the concreteness of objects. Abstractions should distinguish incidental from essential characteristics (Sayer, 1984, pp. 80-82).

Abstraction further helps to differentiate between substantial relations of connection and interaction and formal relations of similarity and dissimilarity. Things which are connected need not be similar. Another useful distinction in abstractions concerns contingent and necessary relations. Relations are external or contingent when both objects can exist without each other, the nature of the objects does not depend on the relation. Relations are internal or necessary when the object is dependent on its relation to the other. A slave cannot exist without a master, or a tenant without a landlord (Sayer, p. 82).

The dynamic challenge of dealing with process and change requires *causal analysis*. One of the most distinctive features of realism is its analysis of causation. Critical realism rejects the standard Humean *'successionist'* view that causality involves regularities among sequences of events (Sayer, 2000, p. 13). Conventional references to causality link means to the occurrence of change. In the realist view, causality concerns not a relationship between events, but the *'causal powers'* or *'liabilities'* of objects, or their *'ways-of-acting'* or *'mechanisms'*. Causal powers can exist whether or not they are being exercised or suffered. A causal claim is not about a relationship between separate things or events but about what an object is like and what it can do and only derivatively what it will do in a specific situation. Whether a causal power is actually activated or suffered on any occasion depends on conditions whose presence and configuration is contingent (Sayer 1984).

Causal powers may be attributed to objects independently of any particular pattern of events. Mechanisms exist necessarily in virtue of the object's nature. The nature or constitution of an object and its causal powers are necessarily related. Within a realist view, one tries to get beyond the recognition that something produces some change. An understanding is required about what it is about the object that enables it to do this, knowledge about how the process works. Knowing that 'C' is generally followed by 'E' is not enough, the aimed is to understand the *continuous process by which 'C' produces 'E'*. This mode of inference in which events are explained by postulating (and identifying) mechanisms which are capable of producing them is called *'retroduction'*. However, whether a causal power is actually activated depends on conditions

whose presence and configuration is contingent. In fact, the essential moment of realist analysis is the movement from a conceptualisation of some manifest phenomenon to a hypothesis about the possible structures which give rise to or govern it (Lawson, 1992, p. 28). *'Retroduction'* is to move from the level of the phenomenon identified to a different 'deeper' level in order to explain the phenomenon and identify a causal mechanism responsible (Lawson, 1999, p. 10).

Causal powers exist necessarily by virtue of the nature of the objects which possess them, but is contingent whether they are activated. Though they are different from physical objects, *ideas, beliefs and reasons* may have causal powers whether they are good or bad, false or inconsistent. Therefore, concepts also have causal powers. Even if reasons given by actors are not the real reasons (whether conscious or unconscious), communicative interaction presupposes material results. Therefore, the actual effects of causal powers when they are activated depend on the conditions in which they work (Sayer 1984).

Causal powers that may be exercised and yet unrealised in manifest phenomena are designated *'tendencies'*. It is the ascription of a tendency to a certain kind of thing that is interpreted as a statement of a law. *'Tendencies'* relate to characteristic ways of acting or effects of mechanisms which may not be actualised because of the openness of the relevant system (Lawson, 1997, pp. 22-23).

A *mechanism* is basically a way a structured thing acts or works (Lawson, 1997, p. 21). Two or more mechanisms may contribute to the same effect ('over determination') or counteract each other. And the independence between mechanism and effect has to be accepted. When activated, particular mechanisms produce effects in 'conjunctures' which may be unique. That is one of the reasons why the search for regularities is inadequate. Awareness of the conditions as well as the causes of actions affects political prescriptions, whether aiming at mediating the effects of mechanisms by manipulating the conditions or aiming at changing the structures by virtue of which mechanisms exist (Sayer, 1984, pp. 94-107).

Given the independence of mechanisms from their conditions, causation does not need to imply regularity in patterns and sequences of events. Therefore, realist philosophy reflects upon the conditions which must hold if regularities are actually to occur. For realists, causation is not understood on the model of regular successions of events. Hence, explanation need not depend on finding them or searching for social laws. Critical realists consider that the conventional

impulse to prove causation by gathering data on regularities, repeated occurrences, is misguided. What causes something to happen has nothing to do with the number of times we have observed it happening. Explanation depends instead on identifying causal mechanisms and how they work. Explanation also depends on discovering if they have been activated and under what conditions (Sayer, 2000, p. 14).

Consistent regularities are only likely to occur under special conditions, in 'closed systems'. And conditions for closure do not occur spontaneously in the social world (Sayer, 2000, p. 15). *'Intrinsic conditions for closure'* (no qualitative variation or change in objects possessing causal powers if mechanisms are to operate consistently) and 'extrinsic conditions for closure' (constant relationship between the causal mechanism and those of its external conditions if the outcome has to be regular) can only be found in closed systems. However, the social sciences deal with open systems. Human agents may interpret the same material conditions in different ways and learn new ways of responding (violating the intrinsic condition) and modify the configuration of systems (violating the extrinsic condition) (Sayer 1984).

For the realist position, science is considered with enduring structures, with what kind of things there are and with what they are able to do. The object o science is to identify and understand structures that endure to some extent. The object of science is to identify generative mechanisms, to identify the ways social structures act. The aim is to obtain knowledge of real structures or mechanisms, which give rise to or govern the flux of real phenomena of social and economic life (Lawson, 1992, p. 28). Explanation entails providing an account of those structures, powers and tendencies that have contributed to the production of, or facilitated some identified phenomenon of interest. It is by reference to enduring powers, mechanisms and associated tendencies that the phenomena of the world are explained (Lawson, 1997, p. 23).

As noted above, for the realist position, *laws* are ascriptions of *tendencies* to certain kinds of things. They describe how generative structures behave. Such tendencies do not need to lead to regularities at the level of events because they will be juxtaposed with tendencies of other structures (Lawson, 1992, p. 24). Therefore, laws are not understood in realism as well corroborated or confirmed statements about universal empirical regularities of the type 'If C, then E', but as claims about the activity of some mechanism. They refer to the causal mechanisms that exist by virtue of the nature of their holders and not to the contingent matter of whether the mechanisms happen to be in conditions in which they can produce regularities. They

do not refer either to the conditions under which the mechanism operates or to the results of its activity, that is to say, the actual outcome on any particular occasion.

Thus, realist approaches do not lead to predictions but *seek out the generative mechanisms and conditions which produce the events we want to change*. Searching for information about the necessary conditions for the existence and the activation of the mechanism, and on the way conditions mediate its effects, it is hoped to increase the chances of either removing or changing the mechanism, preventing its activation or suppressing the damaging effects of its exercise.

Critical realism acknowledges that social phenomena are intrinsically meaningful. This means that meaning is constitutive of social phenomena. Meaning has to be understood and it cannot be measured or counted. There is always an interpretative or hermeneutic element in social science. Therefore, social phenomena are concept-dependent and have to be understood as such. This means that together with the explanation of material change in society, reasons may also have to be understood as causes. Critical realism poses a wider conception of causation. Critical realism does not assume that all causes must be physical (Sayer, 2000, p. 18).

The objects of social science are concrete in the sense that they are the product of multiple components and forces. Social systems are always open systems. Unlike natural sciences, those components cannot be examined under controlled conditions. Social scientists rely on abstraction and careful conceptualisation on attempting to abstract out the various components or influences. Only after this happens and after being considered how they combine and interact can it be expected to return to the concrete many-sided object and make sense of it. So, much rests upon the nature of abstractions, it is the conceptions of particular one-sided components of the concrete objects (Sayer, 2000, p. 19).

Theoretical claims must be combined with empirically discovered knowledge of contingent-related phenomena, moving from abstract concepts to the concrete. As seen above, theories are examined sets of concepts, which are used in making empirical observations. They make their strongest claims at the abstract level about necessary relations. Where relations between things are contingent, their form must always be an empirical question; it must be answered by observing actual cases.

As social sciences deal with systems whose spatial form is deliberately arranged to manipulate causal mechanisms (new towns, communication systems, etc.), the possibilities and problems of reproducing social forms depend on the integration of their elements in space-time. Therefore, spatial form has to be taken into account in concrete studies if the contingencies of the concrete and the differences they make to outcomes are to be understood (Sayer, 1984, pp. 111-136).

In an orthodox sense generalizations are used either as descriptive or extrapolations and in this sense associated to laws, whether deterministic or probabilistic. From a realist point of view, this kind of generalization shows important limits: they 'dehistoricize' their objects, the difference between necessary and contingent relations is overlooked, they are often ambiguous due to the problem of 'distributive unreliability', they are indifferent to structures, they favour the occurrence of 'ecological fallacy' and they need to involve little abstraction (Sayer, 1984, pp. 90-94).

*Generalization* requires a precise use in a realist view. As structures are constituted by necessary relations they must be understood *qualitatively*. That is the reason why up to now the emphasis has been put on qualitative aspects of objects and their *substantive relations*, whether necessary or contingent. But structures can be affected by size or quantities. Anyway, the value of generalizations depends upon the qualitative nature of the objects to which they refer. They supplement but cannot replace qualitative methods such as structural analysis (Sayer 1984).

## c) Self-knowledge and intersubjectivity in the social sciences

Apparently obvious claims about subject-object relations and the context of knowledge have implications that go far beyond the conduct of social science (Sayer, 1984, p. 37). Knowledge is always embedded in social practices and social scientists do not exist outside their object and where 'ordinary' people are subjects to. There are also differences in types of knowledge and their contexts as can be found, for example, between practical knowledge involved in knowing how to do something and propositional knowledge of facts about the world (Sayer, 1984, p. 46).

The analysis of the subject-object relation in the social sciences requires some attention. The subject, the 'knowing-subject', is assumed to be the creative agent which brings about material change. This understanding of subject helps to recall that the subject-object relationship is not necessarily to be understood in passive and contemplative mode (Sayer, 1984, p. 46). The object,

*'the thing being studied'*, includes *subjects and a social world which is socially produced* and hence, only one of many possible human constructions (Sayer, 1984, p. 43).

The subjects exist in a social context of inter-subjective relations. The subject must have a language in which to think about the world. And, given the social nature of language, the subject-object relationship must presuppose the existence of social relations, or subject-subject relations within some language community. Therefore, in order to understand the world, subjects must simultaneously understand one another. Subjects cannot gain prepositional knowledge of their objects or acquire practical knowledge of how to manipulate them without using the cognitive and conceptual resources of particular communities. When the object is society it includes other subjects and their interaction. Social knowledge stands in a 'dialogic' relationship with its object, or in a subject-subject relation rather than in a subject-object relation (Sayer, 1984, pp. 26-30).

But understanding social phenomena is not just a question of understanding concepts in society and the meanings of practices. Knowledge of society always has to include knowledge about its material sides. It *cannot be reduced to an 'interpretative' approach*. The 'knowing subject' may not share the same understanding of subject-objects about the same material objects. These latter understandings may even be characterized as wrong by the 'knowing subject' (Sayer, 1984, p. 30).

This is a source of major difficulties in the social sciences. The unavailability of experiments and the fact that social phenomena can be changed intrinsically by learning and adjusting to the subject's understanding introduces the denial of the possibility of knowing society *as it is*. The unavailability of experiments does not reduce social science's relationship with their object to a purely contemplative one (Sayer, 1984, p. 30).

That is why dominant conceptual oppositions such as 'subjective' and 'objective', 'thought' and 'action', face unavoidable difficulties from a realist perspective.

Social phenomena are *intrinsically meaningful* or *concept-dependent*. Ideas, beliefs, concepts and knowledge held by people in society are not only in society but also about society. Unlike natural (non-social objects) they are not impervious to the meanings ascribed to them. What the practices, institutions, rules, roles or relationships *are* depends on what they mean in society to

its members. Meaning is not merely descriptive but constitutive. We can distinguish between the physical behaviour and the meaning of actions. The same behaviour can, in different contexts, be different meaningful actions. *'Concepts in society'* or *'constitutive meanings'* are not only the subjective beliefs, opinions or attitudes of individuals. Meaning is for a subject, for a person. And as feelings, opinions and beliefs, as well as roles and personal identitities, can only be constructed and communicated (becoming constitutive) within intersubjectively understood terms, they are constructed in terms of intersubjectively available meanings. Even when material objects are intrinsically meaningless, their use and functioning in society is concept-dependent (gold, diamonds, etc.). Intersubjectivity is an essential characteristic for understanding how scientists gain knowledge of the social world and also how societies themselves cohere and function (Sayer, 1984, pp. 32-35).

The study of natural objects only involves a single hermeneutic (interpretation of meaning) but the study of ideas and concept-dependent social-phenomena involves a *double hermeneutic* (Sayer, 1984, p. 37). Critical realism shares the view with interpretative social science that social phenomena are concept-dependent and have to be understood but that does not rule out causal explanation because material change in society has to be explained and because *reasons can also be causes*. It poses a wider conception of causation as it does not assume that all causes must be physical (Sayer, 2000, p. 18).

**d) The usefulness of the social sciences and critical theory**

In order to understand and explain social phenomena, we cannot avoid evaluating and criticizing *society's own self-understanding* (Sayer, 1984, p. 41). And criticism cannot be limited to false ideas, abstracted from the practical contexts in which they are constitutive. Critical evaluation has to be extended to their associated practices and the material structures which they produce and which help to sustain those practices (Sayer, 1984, p. 42). Given the concept-dependency and socially produced character of the object of social science, the problem of interpreting and conceptualising the meaning of social phenomena should not be underestimated. It has to be recognized that the *'facts'* about human existence depend on society's self-understanding and that it is *socially produced though only partly in intended ways*. It also has to be recognized that changes in this self-understanding are coupled with changes in society's objective form. If these aspects are recognized, then it is possible to see how knowledge

can be not only explanatory and descriptive but also evaluative, critical and emancipatory (Sayer, 1984, pp. 45).

Thus, social science should not be seen as developing a stock of knowledge about an object which is external to us, but should develop a *critical awareness* in people as subjects and indeed *assist in their emancipation*. Its object includes subjects, the social world is socially produced and therefore just one of many possible human constructions. Critical social science encourages emancipation and self-development and contributes to denying a 'reified', nature-like quality of the appearances of social life and bringing to light formerly unrecognised constraints on human action (Sayer, 1984, p. 43).

It is only when it is recognized that part of *'the facts'* about human existence is that it depends on society's self-understanding, that it is socially produced (only partly in intended ways), and that changes in this self-understanding are coupled with changes in society's objective form that it becomes possible to see how knowledge can simultaneously be both *explanatory* and *descriptive* as well as *evaluative*, *critical* and *emancipatory* (Sayer, 1984, p. 45).

The search for *truth* puts science in a critical relationship with false beliefs and their effects in society. In this sense the role of social science may be *critical, therapeutic and emancipatory* (Sayer, 1984, p. 18). And the concept of truth can be modified by the concept of *practical adequacy*. Knowledge is useful where it is practically adequate to the world, where knowledge generates expectations about the world and about the results of our actions, which are actually taken. It must be *intersubjectively intelligible* and acceptable in the case of *linguistically expressed knowledge*. The practical adequacy will vary according to context (Sayer, 1984, p. 66).

**Chapter 3.  CONCEPTUALISING ANTI-POVERTY ACTION**

The further development of the work requires conceptual clarification.  As seen above (see 2.2.), theorizing involves primarily a process of *'normative explication'*.  As observation is *'conceptually-saturated'*, answers to empirical questions presuppose answers to questions about the scientific questions used in identifying their objects.

When dealing with issues concerning poverty and anti-poverty action, cautious handling with words is prudent. Words and senses are interrelated. The reference of a word (object referred) and its sense (set of connections or sense-relations) are interdependent. The act of reference must invoke or reconstruct sense-relations (Sayer, 1984, pp. 54-55).

The contemporaneous *expansion* of poverty in Europe and the *absence*, *insufficiency* or *inadequacy* of conventional mainly deprivation oriented anti-poverty action require serious and systematic reformulating of our sense-relations when dealing with these issues. The expansion of poverty due to an increasingly difficult access to money resources should not lead to oversee other dimensions underlying unmet basic needs. The precariousness of interpersonal relations or social isolation may turn material resources useless for the prevention of serious harm (psychological disorder, etc.). Consumption oriented individual behaviour associated to the lack of capacity to identify basic-needs or to the lack of capacity to identify individual and collective ways to meet intermediate needs (collective action, political struggle, etc.) may as well become a form of poverty, as will be developed below.

That is the reason why a number of concepts are used in this work in a precise way which does not correspond always to a more current understanding. Conceptual clarification is therefore needed as it plays a crucial role in the very coherence of the whole work.

Effective conceptual change is difficult. As we can only forge new concepts out of old ones, some of the latter may be part of the problem we are trying to escape from. To abandon too much may have the consequence of destroying our ability to think.

A fundamental reformulating of basic concepts may be needed when faced with an anomaly. This reformulating may lead to a change in the sense of major parts of the system as it may involve a reconstruction of the networks of sense-relations linking and forming concepts.

These alterations require that problematic concepts have to be *'explicated'*, namely, by giving concise definitions to important but vaguely understood terms (Sayer, 1984, pp. 75-76).

It is the moment to remind the central research problem to be solved by this work. This work aims at producing knowledge about *how* Municipalities can act. The central research problem to solve can be stated as follows: ***how* can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in their current territorial planning for local development?**

Stated in this way, the solution of such a problem requires the knowledge about the concrete possibilities Municipalities have to mobilize their 'causal powers' in order to locally interfere with the (necessary) conditions for the existence and activation of mechanisms leading to poverty (processes and situations). This may occur by removing or changing these mechanisms, preventing its activation or suppressing the damaging effect of its exercise. And this means, to contribute to the prevention of poverty or to change the poverty situation of poor households.

Knowledge is required about the (contingent and necessary) conditions for the existence and activation of mechanisms leading to poverty in the locality. Knowledge is also required about how conditions mediate their effects in order to remove or change the mechanisms, preventing its activation or suppressing the damaging effect of its exercise.

What will be tried below is to propose a reconstruction of a network of sense-relations linking and forming concepts. It can be also understood as a contribution to the production of a discourse about poverty, which might be useful for organizations involved in anti-poverty action.

The definition of the content of the different concepts will be put in the context of current understandings at the level of the European institutional discourse. It will be assumed that these current understandings can be assumed to play the role of '*nodal points*' or '*obligatory passage points*' (Clegg, 1989, p. 205) in the contemporaneous European debate. Institutionalised *discourses* can always be conceived as sets of *instruments* for human action.

## 3.1. The concept of poverty

The concept of poverty plays a central role in this work. It relates to a social reality of human suffering and anti-poverty action is about mitigating or eradicating this particular kind of *avoidable* human suffering.

The way the notions of *'poverty'* and *'social exclusion'* are currently used are associated. However, even if understood as a form of social exclusion, poverty represents a specificity which risks being *overseen* if only the notion of social exclusion is used. In this work the option has been made to restrict the analysis to poverty issues. This option is not only aimed at *reducing complexity* but also at contributing to keeping the debate on the *specificity* of poverty issues alive. This does not mean that the concept of poverty that is presented below will not be influenced by the debate concerning the contemporary conditions touching all those in need of social protection. An attempt will be made to incorporate this debate in the traditions dealing with the concept of poverty.

In contemporaneous conditions, poverty in 'affluent' societies involves various forms of adaptation and  social coping which produce more *complex* patterns in how poverty is perceived and experienced (Buffoni 1997); this as a result of the influence of 'global restructuring' on individual everyday lives. On the other hand, as the perception of deprivation grows in the European societies, the meaning of poverty seems to be less and less clear for the common person. Poverty is a social problem that runs the risk of being *oversimplified* (Bruto da Costa, 1992, p. 40).

In fact, current approaches to the notion of poverty risk disfiguring the different forms of poverty and fail to distinguish between '*frugality'*, '*destitution'* and '*scarcity'* (Sachs, 1992, p. 165). 'Frugality' is a mark of cultures where the necessities of everyday life are mostly gained from subsistence production. 'Destitution' occurs as soon as frugality is deprived of its foundation, as soon as community ties, land, forest and water, prerequisites for *subsistence without money* are taken away or destroyed. 'Scarcity' derives from modernized poverty, urban groups *caught up in the money economy* (as workers and consumers) living in a situation where money assumes ever-increasing importance.

In short, poverty will be understood in this work as a state of *deprivation* that results from *insufficiency of resources* in a *discursive-organizational context*. A situation of unmet *basic-needs* (ill health and lack of autonomy) which emerges as the outcome of a process in which unmet *intermediate needs* (food, housing, medical care, etc.) are related to *insufficiency* of resources (material or non material) in a given *discursive-organizational* context. And, in the context of a given household and community, the poor person is someone who suffers from deprivation (namely, in terms of unmet basic-needs) due to a lack of resources (Bruto da Costa, 1992, p. 39). The poor person is someone who society puts in a situation of *disempowerment;* that is, he loses his individual and collective capacity to create '*synergic satisfiers'* and meet intermediate needs to avoid unmet basic-needs and thus, prevent serious harm at individual, household and community level.

The above concept of poverty can be understood as a contribution to the development of the tradition initiated by Rowntree (1901) in poverty studies; it permits an objective concept of poverty to be evolved based on the concept of *absolute* poverty (Bruto da Costa, 1984). The latter tries to link a *universalistic* understanding of basic-needs to a *non-hierarchical* and a *systemic* tradition of bringing human needs and the satisfaction of these needs closer together.

Therefore, conceptual clarification is needed here not just to participate in the current conceptual and theoretical debate but also to specify the conceptual approach that best suits the central problem of this work.

First, a concept of poverty is needed which distinguishes between the *poor* and the *non-poor* in the locality. A concept is needed which can relate *processes* and *situations* and open up possibilities for theoretical work on prevention and integration in anti-poverty action.

Second, a concept of poverty is needed which enables individuals, households and groups who are *vulnerable* to poverty to be identified and therefore one that can contribute to Municipal anti-poverty action having clearer targets both in terms of *prevention* and *integration* and in relation to processes and situations. In other words, there must be a concept of poverty which enables us to identify the poor, as distinct from the non-poor, and also to identify from *among the non-poor* those who *may become poor* if preventive action is not taken, even though they are not currently in a vulnerable situation.

Third, a concept of poverty is also needed which enables and anti-poverty action promoting development to be *linked*. The aim is to identify conditions for potential poverty prevention and *lasting changes* in the poverty situation of poor households resulting from anti-poverty action. This kind of action should occur in the framework of contextual institutional and socio-economic *change* when promoting development. This concept will contribute to monitoring and evaluation procedures on the coherence, impact and process of anti-poverty action in a context of major economic, social and institutional changes at local, national, European and world level.

Finally, a concept of poverty is needed which goes beyond the subjective individual and collective perception of poverty among both the poor and non-poor which leads to the adoption of a concept of *objective* poverty rather than *subjective* poverty (Bruto da Costa, 1984, p. 287; Bruto da Costa, 1993, p. 58). The objective approaches (absolutist or relativist) provide a *'prescriptive class of definitions'* (Veit-Wilson 1987, cited in Bruto da Costa, 1993, p. 58) while the subjective perspective purportedly corresponds to a *'social consensus'* (Piachaud, 1987, p. 148, cited in Bruto da Costa, 1993, p. 58) or to a *'consensus approach'* (Mack and Lansley, 1985, cited in Bruto da Costa, 1993, p. 58).

The concept of poverty adopted in this work is based on the precise definition of specific dimensions that will be discussed and clarified below. First, an analysis will be made of how the notion of poverty is used in *institutional discourse* and of the political decisions already taken at European level which contain explicit aspects of a concept of poverty. The purpose of this analysis is to define how this understanding can actually play a role as *'nodal point'* of the European debate on this issue.

### 3.1.1. The notion of poverty in institutional discourse

In Europe, the Commission of the European Communities has played a relevant role since the mid seventies in raising public awareness on poverty issues. It is therefore important to start by analysing how official community documents use the notion of poverty. The most relevant aspects will be stressed based on research to date (Bruto da Costa et al. 1994).

The European Commission focuses strongly on the *avoidable* character of poverty and social exclusion (1994, p. 11): *'Unacceptably high levels of unemployment, poverty and social exclusion are in conflict with the Union's commonly-agreed goals in relation to employment,*

*social protection and equal opportunities.'* This approach was given new impulse in the Lisbon Council in 2000.

However, this does not mean that the concept of poverty has always been used without ambiguity. The evolution of social realities and the influence of political and academic traditions at national and European level contributed to this.

At European institutional level, the notion of poverty was originally used to help define the problems of the most disadvantaged groups in society. Its first official use can be found in a European Council decision in 1974. Poverty was defined there as referring to *'individuals or families whose resources are so small as to exclude them from the minimum acceptable way of life of the Member State in which they live'*.

This notion remained the basic reference of the first (1975-1980) and the second (1984-1988) European Community anti-poverty programmes. It already contained three crucial dimensions within the poverty debate: poverty was presented as a *form* of exclusion, poverty was presented in association with *lack* of resources (as a distinct notion from deprivation) and poverty was linked with a relevant political idea of *exclusion* from a *'minimum acceptable way of life'*.

There was a transition in terminology in the eighties. The notion of social exclusion gradually became associated with the notion of poverty. In 1988 the Commission of the European Communities published a document *'Social Dimension of the Internal Market'* (CEC 1988) that already mentioned *'social exclusion, marginalisation and new forms of poverty'*. A resolution on 'Combating Social Exclusion' was adopted in 1989.

This ongoing transition in terminology influenced the third anti-poverty programme (1989-1994), the title of which did not include the word poverty. Formulated in a positive way, the program was presented to *'foster the economic and social integration of the least privileged groups'*. The Community jargon started using the notion of *integration* as the opposite of exclusion and meaning the *solution* for the problems the projects dealt with. As Poverty III evolved, there was a final shift to the notion of social exclusion and the association of the notions of poverty and social exclusion to *rights*. This can be found in the First Annual Report

of the European Community Observatory of National Policies to Combat Social Exclusion (CEC 1991).

These notions were discussed in greater depth one year later in the Communication by the Commission entitled *'Towards a Europe of Solidarity: Combating Social Exclusion'* (1992). This was a very important step as the document analysed the structural nature of the phenomenon and emphasized that the Resolution of the Council of Ministers for Social Affairs within the Council of 29 September 1989 already recognized the *structural* nature of the exclusion process.

The Resolution adopted the notion of 'social exclusion' for the first time: *'The Council of the European Communities and the Ministers for Social Affairs meeting within the Council (...) 2. note that the process of social exclusion is spreading in a number of fields, resulting in many different types of situation affecting different individuals and groups of people in both rural and urban areas; 3. note that the reasons for this process lie in structural changes in our societies and that, of these, difficulty of access to the labour market is a particularly decisive factor; (...)'.*

In a very significant speech made in Copenhagen in June 1993, Jacques Delors (1993), clarified the need to use both notions and stressed that the notion of social exclusion should be understood as including the notion of poverty, and thus had wider scope.

The *structural nature* of poverty and social exclusion was again recognized by the Green Book (CEC 1993) and the White Book (CEC, 1994, p. 49) on 'European Social Policy'. These documents stressed their structural and multidimensional character and it was stated that *neither* phenomena *can* be reduced simply to *insufficient income*.

This approach establishes a crucial link with another relevant document published by the European Commission, the White Book on *'Growth, Competitiveness and Employment'* (1993), regarding the new challenges of world competitiveness and the crucial role of social policy in bringing it about. The idea of *'social policy for global competitiveness'* is intrinsic to the document given the role of qualitative factors in building competitive advantage (CEC, 1994, p. 70), namely, regarding the role of education and training (CEC, 1994, p. 132). But

the last chapter of the White Book goes beyond social policy and stresses the need for what is called there a *'New Development Model'* for Europe.

Given the structural nature of poverty and social exclusion, it is assumed that *structural change* is needed to tackle its causes. These documents stress the limits of a *compensatory* understanding of social policy. The White Book for *'Growth, Competitiveness and Employment'* associates the idea of *structural change* to the idea of a *new development model for Europe*. The document suggests that the current development model is leading to a sub-optimal combination of labour and nature and that economic growth should be promoted in a sustainable way which should contribute to higher intensity of employment and lower intensity of energy and natural resources consumption (CEC, 1994, pp. 161-167).

More recently, the European Council held a special meeting on 23-24 March 2000 in Lisbon to agree a new strategic goal for the Union in order to strengthen employment, economic reform and social cohesion as part of a knowledge-based economy. Starting to recognize that *'the European Union is confronted with a quantum shift resulting from globalisation and the challenges of a new knowledge-driven economy'* and that *'these changes are affecting every aspect of people's lives and require a radical transformation of the European economy'*, the Council stated that *'the number of people living below the poverty line and in social exclusion in the Union is unacceptable'*. It as explicitly stated that *'steps must be taken to make a decisive impact on the eradication of poverty by setting adequate targets to be agreed by the Council by the end of the year'*.

As seen above, relevant features of a concept of poverty, and its implications for policy, can be found in the most important documents and decisions taken at European level. These may include:

a) un understanding of the concept of *poverty* as distinct from *deprivation*;
b) un understanding of poverty as having a *structural* nature;
c) the recognition that the *complexity*, *scale* and *structural* nature of poverty renders a compensatory understanding of social policy *insufficient*, *misleading* and financially *unsustainable;*
d) the recognition that if poverty is understood as a social problem with a structural nature it *cannot* remain exclusively the object of social policy; its eradication

represents a major challenge for policy and requires structural change and a new development model for Europe.

### 3.1.2. Deprivation and Poverty

It is necessary to start by clarifying the relationship between the concept of poverty used in this work and that of deprivation.

Peter Townsend (1979, pp. 31-60) establishes a clear distinction between deprivation and poverty and shows how the concept of deprivation might be treated in relation to that of poverty. Townsend defines deprivation as *'a state of observable and demonstrable disadvantage relative to the local community or the wider society or nation to which an individual, family or group belongs'*. As deprivation is applied to conditions rather than resources, to specific and not only general circumstances, it can be distinguished from poverty (Townsend, 1987, p. 125). And Townsend follows, *'people can be said to be deprived if they lack the material standards of diet, clothing, housing, household facilities, working, environmental and location conditions and facilities which are ordinarily available in their society, and do not participate in or have access to the forms of employment, occupation, education, recreation and family and social activities and relationships which are commonly experienced or accepted'* (Townsend, 1987, p.140).

Thus, deprivation can be conceived to be objective or subjective - either collectively or individually perceived. People can experience one or more forms of deprivation without being in poverty, and people with fewer resources than others may be more likely to experience one or more forms of deprivation even when they continue to be above the 'poverty line'. Nevertheless, people experiencing multiple or single severe forms of deprivation are likely to have very little income and few or no resources (Townsend, 1987, pp.130-131).

For Peter Townsend (1979, p.31), poverty can only be defined objectively and applied consistently in terms of the concept of relative deprivation: *'Individuals, families and groups in the population can be said to be in poverty when they lack the resources to obtain the types 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. Their resources are so seriously below those commanded by the average individual or family*

*that they are, in effect, excluded from ordinary living patterns, customs and activities'.* If people lack or are denied resources to obtain these conditions of life and therefore are unable to be full members of society they can be said to be in poverty. Deprivation depends on the level of conditions or activities experienced poverty on the incomes and other resources directly available (Townsend, 1987, p.140).

Finally, Townsend identifies five systems underlying the distribution of resources (1979, p.55): cash income (earned, unearned, social security), capital assets (house/flat occupied by family and living facilities, assets other than occupied housing and savings), value of employment benefits in kind (employers' fringe benefits; subsidies and value of occupational insurance, occupational facilities), value of public services in kind (including government subsidies and services, e.g. health, education and housing but excluding social security), private income in kind (home production and e.g. smallholding of garden, gifts, value of personal supporting services).

### 3.1.3. Poverty, marginalisation and socio-affective relations

The concept of poverty used in this work also requires clarification about the relations between the lack of material resources, detachment from the productive order and socio-affective isolation. Poverty, in contemporaneous societies, can be understood as a form of destitution. But our understanding of feeling *threatened* due to insufficient resources must be linked to the experience of *fragility* due to instability in the fabric of poor people's relationships (Castel, 2000, p. 520).

Robert Castel (1990, 1991) analyses the life contexts of the groups or individuals rejected by the *'normal circuit of social exchanges'*. He envisages marginalization as a process where marginal groups are situated at the end of a sequence involving a number of stages.

As well as being associated to lack of resources, Castel includes the role of social relations in the very concept of poverty. Recognizing that poverty, seen as the absence of material resource is obviously a fundamental issue, Robert Castel suggests that the understanding of marginality should not begin with destitution (1990, pp. 2-4): *'Social exclusion, including the modern forms we see, is thus a penalty which expresses a complete detachment from the productive order and total socio-affective isolation'.*

All those needing support are not only threatened by the scarcity of their material resources but also fragilised by the liability of their social networks. Poverty emerges as the result of the *rupture of links* and the *failure to reconstitute* them, throwing the subject into some sort of *'social no man's land'* (Castel, 1991, p. 140). He sees extreme marginality as sustained by dynamics that work on two main axes: one is a de-integration from work relations and the other is a de-integration from socio-familiar relationships. Extreme cases are the result of increasingly precarious work relations (economic precariousness becomes destitution) and increasingly fragile personal relationships (fragile relationships become solitude) located in the context of what Castel defines as a *'zone of de-affiliation'* which is the extension of a *'zone of vulnerability'* itself already set apart from the *'zone of integration'*.

The changes in the labour market towards greater unemployment and precariousness accompanied by a decline in state protection and a decline in the *social supportive relations* which guarantee 'proximate protection' are at the root of the increasing vulnerability noticed since the mid seventies. Belonging to a family or to a wider network of relationships influence the way integration is experienced. The de-stabilization of the family structure is revealing a reduction in the protection it provided and an increase in its fragility. Reduced to a couple with one or two children, the family becomes an isolated group instead of a primary relational network able to help in difficult situations.

In this context, contemporaneous analyses suggest the emergence of an *'anthropological crisis'* (Fitoussi and Rosanvallon, 1996, p. 31): *'La crise est en dernier essort d'ordre structurel et relève aussi d'une dimension d'ordre anthropologique. Elle est à la fois crise de civilisation et crise de l'individu. Se trouvent en effet simultanément en panne les institutions de mise en œuvre du lien social et de la solidarité (la crise de l'Etat providence), les formes du rapport entre l'économie et la société (la crise du travail) et les modes de constitution des identités individuelles et collectives (la crise du sujet)'.*

Nevertheless, the decline in social supportive relations is deeply rooted in the changes taking place in European societies. As an aspect of the 'civilization process' (Elias 1981; Bauer and Matis 1988) or as an aspect of the 'individuation process' (Fromm 1982) it is also the expression of a *long-term* change.

### *3.1.4. Poverty as disempowerment*

The concept of poverty requires a third clarification, as it will also be understood as powerlessness. John Friedmann (1987a, 1992) introduces the (dis)empowerment model in discussing the concept of poverty. He defines the (dis)empowerment model as a political variant of the basic-needs approach, explaining that this is centred on politics rather than planning as the principal process by which needs are identified and the means for their satisfaction pursued (Friedmann, 1992, p.66).

Friedmann defines poverty as a condition of relative powerlessness. For Friedmann, power means social power (in contrast to political and economic power). As each form of power is based on certain resources that can be accessed by a collective actor, the social power, the power of civil society, is gauged by the differential access of households to the bases of social power (1992, p. 67).

He identifies several bases of social power (Friedmann, 1992, pp. 67-69)*: defensible life space (physical space, neighbourhood), surplus time (time available above the time for gaining a subsistence livelihood, the ease with which basic consumption items cab be obtained, access to medical services, gender division of labour), knowledge and skills (educational levels, specific skills), appropriate information (better methods of household production, improved sanitation practices, methods of infant care, changing political configurations, opportunities for wage-paying work), social organization (formal and informal organizations), social networks (family, friends, neighbours), instruments of work and livelihood (tools of household production) and financial resources (net monetary income, formal and informal credit arrangements).*

On another occasion, Friedmann (1987a, pp. 8-11) had already defined the bases for social power in a similar way: *financial resources (income, credit, financial subsidies), time, space (land, shelter, basic utilities, access to transportation), relevant knowledge (knowing what and knowing how), accurate information (information introduces a time element into knowledge), social organization, household access to social networks (kin and fictive kin, clientilistic networks, associations with community-based organizations which may lead to international funding agencies (catholic church) and instruments and tools of production*

*(access to good health as the body of a person as the most important 'instrument of production', job, capital).*

This approach offers relevant conceptual implications: the poor *no* longer appear as *'consumers'* (low-income persons) but also as *producers* of their livelihood. Therefore, the production of *use value* becomes central in the analysis of the production of livelihood. The new definition also shifts the emphasis from the individual to the *household* as the relevant economic unit. And it considers a wide range of 'powers', which can be variously used by households to achieve their own objectives (Friedmann, 1987, p. 11).

John Friedmann creates the conceptual possibility to distinguish and relate *material* (defensible life space, time, money, production tools) and *non-material* resources in the production of livelihood. Cognitive (knowledge, skills, information), relational, affective and emotional (social networks, social organization) dimensions of human existence are conceptualised in such a way that their role in the constitution of social power can be analysed and the relation between resources and power can be included in the discussion of the concept of poverty.

John Friedmann's contribution makes it conceptually possible to link the concept of poverty to the concept of power as he suggests associating poverty to *'powerlessness'*. John Friedmann's disempowerment approach to the concept of poverty has far reaching implications; this will become clear when his contribution is seen in the framework of how the concepts of resources and power have been discussed in the social sciences.

### 3.1.5. Poverty, resources and power

The use of the concept of disempowerment will precise. Powerlessness will be conceptualised as the *lack of skill* to realize *specific purposes* following the strategic tradition initiated by Machiavelli (Clegg 1989). This position requires some development in order to be clear.

In fact, in understanding poverty as powerlessness we need to clarify the concept of power. That is why we will develop *both* the *mechanic* and the *strategic t*radition influencing the conceptualisation of power in the social sciences. What follows is heavily based on Andreas Novy's analysis of social movements in Austria and Brazil (1992, pp. 74-75; 1994; 1996, a);

1996, b) and on the analysis made by Stewart Clegg  (1989), Anthony Giddens (1984) and Karl Sandner (1990) which was the basis of Novy's work.

As will be shown below, powerlessness can be conceptualised in the framework of an *agency-resources* model within the framework of a *discursive* field and of an *organizational* field in the context of which agency and resources are both constituted. The point of departure for an analysis of power should not be the agency but rather the social relations that make an effective agency, particularly where it is organizational in form (Clegg, 1989, p. 207).  It is necessary to consider the relational field of force in which power is configured. One aspect of this configuration is the social relations in which agency is constituted (Novy, 1996 b), p. 268). It is the very relation between agency and resources in a specific social context that becomes central to the analysis of power and powerlessness.

Therefore, power is understood here as a phenomenon which can only be grasped as relational. It is not a *'thing'* that people have. People *'possess'* power only in so far as their relations allow them do to do so. That is why power as the *realization of outcomes* does not necessarily result from the *capacities* of those exercising power. There are *dialectics* in power, there is always another agency pertinent to the realization of that agency's causal powers against the resistance of another (Clegg, 1989, p. 208).

But, as agency-resources play a central role in the discussion of the concept of power, we must first introduce our understanding of the concept of resources. The notion of resource has already been mentioned above though not clearly defined.

According to Peter Townsend, the notion covers several dimensions: cash income (earned, unearned, social security), capital assets (house or flat occupied by family and living facilities, assets and savings), value of employment benefits in kind (employer's fringe benefits, subsidies and value of occupational insurance, occupational facilities), value of public social services in kind (including government subsidies and services and private income in kind (home production, gifts, value of personal supporting services) (Townsend, 1979, p. 55).

John Friedmann also suggests a concept of poverty understood in terms of access to resources. On the other hand, he suggests a broad understanding of the concept of resources itself. As mentioned by John Friedmann, the 'barrio economy' is even referred to as a resource (1992, p. 67).

Anthony Giddens develops a particular understanding of the relation between agency and resources. Resources are understood as structured properties of social systems, drawn upon and reproduced by knowledgeable agents in the course of interaction (1984, p. 15). For Giddens, the resources which constitute structures of domination are of two sorts: allocative and authoritative (1984, p. 258). Allocative and authoritative resources are not fixed resources. They form the media of the expandable character of power in different types of society.

'Authoritative' resources and 'allocative' resources are equally 'infrastructural' (Giddens, 1984, p. 258). Allocative resources refer to capabilities (generating command over objects, goods or material phenomena) and authoritative resources refer to types of *transformative capacity* to generate command over persons or actors. Allocative resources are material resources involved in the generation of power and derive from human domination over nature. Authoritative resources are non-material resources involved in the generation of power deriving from the capability of harnessing the activities of human beings and they result from the domination of some actors over others (Giddens, 1984, p. 373). The *'materiality'* of allocative resources is independent from the fact that they might become resources only when incorporated within processes of structuration. The transformational character of resources is equivalent to that of codes and normative sanctions (Giddens, 1984, p. 33).

Given the aim of this work, Karl Sandner's approach will be adopted (1990, pp. 9-10). Following his approach, the concept of resources will be used in a broad sense, understood as *means* that are *functional* to fulfilling the objectives of social agents. They may have a material or a non-material nature. Thus, the very concept of *agency* becomes central.

To be an agent involves being able *'to act otherwise'*, to be able to intervene in the world with the effect of influencing a specific process or state of affairs. This means that to be an agent is to be able to deploy a range of causal powers. Action depends on the capacity of the individual *'to make a difference'* to a pre-existing state of affairs or course of events, i.e. to

exercise some sort of power. Action involves power in the sense of transformative capacity (Giddens, 1984, pp. 14-15). And two *'faces'* of power are present: on one hand, the capacity of actors to enact decisions which they favour and on the other, the *'mobilization of bias'* that is built into institutions.

Agency has an *'achieved'* nature related with *discipline* and with the *concept-dependent* character of human action (see 1.1.1.). As *language* is the site where meaningful experience is formed, language also determines how we perceive possibilities of change. Language consists of discourses, which offer different approaches to the meaning of social relations and their effects on the individual (Weedon 1987, cited in Clegg, 1989, p. 188). But agency will also be an achievement of control produced by discipline. Consistency, coherence and memory of self are not given, but learned and accomplished (Clegg, 1989, p. 188).

Thus, the agency-resources relation is central in conceptualising power. But as resources are understood as functional to the achievement of the agent's purposes, some development will be needed on the basis of the *'mechanic'* and the *'strategic'* tradition, both influencing the conceptualisation of power in the social sciences.

For the mechanic tradition, power was something *possessed* by unitary, sovereign political forces (Clegg, 1989, p. 159; Novy, 1996 a), p. 4). This tradition can define a universal concept. Power is understood as the capacity to influence others. Underlying this, there is the implicit individualistic and atomistic understanding of society and a model of social causality which assumes individuals as independent from each other (Novy, 1996 a), p. 4). In this causality model, resources play a central role. According to this tradition, power depends on agency and agency depends on resources (Novy, 1996 a), p. 5). Hence, resources are conceptualised as media through which power is exercised (Giddens, 1984, p. 16).

For the strategic tradition, the strategic, contingent and extensional dimensions of power are stressed. The concept of power depends on *alliances* and *strategies* so that power is achieved. The analysis of power is made in terms of networks, alliances, points of resistance and instability (Clegg, 1989, p. 202). This tradition cannot define a universal concept of power. Power has to be analysed as a contextual issue. The focus is on strategies, deals, negotiation, fraud and conflict in which myths concerning moral action become game players' resources rather than a topic which frames what the game should be (Novy, 1996, p. 10). According to

the strategic tradition, power is seen in relational terms where the agency-structure interplay is considered as well as issues concerning organization and discourse. Organizational and discursive fields define what, who and how the game is played and offer the stage on which the actors interact and where power is finally exercised (Novy, 1996 b), p. 275).

For the purpose of this work the mechanic tradition has shows relevant *shortcomings.* Powerlessness cannot be understood as only causal. First, the situations created for the *very possibility* to exercise power are not conceptualised in the mechanic tradition. This is also true for situations of domination that do not correspond to situations where power is objectively used.

Second, power may also be associated to *latent* power relations. Power can produce situations where there is little or no behaviourally admissible evidence of power being exercised but in which power is pervasively present (Novy, 1996, a) p. 14). Potential protagonists remain mute from the expectation that they would not succeed or evoke strenuous opposition (Clegg, 1989, p. 77; Novy, 1996, a), p. 6).

Third, a *bias* may be mobilized in the public debate only from the perspective of resolving the problems *felt as such* by those exercising power. Non-decision making is precisely for those issues that are *not* supposed to *become problems* requiring resolution, namely, those of the non-powerful. This may also include acting in the sense that people do *not* become aware of their needs. That is what has already been called the second face of power, whose physiognomy is 'uneventful'' (Clegg, 1989, p. 83; Novy, 1996, p. 7). Events that have *not* occurred may gain causal status (Novy, 1996, a) p. 7).

The mechanic tradition also finds a powerful criticism in Marxism, namely, associated to the *'paradox of emancipation'*. The consciousness of those from whom collective self-emancipation is to be expected is systematically manipulated, distorted and falsified. If the autonomy of subordinate groups (classes) is to be respected, if emancipation is to be achieved, it cannot be self-emancipation (Novy, 1996, a) p. 9). The collective self-empowerment of the poor will always depend on external agents.

A conceptualisation of power following the agency-resources mechanic tradition cannot help in those situations. A structural understanding of poverty is required. A definition of the concept of disempowerment requires a next step.

As seen above, the mechanic approach does not enable the context-dependency and the concept-dependency of the exercise of power to be conceptualised. Resources have different meanings and relevance in different discursive and organizational fields (Novy, 1996a), p. 14). Power is also *internalised*, power is *not* 'over there'. It covers the whole society. That is why the discursive field plays such a relevant role. With regard discourse, power is understood as a stable network of alliances built on the basis of discursive constituted interests (Novy, 1996a, p. 11). Following this understanding, there is no longer a centre of power but a complex network of differentiated elements like institutions, rules, discourses, etc.).

The concept of discourse plays a central role in the work of Foucault. Institutionalised discourses can be conceived as sets of instruments for human action. Words are not facts but instruments with potential uses. What can be talked about and how it will be understood is a matter of social production of language and meaning. It also has to do with the relations between meanings.

The *giving of meaning* is always a social process, but the *capacity* to give meaning depends on the material basis of power of those participating in the communication. Given the *concept-dependent* character of human action (see 2.2.), the relevance of the *discursive* field emerges from its role in *creating the framework* within which discourses take place and the definition of the concepts used in the discourses. It satellites a particular relation between concepts; what is seen as a problem and accepted as such forms a *'nodal point'* through which any argumentation has to go. The capacity to problematize is therefore important as it establishes the *'nodal points'* that will stimulate the discourses.

Discourses are about giving meaning and they rule membership. The creation of collective identities is an effect of discourse. Therefore, the interests of a group depend on the discursive field on which they are based. Social and political relations constitute the discursive fields.

Intellectuals tend to create new concepts and new discursive fields. The powerless use contradictions from the hegemonic discourse, they use the rules and possibilities of the powerful. This has already been called the *'Weapons of the Weak'* (Scott 1985). Their *apparent* ideological submission is a valuable political resource together with the difficulty of constituting an alternative discursive field.

With regard the organizational field, organization is understood as tantamount to effective agency and central to the defence of particular interests. The field of a situation in the context of which power can be exercised is called the organizational field, the field where resources are mobilized. An organizational field will be understood as a recognized area of institutional life (Clegg, 1989, p. 225). Such fields exist as an achievement of episodic power in the institutional field stabilizing relations of power between agencies.

A universal concept of power is not useful to have a clear understanding of the analysis of concrete situations and the contextual activation of means of power. Humans are integrated in a web of social relations and power can only be defined as the stable network of alliances. The concrete expression of this is a matter of empirical research. Power situations and key institutions are context-dependent.

When poverty is conceptualised as disempowerment, '*organizational outflanking*' becomes a key dimension. Fragmentation, isolation and diversity of the multidimensionality of the experience of poverty raise crucial issues about the impossible formulation of a general and common interest among the poor as well as the capacity for strategic organization aiming at collective self-empowerment. *'Organizational outflanking'* can be understood in two related ways (Clegg, 1989, pp. 218-223): one concerns the *absence* of knowledgeable resources on the part of the outflanked and the other concerns what the organizationally outflanked *may know only too well*.

First, the powerless may remain so because they are *ignorant* of the ways of power, namely, regarding matters of strategy (assessing the resources of the antagonist, rules, agenda setting, access to informal circuits and formal protocols, etc.). They may not know the rules but, more importantly, they might not even recognize the game.

Second, the powerless may also remain *isolated* and *divided*. Ignorance may also extend to the lack of knowledge of other similar powerless agencies with whom to construct an alliance. In these cases, resistance cannot be part of a concerted action and remains an isolated occurrence. And an absence of knowledge may be premised on isolation, not knowing of each other's location. On the other hand, time and space may be ordered and arranged to minimize the interaction and mutual awareness of subordinates or powerless.

Third, *'organizational outflanking'* on the basis of knowledge is linked to knowing not only *what is to be done* but also that the *costs of doing* it may be far greater than the probability of either achieving the outcome, or if achieved, the benefits so obtained.

Finally, if the organization of concerted action cannot be attempted or envisaged as a *feasible* form of resistance, it is likely that routine relations, agencies, means, standing conditions, resources, powers will endure. The resources will be judged to be *unavailable* or *insufficient* to overwhelm extant circuits of power.

If resources are *functional* to an agent's purposes, and power is defined as both *access* to resources (even if they are socially constituted) and as *capacity* to realize specific purposes in a specific *discursive-organizational* relational context, the *agent's purposes* give rise to the role played by the very entities that *become* resources and, therefore, to the possibility that they themselves give rise to the exercise of power. Paradoxically, *insufficient resources* become both the insufficient resources to meet needs according to society's constitution of resources (the case of money in consumption-oriented behaviour) and the lack of capacity to constitute resources as those social entities required to meet specific purposes as *not* defined by the *non-poor.* As, like all human action, agent's purposes are *concept-dependent*, concepts play a role in forming the *very possibility* of the exercise of power.

This is a crucial aspect that has to be further developed in the framework of the *structure-agency* interplay. This will be analysed below in the context of the 'structuration theory' offered by Anthony Giddens (see 3.3.).

Here, it is enough to emphasise the limits of the mechanic tradition for an adequate conceptualisation of poverty as disempowerment or powerlessness. In fact, the agency-resources relation requires a contextual approach. Power is exercised over resources on the basis of a socially created 'organisational-discursive context. The very relevance, sense and meaning of resources become both context-dependent and concept-dependent.

The institutional discourses on poverty establish the *conceptual* boundaries for the very definition of the *problems* experienced by those in poverty *("Wahrnehmung")* as well as its causes. The poor find themselves caught in a web of relations which they do not control. This

can produce a *discourse* on poverty that defines the very conceptual boundaries in the context of which the *problems* of poor people are recognized and understood *as poverty.*

*'Organizational outflanking'* helps to understand why the dominated so often consent to their subordination and subordinators. It is because they lack collective organization to do otherwise, because they are embedded within collective and distributive power organizations controlled by others (Mann 1986, cited in Clegg, 1989, p. 220). This has direct implications in the very conceptualisation of anti-poverty action. That is the case of the conceptual distinction between deprivation and poverty. This aspect has already been investigated in depth for the Portuguese reality as a *'Paradox of Poverty'* (Bruto da Costa, 1993).

Before proceeding, the reasons for adopting the concept of absolute poverty associated with meeting basic-needs will be presented below.

### 3.1.6. Absolute and relative poverty

The concept of poverty used in this work follows assumptions which are the basis for the concept of absolute poverty initially suggested. As the debate on the concepts of absolute and relative poverty is basically dependent on *implicit*, or *explicit,* assumptions about the concept of basic-needs, the option for the concept of absolute poverty also relies on explicitly adopting *universalistic* approach to the basic-needs concept. In reality, the problem we must solve is how to avoid or mitigate human suffering. Therefore, the conceptual discussion is not only for analytical purposes. It aims at improving anti-poverty action with a view to avoiding or mitigating human suffering.

As was seen above, resources are means, functional to agent's purposes in a given context defined both by a discursive field and an organizational field. However, how the nature of an agent's purposes is linked to human basic needs requires further conceptual precision that will be presented later (see 3.2.). First, the arguments for choosing between the concepts of absolute or relative poverty will be presented below.

An overview of Alfredo Bruto da Costa (1984), the key work of Peter Townsend on poverty issues (1981) and the debate between Peter Townsend (1983) and Amarthia Sen (1983) are good examples of the potential and limits of the concepts of both absolute and relative poverty.

Alfredo Bruto da Costa (1984, pp. 275-286) stresses the complementarity between the concepts of absolute and relative poverty. He argues the concept of absolute poverty is particularly important when one wishes to avoid underestimating the most relevant aspects of poverty. The concept of absolute poverty is based on the concepts of *'survival'* and *'subsistence'* first used by the pioneering work of Charles Booth and Seebohm Rowntree.

On the other hand, the concept of relative poverty relates to the dominant life style in society and to the conditions below which people are not able to participate in society's life according to the specificity of its particular context. Hence, following the suggestion of Bruto da Costa, absolute poverty and relative poverty should be seen as complementary rather than alternative concepts (1984, p. 285).

As he stresses on another occasion (Bruto da Costa, 1992, p. 53-54), they also correspond to the adoption of different frames of analysis: the individual and the society. And the core of the discussion seems to be in knowing which of those frames of reference should be considered in defining needs. Human beings can neither be understood exclusively on an individualistic basis nor entirely in a social perspective. The person is constituted by *both* dimensions. Therefore, the reason for adopting the concept of *absolute* poverty in this work requires further analysis.

With all the modifications later introduced, the use of the absolute poverty concept has been linked to the attempt to address the income required to satisfy fundamental human needs. Naturally, the attempt to identify the range of needs to be considered has been a matter of controversy. It started by including mainly physical dimensions and gradually incorporated wider social and cultural aspects.

The concept of absolute poverty has been also used distinguishing income from a broader approach to resources and distinguishing *shortage* of resources from *access* to resources. The concept has also been used to discuss an approach to non-material poverty (freedom, right to work, family life, pollution, happiness, etc.) (Bruto da Costa, 1984, p. 279).

The controversy between Amartya Sen and Peter Townsend is particularly interesting and useful to clarify this point. Amartya Sen (1983) argues that poverty must be seen primarily as an absolute notion. He recognizes that the absolute levels must be specified quite differently from the way it used to be done in the old tradition. He claims that absolute deprivation in terms of a *person's capabilities* relates to relative deprivation in terms of commodities, incomes and resources. Sen claims that the dispute on absolute versus relative conceptualisation of poverty can be better resolved by being more explicit about the particular space (commodities, incomes, capabilities) on which the concept is to be based. His notion of capability differs both from commodities and utilities and focuses on *'capabilities'* of human beings rather than the characteristics of goods they possess: *'Poverty is not ultimately a matter of incomes at all; it is one of a failure to achieve certain minimum capabilities. The distinction is important since the conversion of real incomes into actual capabilities varies with social circumstances and personal features'*.

Criticizing the relativist view, Sen stresses that the absoluteness of needs is not the same thing as their *'fixity'* over time, that there is a fundamental difference between achieving relatively less than others and achieving absolutely less because of falling behind others, and that a rigid relativist approach can never be used to evaluate the possible success of an anti- poverty programme. Amartya Sen shows the risk of abandoning an essential characteristic of poverty, replacing it with some imperfect representation of inequality as such (1983, pp. 155- 156). The basic adequacy of a conceptualisation of poverty should be able to deal with a wide variety of counter-factual circumstances. He writes: *'The characteristic feature of 'absoluteness' is an approach of judging a person's deprivation in absolute terms (in terms of specified minimum absolute levels) rather than in purely relative terms vis-à-vis the levels enjoyed by others in the society'*.

As seen above, for Sen, poverty is an absolute notion in the space of capabilities but it will very often take a relative form in the space of commodities. Sen sees no conflict between the irreducible absolutist element in the notion of poverty (related to capabilities and the standard

of living) and the *'thoroughgoing relativity'* to which Townsend refers, if the latter is interpreted as applying to commodities and resources. Sen stresses how Townsend is estimating the varying resource requirements of fulfilling the same absolute need when he refers to *'participation in the activities of the community'*. The commodity requirements of capability fulfilment vary between one community and another or one country and another also because there are differences within a given country or community in the mapping from commodities to capabilities (Sen, 1983, p.164).

It is important to remember that the concept of relative poverty emerges primarily from the need to conceptualise poverty in the industrialized countries. The most important basis for developing this approach was the growing awareness of these phenomena in the industrialized countries and the need to address them distinctly from the method used in developing countries (Bruto da Costa, 1984, p. 281). It is based on the assumption that any identification of needs is dependent on a values system and that all the needs and their level of satisfaction chosen to define a poverty line will always depend on the social context.

As already remembered above, Peter Townsend (1979, p. 31) assumes that poverty only can be defined in terms of the concept of relative deprivation. He writes: *'Individuals, families and groups can be said to be in poverty when they lack the resources to obtain the types 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. Their resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns, customs and activities'*.

After reviewing the most important contributions towards the concept of absolute poverty based on the concept of subsistence following Seebohm Rowntree's tradition, Townsend concludes that no independent check or justification was offered to choose the cut-off points regarding an absolute level of minimum needs. Any definition of poverty in terms of some absolute level of minimum needs below which people are regarded as poor for social and government purposes and which does not change over time, is *'inappropriate and misleading'* (Townsend, 1979, p. 38).

Evidence on poverty, he argues, depends on measures that are built on conventional judgments or experience rather than on independent criteria. Estimates of the cost of minimum nutritional intakes as representing absolute requirements in every country fail to perceive the relationship between nutritional intakes and social activities, and fail to consider the resources (and not only cash incomes) used in meeting human needs other than for an adequate diet (Townsend, 1979, p. 51). In practice, those are narrow conceptions of relative deprivation (Townsend, 1979, p. 59).

Laws and norms are in delicate interdependency with need; poverty is relative cross-nationally, cross-culturally and historically, and laws (not only conventions or structures) also change the character of family needs (Townsend, 1979, p. 52). Townsend suggests that from a social science point of view, evidence should be collected about objective deprivation, conventionally acknowledged or normative deprivation and individual subjective or group deprivation (1979, p. 49).

Therefore, he suggests two steps towards the measurement of poverty: first, to measure all types of resources which are distributed unequally in society and which contribute towards actual standards of living; second, to define the style of life which is generally shared or approved in society and find whether there is a point in the scale of the distribution of resources below which, as resources diminish, families find it particularly difficult to share in the customs, activities and diets comprising their society's style of life.

Criticizing Sen, Peter Townsend mentions that he fails to distinguish between behaviour and motivation and that he tries to approach an explanation of social phenomena from the minor theme of individual motivation instead of the major theme of social organization. He classifies it as being *'a sophisticated adaptation of the individualism which is rooted in neo-classical economics'* (Townsend, 1985, p. 668).

The level of resources available governs whether or not individuals within a community can satisfy social obligations and expectations, and people have needs that can only be defined by virtue of the obligations, associations and customs of such membership. Townsend writes: *'society, and especially the sate, is creating or manufacturing as well as reconstituting needs at the same time as it is determining the allocation of resources in the first place (and not just*

*the redistribution of income) with which those needs can or will be met'* (Townsend, 1985, p. 663).

As was seen, both Amartya Sen and Peter Townsend share implicit assumptions concerning the very concept of human basic-needs. Therefore, a further specification of the concept of poverty requires some discussion of the concept of basic-needs itself. This will help clarify why we have adopted the concept of absolute poverty in this work.

### 3.1.7. Poverty, poor people and basic-needs

Let us recapitulate. Poverty was first presented by Peter Townsend as a state of deprivation that results from lack of resources. Lack of resources distinguished the concept of deprivation from the concept of poverty. On the other hand, resources were understood as both material and non-material *means* functional to agent's purposes.

On the other hand, poverty was seen by Robert Castel not only as the absence of material resources but also as a *detachment* from the productive order combined with socio-affective isolation. Poor people are not only threatened by the scarcity of their material resources but also fragilised by the *liability* of their social networks. Poverty emerges as the result of the rupture of links and the failure to reconstitute them. Furthermore, the decline of the social supportive relations is deeply rooted in the *long-term* changes associated to the *'civilization process'* taking on central relevance in poverty.

Poverty was also seen by John Friedmann as a state of *powerlessness* due to the lack of access to the 'bases of social power' including material (defensible life space, time, money, production tools, etc.) and non-material dimensions (knowledge, skills, information, social networks, social organization, etc.).

This approach introduced the *agency-resources* issue and had to be developed to include a discursive-organizational framework in the context of which both agency and resources are socially produced following the strategic tradition. Cash income, social links or collective organization may be resources whose strategic role depends upon the nature of an agent's purposes in a given context defined by a discursive field and an organizational field. As resources are means, functional to agents' purposes, they may have different meanings and

relevance in different discursive and organizational fields. That is why the poor-resources relation requires a contextual approach.

In the context of this line of reasoning that starts with an understanding of poverty as powerlessness as suggested by John Friedmann (1992), we reach an understanding of poverty as a lack of access to resources (both material and non-material resources) due to *lack of capacity* to *change the discourse* in the context of which the *'nodal points'* are established and the particular and differentiated forms of *human suffering* are discursively *constituted as 'poverty'*; poverty is understood as a lack of capacity to articulate individual and collective interests (organizational capacity coping with *'organizational outflanking'*).

This means powerlessness in relation to the very constitution of agency given the concept-dependent nature of human action in achieving an agent's purposes. As agent's *purposes* depend on how *possibilities of change* are *perceived,* the role of the discursive field becomes clear. Power is understood as a stable network of alliances built on the basis of discursively constituted interests. Human behaviour is rule-guided (it is enough to remember the case of traffic lights) (Clegg, 1989, p. 209). And power is inscribed in contextual *'rules of the game'*, which both enable and constrain (Clegg, 1989, p. 200).

On the other hand, power can only be defined in the context of a stable network of alliances whose concrete expression is a matter of empirical research. Furthermore, powerlessness relates to the lack of collective organization to *'act'* otherwise, as the powerless are embedded within collective and distributive power organizations controlled by others. Here lies the relevance of the organizational field.

The realization of causal powers implicit in agency is based on context-dependent and concept-dependent resources. The analysis becomes more complex because of the combination of the discursive field and the organizational field in the constitution of a poor agent's purposes aiming at meeting basic-needs and avoiding serious harm.

As a result, it is clearer that poverty *cannot* result from *low income* alone. Poverty is related with a complex interdependence between the lack of diverse conditions such as detachment from production (lack of money, lack of productive tools for self-consumption, etc.), lack of cognitive skills (relevant knowledge, strategic information, etc.), fragilised affective conditions

(isolation and rupture of interpersonal relations, lack of collective organization, etc.) and blocking emotional conditions (anxiety, depression, loss of identity, etc.). This does not help to form the basis of the very possibility of hope and the constitution of an emancipatory project around which interests at individual and collective level might be articulated.

In this case, disempowerment would mean *'organizational outflanking'* (ignorance of the ways of power, isolation and division, costs of acting judged higher than the benefits, resources judged unavailable or insufficient, lack of collective organization). Disempowerment would mean both lack of capacity to achieve collective self-empowerment for the exercise of counter-power struggling for resources (mechanic tradition) and lack of capacity to achieve the realization of specific purposes (strategic tradition).

Hence, the precise understanding of the individual and social constitution of an agent's purposes requires further conceptual development given the *'duality of structure'* (see 3.3.). The contextual interdependence between objective and subjective aspects of *'practical consciousness'*, *'strategic conduct'* (Giddens 1984) and *'existential reason'* (Friedmann 1989) give rise to those practices that poor agents pursue in their *'survival strategies'* (Friedmann 1987a), everyday forms of *'passive resistance'* (Scott 1985) or *'allocative strategies'* (Smith and Tardanico 1987).

Thus, a basic distinction between needs, satisfiers and wants becomes crucial in discussing the concept of poverty in relation to the material and non-material needs of poor people.

As will be shown, only this enables the analysis of *market-dependency* and *welfare-dependency* in meeting needs, namely, by establishing the conceptual boundary between intermediate needs and basic-needs, and between satisfiers and resources in meeting needs. And as satisfiers as well as resources may be both material and non-material the very concepts of resource and power, as defined above, have to be put in this framework.

The above mentioned controversy between Amartya Sen and Peter Townsend about the concepts of absolute and relative poverty revealed that *both* base their arguments on their personal implicit or explicit understandings of the concept of human basic-needs. Also John Friedmann explicitly mentions the basic-needs debate promoted by international organizations in the late seventies and defines his (dis)empowerment approach as a political variant of the

basic-needs approach. Hence, essentially the adoption of the concepts of absolute or relative poverty is dependent on the implicit assumptions about the concept of basic-needs.

Sen refers to human needs without discussing the content of the concept used. An implicit adoption of a hierarchical approach to human needs can be identified here. He defends the idea of an *'absolutist core'* in the notion of poverty. Sen recognizes the difficulty of conceptualising an *'absolute standard of living'* (1983, p. 153). But to question *'old absolute standards'* is not questioning the *'absoluteness of needs'* when defending an 'irreducible absolute core' in the concept of poverty' (Sen, 1983, p. 155). Sen either refers to notions like *'absolute deprivation'* (1983, p. 153), *'absoluteness of needs'* (Sen, 1983, p. 155) or *'absolute satisfaction of some of the needs'* (Sen, 1983, p. 159). With his proposal to use the notion of capabilities he tries to solve the problem of conceptualising the specificity of the relation between resources and satisfiers and between access to satisfiers and their conversion into satisfaction of needs.

Townsend offers a more precise position. In his definition, he clearly denies the possibility of a universal approach and adopts a fully relativist view seeing needs as a 'social product': *'Human needs are essentially social, and any analysis or exposition of standards of living and poverty must begin with that fact'* (Townsend, 1985, p. 667).

John Friedmann (1992, p. 66) defines his '(dis)empowerment approach' as a political variant of the basic-needs approach: *'It is centred on politics rather than planning as the principal process by which needs are identified and the means for their satisfaction pursued'*. Though Friedmann offers some comments about the limits of the concept of 'basic-needs' as proposed by international organizations, he does not discuss other possible conceptual developments.

Therefore, the concept of poverty used in this work requires conceptual clarification regarding the concept of basic-need itself. It will be shown below that, on the basis of the assumption of Amarthia Sen concerning the *'absolutist core'* of the notion of poverty, it will be possible to define a concept of poverty based on a concept of absolute poverty; this can be built on a precise concept of basic-need which is universally l valid. An *objective* concept of basic-need is possible. It does not need to remain a *normative* concept. This is what will be shown below.

## 3.2. Poverty, human needs and the concept of basic-needs

As was seen before, there is a strong relationship between the concept of poverty and the concepts of needs be it explicit or implicit. The concept of basic-need plays a central role in the concept of poverty as it is understood in this work.

A first discussion of the concept of basic need has already been undertaken elsewhere (Henriques 1983; Henriques 1990). As was shown there, away from the *hierarchic* tradition, the concept of basic-need makes it possible to analyze the complex interdependency between the factors underlying avoidable human suffering i.e. all those related with ill health and impaired autonomy. It was shown that the concept of basic-need *cannot* be used to define *priorities* for economic output nor can it be used to identify a hierarchy which prioritises the satisfaction of individual needs.

We start by giving a short overview of how the notion of basic-need is used in institutional discourse.

### 3.2.1. Human needs and basic-needs in institutional discourse

The 'Recommendation' of the European Commission on sufficient resources and social assistance adopted on 24 June 1992, can be understood as the first European legal instrument specifically concerned with fighting social exclusion and poverty that explicitly mentioned its relation with *needs*. The Recommendation calls Member States to recognize a person's basic right to sufficient resources as an individual, basic right, *'based on need'* (CEC, 1993, p. 36).

Later, the White Book on *'Growth, Competitiveness and Employment'* (CEC, 1993, pp. 19-20) suggested a potential for job creation related with unmet needs: *'Many needs are still waiting to be satisfied. They correspond to changes in lifestyles, the transformation of family structures, the increase in the number of working women, and the new aspirations of the elderly and of very old people. They also stem form the need to repair damage to the environment and to renovate the most disadvantaged urban areas.'* The document further analyses why the market cannot be expected to provide for such services.

But these approaches to human needs are far from the conceptual efforts to discuss the very concept of basic-need. This was initially introduced in the debate by the International Labour Office (ILO) in the World Employment Conference of 1976 (ILO 1976). Though recognizing in 1977 (ILO, 1977, p. 5) that there was still no single document generally regarded and accepted as containing a comprehensive and definitive analysis of the basic concept, the ILO proposed to the Conference the following definition of 'basic-needs' (Ghai, 1976, p. 32):

a) First, they include certain minimum requirements of a family for private consumption: adequate food, shelter and clothing and are obviously included, as would be certain household equipment and furniture.

b) Second, they include essential services provided by the community at large, such as safe drinking water, sanitation, public transport and health and educational facilities.

c) Third, a basic-needs oriented policy implies the people's participation in making the decisions which affect them; participation interacts with the two main elements of a basic-needs strategy; for example, education and good health will facilitate participation and participation in turn will strengthen the claim for the material basic-needs.

d) Fourth, the satisfaction of an absolute level of basic-needs defined in this way should be placed within a broader framework, namely the fulfillment of basic human rights, which are not only ends in themselves but also contribute to the attainment of other goals.

e) Finally, in all countries, employment enters into a basic-needs strategy both as a means and as an end; employment yields output; it provides an income to the employed and it gives a person the recognition of being engaged in something worth his while.

The identification and operational definition of basic-needs raised relevant conceptual and methodological problems that did not block further progress in this domain, namely, in the Portuguese preparation of the Medium-Term Plan 1977-1980: This could be explicitly found in the words of Manuela Silva (1979, p.14): *'Although the definition of basic needs is still an unsolved problem, this difficulty appears only in attenuated form during the initial stages of development when the insufficiency of essential goods is so clear and the possibility of satisfying them is so remote that their identification does not give rise to any doubt'*. And she goes on: *'However even at the elementary level the difficulty of concrete definitions remain, particularly with regard the quantification, interdependence and ranking of needs each of which is proclaimed to be basic'*.

The above mentioned *'Recommendation on Sufficient Resources'* recognizes the right to sufficient resources on the basis of need, which means, that need is the legitimizing reality to the claim for the right to resources.

### 3.2.2. The nature of human needs

Human needs are the result of a complex *interdependence* among economic, socio-cultural, psychological and biological aspects that are present in their *generation* as well as in the individual and collective *interpretation* of need and of the nature of action required to meet them (Lederer, 1979, p.25). In fact, economic, socio-cultural and psychological factors may interfere with the *genesis* of needs (working conditions, functional organization of everyday life, interpersonal relations, etc.), with the *subjective interpretation* of need (wants and desires, '*un*well-being' understood as lack of consumption and frustration, etc.) and with the adoption of the most adequate action to overcome the experienced lack of satisfaction (individual market-oriented consumption, individual or collective organization of the production of use value for self-consumption, individual and collective struggle for the statutory creation of public facilities, etc.). Human beings may experience needs that they are not aware of and that underlie their motivations, attitudes and behaviour and they may also interpret things as needs which may not be considered as such.

Furthermore, biological aspects of unmet needs may themselves be a result of a complex interdependence among cognitive, effective and emotional conflict at the individual level that also cannot be dissociated from the social and political context. Psychosomatic aspects of ill health may be a result of internalized social conflicts at interpersonal or societal level (Mitscherlich 1974).

The very essence of human beings is expressed through needs both as *deprivation* and as *potential*. If needs remain narrowly defined as deprivation they will only be understood as something lacking. To the degree that needs engage, motivate and mobilize people they are a potential and may *become a resource* (Max-Neef, 1992, p. 201).

Nevertheless, one may organize human needs into two categories: *existential* and *axiological*. This helps to demonstrate the interaction of the needs of being, having, doing and interacting and the needs of subsistence, protection, affection, understanding, participation, idleness, creation,

identity and freedom. This also helps to clarify the distinction between need and satisfier. For example, food and shelter should not be seen as needs but as satisfiers of the fundamental need of subsistence. Education, study, investigation, early stimulation and meditation are satisfiers of the need for understanding. The curative systems, preventive systems and health schemes are satisfiers of the need for protection (Max-Neff 1986; Max-Neef 1992; Max-Neef et al. 1989).

Human needs will be understood here as *systems*. All human needs are inter-related and interactive. Their dynamics do not obey hierarchical linearities. No need is per se more important than another. There is no fixed order of precedence in the actualization of needs. Simultaneities, complementarities and trade-off are characteristic of the system's behaviour (Max-Neef et al., 1989, p.44).

For the purpose of this work, it is relevant to stress that it is the *concreteness* of the consequences of unmet human needs that becomes central for the analysis of poverty. Human needs only become *real* in the totality of their *'experienced'* forms. The fact thay they are multidimensional and interdependent relates to the agency-structure interplay and to the space-time constitution of contexts of human inter-action. Isolating the different aspects of human needs is only possible for analytical purposes.

### 3.2.3. Human needs and the social sciences

For centuries it has been possible to find the notion of human need in the introduction to the most relevant books in social sciences. That is the case of authors like Locke, Marx or Menger (Schwefel, 1978, p. 135). Human needs were also central to the analysis of Karl Marx. It was in the '*Economic and Philosophical Manuscripts*', in '*The German Ideology*' and in '*The Capital*' that his ideas about human needs were best developed. And some of the key contributions of Marx are built on the concept of need: the worker does not sell labour but labour force; profit, interest and rent are forms of 'surplus-value'; there are complex relations between the meanings of use value and exchange value (Heller, 1978, p. 37). His approach contains an implicit concept of 'essential' or 'basic' need as discussed below related to his concept of human labour in the analysis of the generation of 'surplus-value'.

When determining the origin of 'surplus-value', Marx includes the amount of commodities to meet *'natural needs'* in the value of the labour force. But he recognises states the historical character of 'natural needs' (food, clothes, heating, housing, etc.) as well as the historical character of the means to meet them. The value of the labour force includes the means required for the substitution of the labour force by the workers' children. He also includes education due to the need to 'change human nature' in order to get the skills, precision and rapidity required for the labour force. The value of the labour force equals the sum of equivalent commodities required to ensure its reproduction. The worker receives the value of his labour force in the form of his wage and produces 'surplus-value' as extra working time (Marx, Cap. VI, Cap. VII).

On the other hand, for Marx, the reduction of the notion of need to the notion of economic need results from the capitalist alienation of needs, in a society where production is not oriented to the satisfaction of needs but to the valorization of capital (Heller, 1978, p. 41). The constitution of the *'need to work'* corresponds to a new needs structure in a communist society (Heller, 1978, p. 169). Insofar as man is characteristically human, his activity is motivated by needs, and insofar as needs become more refined and many-sided, human needs are increasingly needs for other human beings (Chitty, 1993, pp. 25-26).

However, human needs have never been the object of relevant concern in the social sciences. Actual support in terms of pragmatic approaches to human needs cannot be found in any social science (Schwefel, 1978, p. 136). The dominant scientific paradigm itself may be considered as an obstacle to the development of research in this field (Lederer 1979).

Detlef Schwefel (1978, p. 37) suggested an interesting approach based on the concept of *'internalization of norms'* ("*Verinnerlichung von Normen*"). Schwefel created an opportunity for interdisciplinarity based on contributions from Psychology and Sociology. Detlef Schwefel concludes that the concept of internalization enables a useful and integrated contribution from both sciences (1978, p. 37). For example, the concept of *'super ego'* in Sigmund Freud, the concept of *'suicide'* in Durkheim and the concept of *'character'* in Erich Fromm (1982, p. 14) only can gain their full dimensions in relation to a specific understanding of the collective (social) and individual (psychological) dimensions of the socialization process. These contributions stress a fundamental and unavoidable *conflict* between the individual and society. This means that the lack of satisfaction of some needs may be *unavoidable* in order to ensure the satisfaction of other needs.

*'Internalization'*, can be approached both as a *social* and as a *historical* process. It can be linked to the internalization of norms and social control. And the historical and social genesis of internalization can be linked to a process of growing social pressure for self-control, i.e. a growth of the social pressure for the internalization of social control. The historical genesis of the internalization of social control has been analyzed in relation to the *'civilization process'* (Elias 1980) and in relation to the *'individuation process'* (Fromm, 1982, p. 25): *'Der Prozess der immer stärkeren Loslösung des Individuums von seinen ursprünglichen Bindungen, den wir als 'Individuation' bezeichnen können, scheint in den Jahrhunderten zwischen der Reformation und der Gegenwart seinen Höhepunkt erreicht zu haben'*.

As a result of the growing pressure leading to the internalization of the social control, the *'civilization process'* occurs in association with a change in the quality of affection and attitudes among human beings. The historical process of *'individuation'* is associated with liberation from traditional bonds and by the reinforcement of the *'self'* and the consequent isolation of human beings.

The *'civilization process'* and the *'individuation process'* are both associated with the reinforcement of the internalization of social control and so, with a growing conflict between the individual and the social dimensions of the very same human beings. Therefore, the internalization of norms and social control *cannot* be dissociated from the subjective interpretation of needs and their lack of satisfaction as well as to the subjective interpretation of adequate action to overcome it (Leiss 1978).

Yet, it can also be linked to emotional blockage and to the suppressing of individual suffering reinforcing the complex interdependency between biological, socio-cultural and psychological aspects of human existence (Richter 1981). Research being developed in the field of psychosomatic pathology shows that emotional blockage may have social and historic origins and may express themselves in unmet needs, namely in the form of severe pathology (Capra 1982; Fromm 1960; Mitscherlich 1974).

For the purpose of this work, it is relevant to stress how Marx sees the relation between human needs and the formation process of 'surplus value' and capital accumulation as playing a central role. The analysis of needs and of the social process of meeting them is vital to the understanding of the very process of capital accumulation. On the other hand, on the basis of the

concept of internalization, the social and historic character of human needs becomes clearer and shows that *no* analysis of human needs *can* start with the *subjective interpretation* of need and with *consumption behavior.*

### 3.2.4. The hierarchy of human needs and the concept of basic-needs

The concept of basic-needs was first generalized by the Dag Hammarskjöld Foundation with its report *"What Now? Another Development"* in 1975. Following this initiative, the International Labour Organization (ILO 1976) developed its own contribution. The term *'basic'* was associated to a notion of urgency and priority. However, the concept of basic-need lacked a more fundamental conceptual legitimization.

The hierarchic tradition played a crucial role in raising awareness of the problematic of human needs (Lutz and Lux, 1988, p. 9). Abraham Maslow's concept of the hierarchy of needs refers to the development and increasing maturation of the self. This growth is supposed to take place throughout life and is continuously moving towards higher levels of self-realization or self-actualization according to the following order of priority: physiological needs (food, clothing, shelter), safety and security needs, the need to belong (meaningful social relationships), esteem and self-esteem needs (a sense of self-worth) and finally, self-actualization needs. Maslow used the term deficiency needs to describe the first category of needs as deprivation in these areas produces illness. When all the deficiency needs are met the person can achieve self-actualization.

Maslow himself recognized a problem in his step-wise hierarchy of needs. In his later work he admitted this view was static and that self-actualization is present as a possibility all the time (Lutz and Lux, 1988, p.15). Abraham Maslow leaned towards a *'dual-level hierarchy of needs'*, classifying human needs only in two types with a fluid boundary between the two: deficiency or basic-needs and growth or self-actualization needs. As can be seen, the original conception of a hierarchy of needs was already an extension of the idea that the human being has two poles in his motivations: a *material* pole (deficiency needs) and a *spiritual* pole (growth needs). The original hierarchy conception could easily obscure the fact that both poles are always present. The presence of inner conflict is one of the inevitable conditions of human existence.

The hierarchic tradition had the advantage of concentrating attention on the *priorities of the priorities* ensuring survival to the whole population. But this is not the same as saying that all human beings give priority to deficiency needs as defined by Abraham Maslow, other needs independent of consumption cannot be satisfied with priority or that all human beings share the same thresholds of material deprivation. The hierarchic tradition can contribute to deliberately obscuring non-material needs, and serve as a political basis to preserve the 'status quo' or legitimize dehumanized conceptions about the organization of society: *'The hierarchy thesis may serve to legitimize the construction of societies that in fact are zoological gardens'* (Galtung, 1980, pp. 68-69).

This is not the same as denying the existence of priorities but just the *universalization* of priorities. These conceptions rely on a rigid mechanist and linear conception of the relations between production, consumption and satisfaction. That is why, away from the hierarchic tradition, the concept of basic-need will not be used to define priorities for economic outputs; nor can it be used to identify a hierarchy of needs to be satisfied with priority. Efforts taken since the late 70's have led to a coherent conceptual reformulation in which basic-needs have been linked to collective and individual *'survival'*. Not a mere material survival but within the framework of a system of a society's basic values (Galtung 1980; Schwefel 1978; Lederer 1979; Lederer 1980; Tomic 1979).

In fact, the concept of survival is the central nucleus of the concept of basic-need for Detlef Schwefel (1978, p.151). It concerns a group of *primary* and *interdependent* needs whose satisfaction expresses itself in the guarantee of material survival. No other human basic needs can be identified by means of conventional techno-scientific knowledge and they remain a matter of participatory democracy: *'Primäre Bedürfinisbfriedigung (...) kann vereinfacht definiert werden as überleben. Was danach kommt, ist immer weniger Angelegenheit technokratischer Planung, sondern partizipatorischer Demokratie'* (Schwefel, 1978, p. 162).

Therefore, *survival* and *autonomy* are seen as the basic preconditions for the *avoidance of serious harm*, understanding harm as dramatically impaired participation in a form of life. Survival is further identified with physical health and autonomy with understanding, mental health and opportunities (Doyal and Gough, 1986, p. 69). Meeting basic-needs will therefore be associated to the avoidance of serious harm. Basic-needs will be understood as the conditions

necessary for such avoidance. Serious harm is understood as the impaired pursuit of goals that individuals deem of value (Doyal and Gough, 1991, pp. 50-55).

But both human action and serious harm have a social character. Autonomy corresponds to the ability to make informed choices about what should be done and how to go about doing it. Autonomy is tantamount to agency. It is affected by understanding, mental health and opportunities. Physical survival and personal autonomy are the preconditions for any individual action in any culture. They constitute the most basic needs.

Defined in such a way, basic-needs and survival approach the concept of health as defined by the WHO. And according that approach, material survival may be identified with health and the absence of health with the lack of satisfaction of basic needs. Doyal and Gough write: *'So it is physical health rather than just mere survival which is a basic human need, one which will be in the interest of individuals to try to satisfy before they address any others'* (Doyal and Gough, 1991, p. 56). Health, illness and the very process of *getting ill* become crucial issues in discussing the concept of basic needs.

But this introduces the further need to distinguish the concepts of health and illness, the relation between the concepts of pathology and normality and the relation between *health*, *illness* and *medicine*. Health can be defined as the possibility to develop a positive and autonomous attitude towards life. Illness associates some form of suffering with a social behavior relating to the social construction of the concept of illness. On the other hand, illness is context-dependent, only concrete persons get ill. Illness only becomes real in the context of structural, material and social constraints that human beings and communities face. And becoming ill reflects not a deviation from a norm but the *incapacity* to exercise a certain autonomy within the social system. It is Medicine that has the role to protect society from illness in contemporaneous societies. So illness associates a *regressive* attitude from those that become ill with the medical power of those who are supposed to have the power to give life and death. Medicine has the power of defining *what is* illness and *how to combat* it (Caldeira 1976; Caldeira 1979; Steudler 1972).

In this context, clinical, social and structural '*iatrogenesis'* should be remembered (Illich 1975). Reflecting an increasing dependence of society on the medical institutions, it opens the possibility of conceptualizing the '*medicalization'* of the effects of unmet basic-needs and, consequently, it opens the possibility for the *medical control* of poverty. Therefore, given the

strong relationship between basic-needs and health, the *possibility* of avoiding ill health, or not, becomes a central concern in approaching poverty.

If the *'medicalization'* of avoidable ill health were to be counteracted, a deeper understanding would be needed of the conditions contributing to the *concreteness* of the manifestations of ill health as *symptoms* of unmet basic-needs and, as such, as the human experience underlying the constitution of absolute poverty.

Thus, in the context of anti-poverty action, medical care may be an intermediate need to be met. But it does *not* cover all the issues relating poverty to ill health, and thus relating poverty to unmet basic-needs.

### 3.2.5. Meeting human needs: need, satisfier and demand

As defined above, basic-needs are universal. But satisfiers may be relative. Satisfiers can be understood as all objects, activities and relationships that satisfy basic needs. Universal satisfier characteristics will be referred as *'intermediate needs'* and they will be understood as inputs that, according to the best available knowledge contribute positively to the output of individual health and autonomy in all cultures (Doyal and Gough., 1991, p. 191). A necessary condition for the physical health of each individual is a number of inputs, which mediate between them and the environment.

Each related intermediate need has a material base which will be identifiable within the terms of biomedical understanding (adequate nutritional food and clean water, adequate shelter, a non-hazardous work environment, a non-hazardous physical environment and appropriate health care). It will be possible to identify intermediate needs that contribute to an enhancement of emotional autonomy (security in childhood, significant primary relationships, physical security and economic security) and to an enhancement of the cognitive component of autonomy (appropriate education) (Doyal and Gough, 1991, p.193). Therefore, intermediate needs include: food and water, housing, a non-hazardous work environment, a non-hazardous physical environment, health care, security in childhood, significant primary relationships, economic security, physical security, education, safe birth control and child-bearing (Doyal and Gough, 1991, pp. 191-221).

Therefore, *need*, *satisfier* and *demand* are three distinct basic concepts that have to be made clear when trying to reach pragmatic approaches to basic human needs. There is a clear qualitative difference between them. The criteria used by the World Health Organization (WHO), the experts from the British Health National Service and the French Health Economists can be given as examples of ways to differentiate them (Schwefel, 1978, pp. 144-148). The WHO experts distinguish between the individual felt need, the professionally defined need, the scientific legitimized need, the potential demand and the expressed demand. The British experts suggest a distinction based on normative needs, felt needs, expressed needs and comparative needs. The French Health Economists distinguish between real and instrumental needs on one hand and demand on the other. These different contributions clearly introduce different ways of obtaining a classification. But the important point is to retain their attempt to clarify the qualitative difference between need, satisfier and demand.

In fact, a significant shortcoming in conventional approaches to human needs is that they overlook the fundamental difference between needs and satisfiers (Max-Neef et al., 1989, pp.19-20). Fundamental human needs are finite, few and classifiable and are the same in all cultures and in all historical periods. What changes is the way or the means by which the needs are satisfied. Each economic, social and political system adopts different methods for the satisfaction of the same fundamental needs. In every system they are satisfied (or not satisfied) through the generation (or non-generation) of different types of satisfiers.

And satisfiers are *not* the available economic goods. They are related to everything which, representing forms of Being, Having, Doing or Interacting contribute to the *actualization* of human needs. Satisfiers may include forms of organization, political structures, social practices, subjective conditions, values and norms, spaces, contexts, modes, types of behaviour and attitudes (Max-Neef, 1992, p. 201).

Satisfiers have to be understood as *social products* which are the result of historical factors and therefore liable to change. In a capitalist society, the production of economic goods along with the system of allocating them determines the type of satisfiers that predominate (Max-Neef, 1992, p. 202). The endless production of new satisfiers for fundamental needs and the complementary process of '*creating dissatisfaction*' with existing satisfiers is a vitally important motor of the growth economy (Ekins, 1986, p.56).

Therefore, structurally determined lack of satisfaction should not be overlooked (Leiss, 1978, p. 133). The *non-individual* dimensions of individual behaviour have to be clarified. And if collective and individual consumption behaviour is not enough for the satisfaction of basic-needs, demand and its intensity cannot be indicators of priorities.

That is why the way in which needs are understood and the role and attributes ascribed to the possible satisfiers become crucial issues in determining a development strategy. Human needs must be *realized* from the outset and throughout the entire process of development. The realization of needs becomes the motor of development itself if the development strategy is capable of stimulating the permanent generation of synergic satisfiers (Max-Neef et al., 1989, p.45). And therefore, the *realization of needs* becomes the motor of anti-poverty action.

It follows that meeting basic-needs cannot be primarily linked to collective or individual consumption alone. It also means the *'non-alienation'* of the reasons for unmet needs in the framework of the social production of 'false' needs. It means critical awareness about needs and the actual causes of their lack of satisfaction and the possibility of avoiding the social control of 'true' needs (Lederer 1979; Meixener 1979).

*'True'* or *'real'* needs are defined by Detlef Schwefel. 'True' needs (*''wahre' Bedürfnisse'*) are those needs whose persistent deprivation may be related with regular negative consequences over other needs that are considered as *not unavoidable* regarding society's available resources (Schwefel, 1978, p. 150).

And that is a possible approach to the identification of action relevant basic-needs. Their concreteness and their nature can only be understood in the context of humanly experienced problems. Its analysis depends on empirical research. As needs only *become real* in their multidimensional interdependence, a precise identification cannot occur without a community and individual 'centered' approach in order to understand the global context of their 'experienced' dimensions.

So *meeting* basic-needs is also about *counter-acting* the social production of needs and of lack of satisfaction. It is also about the collective and individual capacity to understand the limits of *possible* needs satisfaction and about the *critical* consciousness of the nature of avoidable, and *unavoidable*, lack of satisfaction.

Thus, human action aiming at the satisfaction of needs is *multidimensional* as needs are *multiform*. If *linearity* is favored, needs will be understood as deprivations, satisfiers will be understood as singular, and linear assumptions will stimulate accumulation as response. This option results in a circular cumulative causation: the poor remain poor inasmuch as their dependence on exogenously generated satisfiers increases. If *systemic* assumptions are taken, *indigenously generated synergic satisfiers* will be favored. That is the approach that will be followed in this work. Meeting basic-needs becomes close to the development of critical awareness and to the mobilization of individual and collective resources that may counteract the specific causes of ill-health and impaired autonomy.

### *3.2.6. Poverty, poor people and the non-generation of synergic satisfiers: subjective interpretation of need and market-dependence of satisfiers*

The starting point of the analysis of the concept of poverty has been the crucial distinction made by Peter Townsend and Alfredo Bruto da Costa between the concepts of deprivation and poverty that introduced the concept of resources as central to the definition of the content of the concept of poverty itself. Then, the contributions of Robert Castel and John Friedmann revealed the crucial role played by social relations and power in the concept of poverty.

After that the *'absolutist core'* of the notion of poverty was retained from Amartya Sen. And it was seen that the discussion between the concepts of absolute and relative poverty had no logical solution without further precision of the underlying assumptions about human needs and the concept of basic-need. Both concepts relate poverty with unmet human needs.

Now that the concept of poverty has been defined, it is necessary to specify exactly how the concept of basic-needs will be related in this work with the concepts of resource and of power.

In fact, meeting basic-needs will be considered as a contingent outcome of meeting intermediate needs. And intermediate needs are met by the generation of synergic satisfiers by concrete agents. Resources are the means mobilized by purposeful agents in the process of generating synergic satisfiers in order to meet basic-needs (money resources, individual production of use values, collective organization, etc.).

As discussed above, if resources are functional to an agent's purposes, and power is defined as access to resources in a given relational context defined both by a discursive field and an organizational field, an agent's purposes become constitutive of the role played by resources and the possibility that they themselves become constitutive of the exercise of power. This is a crucial aspect that has to be developed below in the framework of the structure-agency interplay. This will be analyzed next in the context of the structuration theory offered by Anthony Giddens.

As was also discussed above, in the framework of a critical theory of society, satisfiers are understood as social products which are the result of historical factors and therefore *liable to change*. That means that in a capitalist society, the production of economic goods along with the system of allocating them determines the type of satisfiers that predominate (Max-Neef, 1992, p. 202). The endless production of new satisfiers for fundamental needs and the complementary process of creating dissatisfaction with existing satisfiers is a vitally important motor of the growth economy (Ekins, 1986, p. 56).

Hence, the contemporaneous expansion of poverty in the capitalist world will be understood as resulting from a model of social and economic organization heavily dependent on the commodification of intermediate needs, on the social production of the subjective interpretation of '*un*well being' as lack of consumption and on the subjective interpretation of action aimed at satisfying unmet needs exclusively as consumption behaviour. In a capitalist society, the conditions for the avoidance of serious harm may become increasingly *market-dependent*. The satisfaction of the material basis of instrumental needs like food and water, housing or medical care, are increasingly dependent on money, and therefore, on employment for a wage or welfare-dependent transfers.

Unemployment and precarious employment, increasing vulnerability of family links and decreasing income transfers and social protection provided by the state (state production of use values) combine to create the conditions for the structural expansion of poverty. Consumption oriented subjective interpretation of needs, unmet needs and human action for the satisfaction of needs create the structural conditions for *powerlessness*, *dispair* and *revolt* among those caught in poverty.

Also the satisfaction of the emotional component of autonomy is contradictory with unemployment, precarity in job and social isolation. And the satisfaction of the cognitive component of autonomy is contradictory with lack of access to the formal educational system, early school leaving, school failure or the inadequacy of school success given the changing conditions of the labour market.

Poverty, understood as absolute poverty, can thus be defined as the lack of capacity to mobilize material and non-material *means* to create synergic satisfiers in order to meet intermediate needs and avoid ill-health and lack of autonomy. This lack of capacity is the result of the failure of constituting a purposeful agency in a relational context defined by a discursive field marked by '*hegemony'* and an organizational field characterized by '*organizational outflanking'* of the poor.

Thus the analysis will focus on the role of unemployment and precariousness in the way the substantive relations (whether necessary or contingent) between health and intermediate needs such as housing, medical care, professional skills, critical understanding and social relations are constituted. The *market-dependency* of meeting needs (society's commodification), and consumption oriented *subjective interpretation* of need and action, are understood as *historical* constructs, thus *liable to change*.


## 3.3. Poverty, poor people and the 'duality of structure'

Poverty has a *structural* nature. This also means that poor people may contribute to the *reproduction*, or *transformation,* of the social structures that led to their own poverty situation as an *unintended* consequence of their action. Early school leaving, child labour or drug trafficking are just a few examples. Social structures are reproduced where people reproduce them. But people do *not* reproduce them automatically and intentionally.

Actions are not possible without social structures, and social structures depend on action for their reproduction. The execution of this action requires skilled accomplishment and particular kinds of practical knowledge. Actors are not *'automata'* or *'bearers of roles'*. Structuralist approaches, countering the individualist and voluntarist view of social processes, ignore the activity of the agents and their skills as if the conditions did the acting. Uncertain strategies appear ex post as the routine and mechanical execution of well defined actions according to

clear rules and roles, and practical knowledge is classified as being propositional in form (Sayer, 1984, pp. 87-89).

The attempt to formulate a coherent account of *human agency* and a coherent account of the relation between structure and human agency demands a considerable conceptual development (Giddens, 1984, p. xxi). For the purpose of this work, this will be based on Anthony Giddens' contributions of 'structuration theory' (Giddens 1979; Giddens 1984).

### 3.3.1. Structure and agency in institutional discourse

The notion that poverty and social exclusion have a *'structural'* nature can be found in official documents of the European Commission since the Resolution 'On Combating Social Exclusion' of the Council of Ministers of September 1989 (CEC 1989): *'The Council of the European Communities and the Ministers for Social Affairs meeting within the Council (...) note that the reasons for this process lie in structural changes in our societies and that, of these, difficulty of access to the labor market is a particularly decisive factor.'*

The Council Recommendation of June 1992 on *'Sufficient Resources'* mentions *'(...) Having regard to the opinion of the Economic and Social Committee (...) Whereas there is a need for general development of policies capable of contributing towards halting the perceived structural trends to be accompanied by specific, systemic and coherent integration policies'.* And the Communication from the European Commission *'Towards a Europe of Solidarity'* (CEC, 1993, p. 8) develops the analysis concerning the 'structural nature of the phenomenon': *'Even if the concept of 'social exclusion' is not in current usage in all Member States, questioning on the processes and situations it describes is something common to them all, precisely because the structural transformations in question affect all European countries:'*

Also the White Book on *'European Social Policy'* explicitly mentions this aspect (CEC, 1994, p. 49): *'At present with more than 52 million people in the Union living below the poverty line, social exclusion is an endemic phenomenon, stemming from the structural changes affecting our economies and societies'.*

On the other hand, the notion that poor people have to be considered as *agents* of their own emancipation can be assumed to be implicitly or explicitly associated to the way the role of 'participation' is being emphasized in the context of specific anti-poverty action. 'Participation' is often mentioned as a key element in designing measures to combat poverty and social exclusion.

'Participation' of the poor was defined as one of the three principles of Poverty III together with 'multidimensionality' and 'partnership'. Poor people, the members of projects' target groups, were recognized as agents *possessing the capacity* to contribute to the design and development of strategies and actions aimed at the change of their own poverty situation: *'The design of the activities and campaigns which would form the basis of the project's work should be based on the needs expressed by disadvantaged people themselves, and be put into effect with their full participation'* (CEC, 1993, p. 29).

As seen above, it is possible to find relevant understandings in the European institutional discourse as a result of political decisions already taken:

a) The recognition that contemporaneous poverty in Europe has a structural nature (and therefore, poverty does *not* depend primarily on individual responsibility and has as its origins the economic, social and political organization of societies).
b) The recognition that the *involvement* of poor people in designing and implementing actions supposed to contribute to overcoming their poverty situation is unavoidable (and therefore, the *experiential knowledge* of poor people is valued as positive).

For the purpose of this work, it is relevant to emphasize the political recognition of the structural nature of poverty and the central relevance of poor people's knowledge in acting towards the change of their own situation. But the complexity of the issue requires specification and further analysis.

### 3.3.2. The agent, agency and power

Human beings are *knowledgeable* agents as knowledgeability is embedded in practical consciousness and exhibits extraordinary complexity. Actors are able discursively to describe what they do and to rationalize their conduct discursively offering reasons for what they do. But

the knowledgeability of actors is always bounded by the *unconscious* and the *unacknowledged* conditions and *unintended* consequences of action. The research about the relations between unintended consequences for system reproduction and the ideological connotations, which such boundaries have, is one of the most important tasks of social science.

Therefore, the study of day-to-day life, as the predominant form of social activity, is integral to analysing the reproduction of institutionalized practices. The study of context (contextualities of interaction) is inherent in the investigation of social reproduction. The context involves the time-space boundaries, the co-presence of actors and the awareness and use of these phenomena reflexively to influence or control the flow of interaction (Giddens, 1984, pp. 281-283).

Agency refers *not* to *intentions* people have to do things but to their *capability* of doing those things. That is why agency implies power. Agency relates to events which the individual perpetrates. The individual could, at any phase, have acted differently (Giddens, 1984, p. 9). To be able *'to act otherwise'* means being able to intervene in the world, or to refrain from such intervention, with the effect of influencing a specific process or state of affairs. *'To be an agent'* is to be able to deploy a range of 'causal powers', including those deployed by others, and action depends on the capability of the individual *'to make a difference'* to a pre-existing state of affairs or course of events (Giddens, 1984, pp. 14-15).

Power is the means to '*get things done'* and it is directly implied in human action (Giddens, 1984, pp. 281-283). But 'getting things done' has to be understood in relation to a particular understanding of social context and of possibilities of change. The 'causal powers' proper to agency itself are those powers that enable people to reflect upon their social context and act reflexively towards it. Human beings become *'agentially effective'* (Archer, 2000, p. 308) by *evaluating* their social context, creatively *envisaging alternatives*, and *collaborating with others* to bring about its transformation.

### 3.3.3. Structures, structural constraint and the 'duality of structure'

Structure refers to the *structuring* properties allowing the *'binding'* of time-space in social systems, the properties which make it possible for discernibly similar social practices to exist across varying spans of time and space and which lend them 'systemic' form. Social systems do not have 'structures' but exhibit 'structural properties'; and structure exists, as time-space

presence, only in its *'instantiations'* in such practices and as memory traces orienting the conduct of knowledgeable human agents. The most deeply embedded structural properties in the reproduction of societal totalities are called structural principles; and those practices, which have the greatest time-space extension in such totalities, are called *institutions* (Giddens, 1984, pp. 16-17).

Structures, as recursively organized sets of rules and resources, refer to a virtual order of relations, out of time and space. Structures exist only in their instantiation in the knowledgeable activities of situated human subjects, which reproduce them as structural properties of social systems embedded in spans of time-space (Giddens, 1984, p. 304). The social system in which structure is implicated comprises the situated activities of human agents, reproduced across time and space. Analyzing the structuration of social systems means studying the modes in which such systems, grounded in the knowledgeable activities of situated actors who draw upon rules and resources in the diversity of action contexts, are produced and reproduced in interaction (Giddens, 1984, p. 25).

Therefore, the constitution of agents and structures is not understood as a dualism but as a *duality*. The structural properties of social systems are both a means and outcome of the practices they recursively organize. Structure is *not* 'external' to individuals. As memory traces and as *instantiated in social practices,* structure is *'internal'* to individuals. Structure does not exist independently of agents' knowledge about what they do in their day-to-day activity. Structure is not to be equated with constraint but is always *both* constraining and enabling (Giddens, 1984, pp. 25-26).

This can best be seen in relation to 'strategic conduct'. The analysis of strategic conduct places its emphasis on modes where actors draw upon structural properties. It avoids poor descriptions of an agent's knowledgeability, it requires an elaborate account of motivation and an adequate account of dialectic of control. Constraint operates through the active involvement of the agents concerned, as actors know a great deal about their environment and their acting has unintended consequences that affect their fate. *Unintended* consequences that derive from what the agents *did intentionally*. What was done was done with rationality and motivation. Actors have reasons for what they do, and what they do has specifiable consequences that they do *not* intend. Also, motivation is based on the agents' knowledge which leads them to act as they do subverting or conforming to a dialectic of control (Giddens, 1984, pp. 288-289). As dialectic of control relates

to the fact that all forms of dependence offer some resources whereby those who are subordinate can influence the activities of their superiors (Giddens, 1984, p. 16).

The analysis of constraints on action requires some analytical effort. Constraints do not 'push' anyone to do anything if he or she has not already been 'pulled' (purposive conduct is implied) (Giddens, 1984, pp. 304-310). Constraints may be diverse, deriving from differential sanctions and structural constraint. The study of the influence of structural constraint implies specifying aspects of the limits of agents' knowledgeability. Structural constraints always operate via agents' motives and reasons that establish conditions and consequences affecting options open to others and what they want from whatever options they have. Identifying structural constraint in a specific context demands consideration of an actor's reasons in relation to the motivation that is at origin of the preferences.

When constraints narrow the range of feasible alternatives so that only one option is open to an actor, the presumption is that the actor will not find it worthwhile to do anything other than comply. The preference involved is to avoid the consequences of non-compliance. If the agent *'could not have acted otherwise'* in the situation, it is because only one option existed given the agent's wants. This 'must' not be confused *with 'could not have done otherwise'* that marks the *conceptual boundary* of action. Where only one option exists, awareness of such limitation, together with wants, offers the reason for the agent's conduct. Constraint is the reason for the conduct because it is understood as such by the actor (Giddens, 1984, pp. 304-310).

### 3.3.4. Poverty, poor people and the 'duality of structure'

Following Giddens, poor people are knowledgeable agents that know a great deal about what they do in their everyday lives and develop an *'existential reason'* (Friedmann 1989) which offers the rational basis of their *'survival strategies'* (Friedmann 1987b). They are able to describe what they do and the reasons for doing it. However, this capacity is geared to the flow of everyday conduct on the basis of *'practical consciousness'* and the discursive offering of reasons occurs only if asked by others (Giddens 1984).

However, poor people contribute to the *reproduction* of their poverty situations when they *understand* they *cannot* act otherwise; in other words, when they understand there is no alternative for their conduct. This can be understood as an unintended consequence of their action but which results from the self-monitoring capacities gained by life.

It is exactly the great complexity of the knowledgeability gained by poor people in their life contexts that enables the success of their 'survival strategies'. Poor people *become experts* in resource management for survival. Structuration theory offers the theoretical possibility of understanding the possibility of *'strategies of passive resistance'* (Scott 1985), *'survival strategies'* (Friedmann 1987b) or *'adaptive strategies'* (Smith and Tardanico 1987). That is what James Scott describes when he sees in the *'tenacity of self-preservation - in ridicule, in truculence, in irony, in petty acts of non-compliance, in foot dragging, in dissimulation, in resistant mutuality, in the disbelief in elite homilies, in the steady, grinding efforts to hold one's own against overwhelming odds - a spirit and practice that prevents the worst and promises something better.'* (Scott, 1985, p. 350)

John Friedmann (1987b, p., 6) defines the concept of *'survival strategy'* in relation to the participation of the household economy in five spheres of potential action: the household itself, the civil society, the state, the market and the political community. The allocation of time and skills of each household member among the five spheres is what he calls a *'survival strategy'*.

Michael Peter Smith and Richard Tardanico (1987, p. 102) identify a promising approach to research in this field focusing on the *'adaptive strategies'* of low-income groups. They define *'adaptive strategies'* as the means by which they obtain and allocate socioeconomic resources to confront daily problems and achieve goals (income-producing activities and socially reproductive activities). Smith and Tardanico (1987, p. 87) see in the everyday practices of urban households the 'missing link' capable of connecting the global to the local level of analysis and individual experience to collective action in urban politics. Households are seen as initiating forces in urban transformation (Smith and Tardanico, 1987, p. 106): *'Just as they are constrained by the dynamics of the global economy, these forces from below constitute in their turn, constraints on capital and the state.'* Smith and Tardanico recognize the existence of disuniting conditions (personal and family advancement, spatial separation of workplace and residence, nationalism, anti-labor government policies, etc.) revolving around the basic economic vulnerability of the urban popular classes to reduce the likelihood of work-based

popular protest. But they conclude (Smith and Tardanico, 1987, p. 104): *'No wonder, then, that security and stability for low-paid workers hinge on family and community.'*

Avoiding determinism and voluntarism, the way poor people cope with poverty can be understood as due to the gaining of a particular *expertise* which results from individual and collective action and which reflects the *actor's mediation* of possible alternatives of action given the material and non-material conditions for survival offered by a particular society.

This also means that the *identification of alternatives* is liable to *change* and that this change may be facilitated by *strategically placed agents* that possess the capacity for critical self-monitoring. As Giddens recognizes, in many contexts of social life, selective 'information filtering' may be undertaken by strategically placed actors that seek reflexively to regulate the overall conditions of systems reproduction either to keep things as they are or to change them (1984, p. 28).

That is also why 'participation' has to be understood in the context of its own *limits*. Participation *without* the possibility of a *critical* understanding of *constraints on action* and of *alternative possibilities* for action may remain a basis for system *reproduction*. Therefore, the changes that would be understood as necessary to overcome the structural dimension of poverty cannot occur.

It is an example of how the practical contributions of the social sciences, seen in terms of being filtered into the world they analyze, may have profound practical ramifications (Giddens, 1984, p. 354). It is within this perspective that the epistemological position and the development of this work have been undertaken.

## 3.4. Space, time and 'distressed urban areas'

The main object of this work is how to *link* anti-poverty action to municipal planning for local development in *'distressed urban areas'*. It is not just about acting in 'distressed urban areas'. The concept of 'distressed urban area' is used intentionally because the concepts of *'locality'* and *'local'* play a central role in this work.  The relation between the specificity of poverty in

'distressed urban areas' and the particular ways of incorporating anti-poverty action in territorial planning for local development remains the central object of concern.

The concept of *'distressed urban area'* will be used in a precise way. Its relations with the concepts of *'space'* and *'local'* will be explored. These concepts of *'space'* and *'local'* will be used both in the context of a realist philosophy of science and in that of the contributions of structuration theory to social science. They relate to specific methodologies of analysis and intervention whose usefulness also requires analysis and clarification as introduced below. The concept of *'distressed urban area'* will be used to designate any territorial unit characterized by the simultaneous manifestation of a specific incidence of poverty, of economic decline and physical degradation. But, as any locality, these territorial units correspond to the social relations, institutions and agents playing a role in their contextual change.

Given the research problem of this work, the *'distressed urban area'* will not be 'larger' than the administrative borders of municipalities in the urban or urban-metropolitan context. In fact, 'boarders' only define an 'artificial' setting of interaction, as it is people and not physical space that constitute localities. The administrative borders are taken as criteria since the research problem of this work concerns the action possibilities of Municipalities in combating poverty. It should be stressed once more that localities will be understood in this work as *processes of becoming* and not as physical places. Therefore, localities can be *created.*

But further clarification is required to define the *'local character'* of anti-poverty action in the context of 'distressed urban areas'. Let us start by remembering our definition of poverty (see 3.2.7.) Poverty is understood as absolute poverty and was defined as the lack of capacity to mobilize material and non-material means to create synergic satisfiers in order to meet intermediate needs and avoid ill health and lack of autonomy. This lack of capacity was understood as being the result of the failure of *constituting* a purposeful *agency* in a relational context defined by a discursive field marked by *hegemony* and an organizational field characterized by *organizational outflanking* of the poor.

The *structural nature* of poverty was conceptualized in a way that stressed the role of the poor and the state as part of *both* the solution and the problem. Unemployment and precarious employment, increasing vulnerability of family links and decreasing income transfers and social

protection provided by the state (state production of use values) combine to create the conditions for the structural expansion of poverty. Consumption oriented subjective interpretation of needs, unmet needs and human action for the satisfaction of needs create the structural conditions for powerlessness, despair and revolt among those caught in poverty.

In this framework, the *local character* of poverty and anti-poverty action involves several dimensions in need of specific conceptualization. That is what will be undertaken below with a view to clarifying the space-time constitution of poverty and how the *concreteness* of poverty becomes spatially variable and local specific. On the other hand, as poverty only becomes concrete in unique local context-dependent manifestations, specific anti-poverty action requires acting *with the poor* in the localities where the space-time constitutions of their lives become concrete. Finally, given its structural nature, anti-poverty action *cannot* remain *local* action but requires a local context of real interaction to identify structures and mechanisms leading to poverty (by means of *retroduction)* and to identify the nature of local as well as non-local change for lasting anti-poverty effects to occur (change in the local context, public policies, etc.).

### 3.4.1. *Space and locality in institutional discourse*

In the White Book on *'Growth, Competitiveness and Employment'*, the European Commission emphasized that *decentralization* is necessary in Europe to release the dynamism and creativity inherent in competition. This call for decentralization reflects the awareness of the increasing complexity of economic and social life. The *local* level is seen as deserving a more important role because all the ingredients of political action are assumed to blend together most successfully at this level (CEC, 1993, p. 13). On the subject of promoting global competitiveness, the same document mentions the stimulation of 'clusters' of competitive activities that draw on the regional diversity of Europe (CEC, 1993, p. 79).

The local level of action was given particular emphasis in the field of anti-poverty action and in the framework of the European experimental Programmes (Poverty I, II, and III),. Poverty III was based on 43 local projects from all Member-States. Since then a number of Community Initiatives have been stressing the role of action at local level (LEADER, URBAN, Employment & Adapt, EQUAL, etc.).

Understood as experimental programmes aimed at innovation and the improvement of public policies, action at local level has been privileged in all these initiatives. The local character of the projects included in those initiatives corresponded to basic assumptions on the role and expectations of their *experimental* character. The implications of these have not always been made fully explicit:

a) The need to develop better *knowledge* about situations and processes through recognising the spatial diversity and local specificity of the multidimensionality of the increasing complexity of the concrete phenomena.

b) Analysis and action at local level as a *method* for analysing the structure-agency interplay (localities conceived as a context of social interaction) in identifying the limits of current action, identifying conditions for possible innovation, and preparing policy recommendations.

c) Exploring possibilities for democratic participation and building on the capacities of local organizations in order to increase initiative and organizational capacity for *territorial governance; this is* in the framework of increasing *territorialization* of public policies and increasing state *decentralization* due to state restructuring.

Recently, greater attention has been given to the *local dimension* of the European Employment Strategy and Local Employment Plans have started being discussed as possible future elements of the European Strategy (CEC 1999).

### 3.4.2. Space, time and society: the 'space-time' constitution of social phenomena

The 'space-time' constitution of social phenomena is relevant to our understanding of poverty. The 'space-time' constitution of everyday life can create or reinforce the lack of resources as well as barriers to accessing existing resources. The physical absence of close relatives and friends in everyday life reinforces social isolation and the dependence on collective facilities provided either by the state, the private sector or the autonomous sector (nurseries, health centres, medical care, social protection to the elderly, etc.).

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Given the contemporary cutback in public involvement in this domain, society is producing the 'space-time' constitution of life that may lead poor households to becoming more *market-dependent*; this is in a context of growing difficulties in accessing money resources through working for a wage.

However, the explicit consideration of the 'space-time' constitution of social phenomena is a remarkable challenge for the social sciences. It does not correspond to more conventional understandings. Realist approaches to social sciences emphasize the 'space-time' constitution of social phenomena. Realist approaches distinguish between social entities that have causal properties and contingent events which the social entities trigger (see 2.2.). These relations are very complex because the realization of those entities' 'causal powers' depends on the realization or blocking of the causal properties of other entities. The way in which empirical phenomena arise reflects the complex relations between entities with the mutual realization, part-realization or blocking of their causal powers. Spatial variability and the 'spatiality' of social phenomena become central issues in social science (Bagguley et al., 1990, p.2).

The new developments in social theory offer increasing emphasis on the particularity of circumstances and their spatial and temporal variation (Leitner, 1989, p. 552). Most theories in the social sciences contain implications about the patterning of human activity within 'time-space'. Social activity necessarily involves passing through time and space. The passage of time involves movement through space (Urry, 1981, p. 456).

Social theory has to confront the *situatedness of interaction in time and space* in order to grasp the positioning of actors in contexts of interaction and the interlacing of those contexts themselves (Giddens, 1984, p. 111). Thus, following the theory of structuration, the basic domain of study of the social sciences is neither the experience of the individual actor nor the existence of any form of societal totality, but social practices ordered across time and space (Giddens, 1984, p. 2).

In fact, social life is materially constituted in its spatiality. Spatiality situates social life in an active arena where purposeful human agency jostles problematically with social determinations to shape everyday activity, particularize social change and etch the course of time into place in the making of history. To be alive is to participate in the social production

of space, to shape and be shaped by a constantly evolving spatiality that constitutes and concretizes social action and relationship (Soja, 1985, pp. 90-94).

That is why we must first connect an adequate account of human agency to a theory of the acting subject; second, we must situate action in time and space as a continuous flow of conduct, rather than treating purposes, reasons, etc., as somehow aggregated together (Giddens, 1979, p. 2).

Thus, 'space' and 'time' are considered basic dimensions of human existence and here they are both understood on the basis of relative concepts. Human practices are the bases of the objective qualities that space and time can express. According to physicists, neither time nor space had existence before matter. According to a relative conception of space, the properties of space are not absolute, but depend on the existence and distribution of matter and energy. Space is itself defined by mass and energy, and can only be studied in terms of the relations of matter and of energy through time, that is a space-time 'field' (Gore, 1984, p. 179). Therefore, the objective qualities of physical 'time-space' cannot be understood independently of the qualities of material processes. Objective conceptions of time and space are necessarily created through material practices and processes that serve to reproduce social life (Harvey, 1989, pp. 203-204).

Therefore, we implicitly assume a relative concept of space in this work and *'spatial separatism'* is rejected. *'Spatial separatism'* has been identified with the notion that it is possible to identify, separate and evaluate the spatial as either an independent phenomenon or property of events examined through spatial analysis (Gore, 1984, p. 175). It is enough to remember that land cannot be seen alone as a mean of production (agriculture) or a locational constraint (manufacturing). Land also becomes an element of production (land speculation, etc.) (Harvey, 1989, p. 91).

That is why space is not to be viewed in absolute terms. It is not an empty container that is somehow separate from the material objects located *'within it'*. 'Spatial' consists of the *relations* between social objects. It becomes illegitimate to talk as though there were interdependence between different spaces 'per se'. Spatial patterns cannot be said to interact, only the social objects. It may therefore be incorrect to talk of one area exploiting another area, the center exploiting the periphery. This may be *'fetishizing'*, or *'reifying'*, the spatial

(Urry, 1981, p. 457). From this perspective 'space' cannot be separated from 'process', and, for example, one cannot write about a *'spatial incidence'* of development (Gore, 1984, p. 181).

On the other hand, the relevance of time in close interpersonal relationships is known given the need of communication among adults, between adults and children and among children. In the family, lack of time for interpersonal relation between the couple contributes to reinforcing communication barriers with emotional effects that reinforce lack of physical or mental health (psychosomatic disturbances, psychological pathology, etc.). The relevance of time in the relation between parents and children is also known. Lack of time for a harmonious relation between parents and children can be at the root of psychological, cognitive or emotional disturbance. The 'time-space' of parent-children relation is essential to their psychological development (playing, storytelling, etc.). It also raises a barrier to inter-household relations and participation in social, cultural and political life.

That is why the very 'space-time' organization of everyday life can be *constitutive* of unmet basic-needs because it can be at the root of particular forms of ill health and lack of autonomy. Stress is a powerful pathogenic dimension of life. Timetables in workplace, kindergartens and commercial activities, for example, force suburban populations to adapt their consumption habits, concentrating them in their leisure time.

Therefore, given the situated character of social phenomena the *circumstances* of poverty are unique. 'Space-time' is *constitutive* of experienced poverty. The matching of intermediate needs, synergic satisfiers and resources is highly dependent on location, distance, transportation opportunities or timetables. This leads to the spatial variability and to the local specificity of poverty because of spatial intersecting of causal entities that shape the actual forms of the 'space-time' constitution of poverty. Therefore, it creates *unique conditions* that interact in shaping the particular forms of poverty in a given context.

### 3.4.3. *The social production of spatiality as medium and outcome of social action and relationship*

In this work, spatiality is understood as both *producer* and *outcome,* a substantiated social product that is simultaneously the medium and the outcome of social action and relationship. The space-time structuration of social life defines how social action and relationship are materially constituted. The constitution process is problematic filled with contradiction, conflict and struggle. Concrete spatiality is thus a competitive arena for both social production and reproduction. The temporality of social life, from the routines and events of day-to-day activity to the longer run making of history, is rooted in spatial contingency in much the same way that the spatiality of social life is rooted in temporal contingency. The materialist interpretation of history and the materialist interpretation of spatiality are inseparably intertwined and theoretically concomitant (Soja, 1985, pp. 98-99).

Spatiality is portrayed as a social product and an integral part of the material constitution and structuration of social life. Spatiality is socially produced and, like society itself, exists in both *substantial* forms (concrete spatialities) and as a *set of relations*. The space of physical nature is appropriated in the social production of spatiality: it is *made social*. Spatiality and temporality intersect in a complex social process that creates a constantly evolving historical sequence of spatialities, a 'space-time' structuration of social life that gives form to societal development and to the recursive practices of day-to-day activities.

Thus, the 'space-time' constitution of day-to-day life cannot be seen independently of the society's produced 'spatiality'. The society's social relations *shape its form*. The structures and mechanisms underlying land use and the use of the territory produce functional and social segregation as well as the physical form of built environment. The *urban* context is a *built* environment following the rules of the market and the role of the state in the production of this particular material form. The socio-relational uses of the territory are influenced by the economic uses of the territory. But given the contemporary conditions affecting competitiveness of firms, the very economic uses of the territory are becoming more dependent on the social relations embedded in it.

A realist perspective will be used to understand also that the *lived* experience of poverty has to be the starting point for 'retroducing' the structures and mechanisms, working both through time and space in the constitution of day-to-day life and producing the built environment in which the contextuality of space-time is built. The spatiality of causal properties of entities and the contingent real outcomes depend on the role of local conditions (*'locality effects'*) (Urry, 1986, p. 239).

As poverty cannot be analyzed outside a context of real interaction where 'space-time' organization of life is constitutive of the specific forms shown, then poverty also has to be analyzed as a product of the social relations that shape the actual forms which condition the actuality of their lived dimensions.

### 3.4.4. Poverty in the urban context and 'distressed urban areas'

The introduction of *place* into urban research is a recent development. It brings with it severe difficulties. Research on the *urban* dimension of economic, social and political restructuring has revealed an explicit attempt to link local events to national and global changes. It has also revealed an attempt to develop conceptualizations that are *synthetic* in nature (inter-related nature of economic, political and social restructuring, links between such processes and the real world practices of human actors, etc.).

It is highly debated whether impacts of general processes on the nature of urban change are place and time-specific. On one hand, social processes show important spatial variations and specific structures (including spatial configurations). On the other hand,  institutions and agents within a particular place show a relative autonomy in influencing the course of change in that place (Leitner, 1989, p. 561).

So far it is important to stress that forces shaping global restructuring are associated to trends in urban restructuring that introduce additional complexity to the very definition of the concept of *'distressed urban area'*. Restructuring occurs *in* the built environment as much as it influences the production *of* the built environment itself.

Defining the concept of *'urban locality'* for anti-poverty action requires the recognition that poverty in the urban context can be lived in an exacerbated form. The combination of fully *commodified* standards of living, spatial social *segregation* combined with social *isolation* and decreasing opportunities for raising monetary and other *resources* through the employment system contribute to the continuous emergence of new forms of *vulnerability*. The instability, heterogeneity and anonymity of social relations weaken the systems of kinship and community solidarity. The supply of public shelter, when more developed, is more overloaded. Higher costs of living, greater likehood of not finding suitable accommodation and the difficulty of adopting self-provisioning strategies all contribute to the complexity surrounding poverty in the urban context (Mingione, 1996, pp. 7-14). Naturally, the issues surrounding poverty in the context of *'distressed urban areas'* are even more complex.

The concept of *'urban-metropolitan area'* will be used to designate spatial units where social processes of spatial production lead to the spatial concentration and dispersal of activities, functions and social groups, which are strongly interdependent and follow a social dynamic which has no geographical connection. This functional interdependence develops together with forms of functional and social spatial segregation (Castells, 1975, pp. 35-46).

The concepts of *'urban-metropolitan center'* and of *'urban-metropolitan periphery'* are used in a descriptive way. They will just be used to differentiate the urban center, where the tertiary and political activities are concentrated, from the functionally dependent surrounding area where industrial and residential activities concentrate.

The concept of *'suburban locality'* is used to qualify those localities that correspond to the administrative territory of local governments included in the above-defined 'urban-metropolitan periphery'. As the word *'sub'* establishes a dependent relation between objects (Boustedt, 1975, p. 14), the 'suburban locality' may include several forms of spatial production functionally or socially dependent on the urban centre and related to the urban-metropolitan development (new towns, urbanized villages, new residential developments, new plants or relocated manufacturing activities, etc.).

Nevertheless, dependency relations relate *not* to interdependencies between 'places' but to the social entities that produced them. Given the spatial segregation between place of work and place of living (housing) structural unemployment is becoming a phenomenon which

naturally tends to be concentrated in those localities. Restructuring in *'distressed urban areas'* reflects structural change affecting the local employment systems, as well as the metropolitan labor markets (commuters) and urban form.

As many urban-metropolitan areas correspond to *'world-cities'* (Friedmann, 1988, pp. 57-84) in the context of global restructuring, *'distressed urban areas'* are particular territorial units; they are characterized by revealing the *spatial coincidence* of processes directly related to the intra-metropolitan spatial patterns of capital restructuring (internationalization, foreign investment, intra-metropolitan relocation of industrial plants, de-industrialization, unemployment, etc.) and spatial patterns of urban restructuring; this involves functional spatial segregation (residential, industry, etc.) and social spatial segregation as well as processes of segmentation in local labor markets (Scott, 1990, pp. 119-140).

### 3.4.5. Urban context and pro-active agency: the creation of 'localities' in 'urban distressed areas'

As particular 'space-time' settings of the concrete outcomes of structures and the working of mechanisms, the material basis of localities (social relations, institutions, agents, etc.) enable the conditions to be created for their reproduction or transformation. Because it is not enough to treat structural constraints as a framework within which to analyze practices, what is needed is an analysis which provides insights into the linkages between processes of economic and political restructuring and also pays more attention to the structure-agency relationship (Leitner, p. 558).

On the basis of what was discussed above, localities can be seen as *'potential communities'* and as *'territorial development units'*. As the material basis of localities is constituted by social relations (not geographic space), it is further assumed that pro-active agency may be linked to the animation of those social relations *creating localities*. However, localities may not be just created, they may be *struggled for*. That is why the political, including the local state, cannot be excluded from analysis. This is particularly relevant given the increasing role of local political intervention in restructuring (Cox and Mair, 1989, pp. 125-130).

This is a crucial issue in anti-poverty action given its structural nature and the role of social relations in the genesis of poverty and the in the reconstitution of the social link in anti-poverty action. If it is possible to admit the existence of 'locality effects', then it is logically possible to admit that 'locality effects' can be intentionally achieved. As will be developed below (see 4.2.3.), the analysis of the complex interdependencies between structure and agency need detailed analysis as structural and material constraints alone are not enough to explain human practices in real life. Furthermore, action at locality level is supposed to generate effects that are different from the spatial distribution of aggregate effects at national level.

Hence, if localities *can be created*, anti-poverty 'locality effects' may be *intentionally achieved* for the prevention of poverty and action aimed at the 'economic integration' of poor households. As social relations relate to relations among human beings, a deep understanding of the agency-structure relation is required in order to target locality effects. These may require departure from conventional values, attitudes and behavior. But given the possibility of *critical consciousness* (Freire 1975; Giddens 1984) and counter-hegemonic *resistance strategies* (Scott, 1985) it can be admitted that *strategically placed actors* may contribute to seeking reflexively to regulate the conditions of system reproduction aimed at social change (Giddens, 1984, p. 28) either contributing to changes in the 'discursive field' or contributing to changes in the 'organizational field' (see 3.1.).

The *creation* of localities for anti-poverty action in *'distressed urban areas'* requires the specific understanding of localities developed above. *'Distressed urban areas'* are *'produced'*. They correspond to spatial concentrations of urban problems including diverse manifestations of poverty among inhabitants, economic decline, and physical decay. Problems *in* such areas are not problems *from* these areas. The problem of these areas is not only poverty as such. Many poor people live outside 'distressed urban areas' and many people living in these areas are not poor. But confronting poverty in the context of *'distressed urban areas'* represents a major policy challenge.

In OECD words: *'It is not low income alone that characterizes these neighborhoods, but an interlocking mix of environmental, social and economic circumstances, sometimes exacerbated by public policies, that discourages investment and job creation and encourages alienation and exclusion'* (OECD, 1998, p. 10). The same document stresses: *'The issue of*

*distressed urban areas is one of the most intractable in the developed countries of the OECD, and if anything it has become more aggravated in the 1980s and 1990s, both in countries with strong employment growth and in those where unemployment remains high'* (OECD, 1998, p. 9).

As stated above, combating poverty in the context of 'distressed urban areas' represents an enormous challenge in contemporary European societies. Facing up this challenge is precisely the aim of this work.

## 3.5. The economic dimension of poverty and anti-poverty action: the 'whole economy model' and the intentional creation of the local socio-economic context

As introduced above (see 1.1.), the aim of this work is to produce knowledge about *how* Municipalities *can act*, focusing on the *economic* dimension of anti-poverty action. The central research problem to solve was stated as follows: ***how* can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in current territorial planning for local development?**

Naturally, the concept of 'economic integration' of poor households plays a central role in this undertaking. But, *both* the concept of *'integration'* and the concept of *'economic'* are used in precise ways that require clarification.

The concept of 'integration' is used distinctly from that of 'insertion' (Castel, 1994, p. 29). 'Insertion' is also about supporting vulnerable individuals and groups. But, 'integration' is about the *reconstitution of 'systems of interdependence'*. It is neither an ideal state of affairs nor is it a problem-free condition. Integration is about every member of society becoming indispensable to the existence of the whole society either individually or collectively. Following the approach suggested by Robert Castel, 'integration' would be the equivalent to a *'situation of stable and consistent work relations and family and social relationships'*. In relation to poverty, integration implies self-sufficiency with respect to resources.

Therefore, what is at stake is not only a question of protecting the most vulnerable members of society by adopting measures aimed at their insertion. Insertion is condemned to fail if integration policies are abandoned. The success of insertion measures depends on integration policies aimed at reinforcing social cohesion before the individuals or groups become outcasts. Insertion alone would mean a state of permanent precariousness (Castel, 1994, p. 33): *'Insertion policies are obviously not condemnable in themselves. But it must be noted that they are applied to actors who are already on the way to poverty, and risking exclusion. Such policies aim to maintain weak actors, and that is to be appreciated. But they are bound to fail anyway, or to serve as an alibi if nothing is done beforehand, before the people enter into the processes of impoverishment and rejection. The new forms of poverty and exclusion are in fact the result of all those dynamics which favor social precariousness and vulnerability, particularly at work and in the organization of labour.'*

A practical implication for anti-poverty action of distinguishing poverty from deprivation and absolute poverty from relative poverty lies in the conceptual possibility of linking lack of resources to the non-possibility of meeting basic-needs autonomously. This means that in anti-poverty action the reconstitution of *'systems of interdependence'* associated with the reconstitution of the *social link* is related to the access to *new* resources (access to funding, social movements, political action, etc.), to the mobilization of *under mobilized* resources (potential for collective and individual entrepreneurship, capacity for collective action, etc.) and to the *valorization* of resources of the poor households in the process of creating synergic satisfiers aimed at meeting intermediate needs (use value production at household and inter-household level, income earning activities relating the participation in the informal sector with participation in the formal employment system as part of the household survival strategy, etc.).

Thus, the *economic* dimension of integration of these may, or may not be, dependent on participating in production in the formal employment system. *Income-earning* activities may include working for a wage in the formal employment system, participating in the informal sector, being a small business entrepreneur, organizing forms of collective cooperative production in the 'social economy', etc.

The economic dimension of integration may also include *individual* forms of organizing the production of *use values* (small-scale agricultural production for self-consumption, producing own clothes, preparing own furniture, etc.), or *collective* forms of organizing the production of

*use values* (health associations, associative kindergartens, etc.). A deeper analysis of this aspect will require a *relational* understanding of human existence in society as will be developed below.

This understanding of *'the economic'* is a non-conventional approach. This understanding incorporates contributions from the fields of Institutional Economics (Hodgson 1988, 1993, 1994, 2004), Humanistic Economics (Bodington et al, 1986; Ekins 1986; Ekins and Max-Neef 1992; Lutz and Lux 1988; Schumacher 1973) and Critical Realist approaches to Economics (Lawson 1992, 1994, 1997a, 1997b, 1999, 2004).

Naturally, the attempt to redefine the very sense of *'the economic'* in contemporaneous conditions is an enormous challenge and obviously exceeds the scope of this work. It requires a much wider development than is possible here. Nevertheless, the nature of our research problem makes it impossible to avoid, some discussion of this given the need for an operational definition. The option has been to 'explore' the 'surface' of possible directions for further research and, doing this, opening the field for a possible definition of an operational concept.

It is enough to remember the challenge of ensuring the poor have access to a job. As widely recognized, conventional macroeconomic, sectoral and regional policies are no longer able to ensure a significant increase in the employment content of growth. Without a relevant increase in the number of jobs, it is not obvious how to ensure that all those needing a job as way out of poverty have access to one.

On the one hand, active labour market policies themselves require conceptual adjustment to achieve active integrated socio-economic policies that can only become concrete in spatially diversified and local-specific form. The effect of training aimed at raising the qualifications of the unemployed and thus contributing to an individual reinsertion in the employment system, in a context of a stable, or decreasing number of jobs (increasing structural unemployment), is to lower the chances of other, possibly *non-poor* individuals. The reduction of structures to individuals, and the assumption that what is possible for an individual must be possible for all individuals, simultaneously leads to the underestimation of the interdependence of positions. This concerns what has been already called a *'fallacy of composition'* (Sayer, 1984, p. 86).

On the other hand, overall job creation is increasingly depending on the creation of new firms, which, in turn, depends on entrepreneurship that is increasingly context-dependent. Hence, direct firm creation among poor households will always depend on animation efforts, will always be difficult and touch only a small minority.

The effort undertaken below starts from an implicit understanding of the subject-matter of Economics (as social science) which is linked to the definition proposed by Tony Lawson (2003, p. 164): *'Economics aims to identify and understand the conditions of human activity concerned with the production and use of the material conditions of well-being (…) Under its practical aspect economics explores through trial-and-error and imagination how the conditions identified at the explanatory stage might, with advantage, be utilized or (at least as significantly) transformed'*. Tony Lawson tries to show how Economics is concerned with an *aspect* of all action, where the conditions for action are features of explanatory interest common to all branches of social science. Economics *cannot* be considered separate from the others but as a division of labour *within* social science.

In the context of this work, and given the way meeting needs in the context of poverty was conceptualized, 'economic integration' will be defined as action leading to a process of *linking* knowledge about *material* conditions of unmet basic needs with the *kind of transformation* which may contribute to anti-poverty effects to occur, namely, by widening *possibilities* for decreasing *market-dependency* in meeting *intermediate* needs and widening possibilities for *income* earning activities decreasing dependency on working for a wage in the 'labour-market'.

### 3.5.1. Economic integration in institutional discourse

The European Commission initiatives have used the notion of 'integration' to try and to express the opposite of poverty and social exclusion (Bruto da Costa et al., 1994). The Communication from the European Commission *'Towards a Europe of Solidarity'* (CEC, 1993, pp. 13-15), emphasizes the need for an integrated approaches. 'Economic and social integration' are associated with personalized support as well as training, job promotion schemes, or other measures.

The third European anti-poverty programme Poverty III, included, the notion of 'economic integration' in its very title: *"Community Programme to Foster Economic and Social Integration of the Least Privileged Groups"*. As was implicitly assumed, the 'economic integration' of poor households was linked to the *recovery of autonomy* in meeting needs. It was conceived as an alternative to conventional welfare-dependency in state response to deprivation. However, this approach created severe difficulties when trying to reach a precise definition of the concept. It directly confronted the participants with the need of conceptual reformulation given the conventional understanding of the notion of *the 'economic'* within the hegemonic paradigm in Economics. It was, in itself, a source of major misunderstandings, tensions and ambiguity at program and project level.

In fact, some *'paradoxes'* of 'economic integration' that have been identified in evaluating Poverty III in Portugal (Henriques 1994) and some of the conclusions of the evaluation of the Portuguese Programme to support Local Employment Initiatives (Henriques et al. 1991), can be seen as examples of potential directions in research and will be used below as examples of possible developments that attempt to contribute to establish the sense of the required conceptual development (see 5.2.).

Nevertheless, an effective definition of 'integration' is complex and highly debatable. The European institutions have already politically admitted the *structural character* of poverty and social exclusion. In fact, to say that poverty and social exclusion are to be understood as structural phenomena is to imply that integration demands *social change*. *Both* poor people and the non-poor have to change if integration is to occur. Integration cannot be understood as a process involving the poor and excluded on one side and society on the other. The very *mechanisms* of exclusion have to be *purged*.

### 3.5.2. Human needs and the 'Homo Economicus'

The action-oriented concept of 'economic integration' adopted in the framework of this work relates to processes to avoid or overcome situations of unmet basic-needs. Hence, 'economic integration' will be associated with preventing the failure to avoid unmet basic-needs and promoting the recovery of autonomy in meeting intermediate needs by poor households.

As was seen above (see 3.2.), the concept of basic-needs plays a constitutive role in the very concept of absolute poverty, and resources play a relevant role in differentiating the concept of poverty from the concept of deprivation. However, as was also seen, resources are *means* depending on *agents' purposes* in a given discursive-organizational context. Therefore, the relation between needs, satisfiers and wants requires careful examination in the framework of anti-poverty action. In fact, the conceptual reduction of the expression of human needs to demand leads to the conceptual reduction of human agency in experiencing and meeting needs to consumption behaviour and possible demand in the market.

The satisfaction of human needs has already been central to economic analyses (Schwefel, 1978, p. 45). It was assumed by Adam Smith in his distinction between exchange value and use value and Karl Marx explicitly mentioned the direct link between use values and needs satisfaction. With the identification between needs and utility and with the practical reduction of utility to demand the initial categories have vanished as central concern.

The hegemonic paradigm in Economics became a severe obstacle to the conceptual development of an approach centred on human needs as it assumes the identification between demand intensity, utility level and the potential to meet human needs. This kind of assumption hinders the possibility of identifying needs that might *not* be met by consumption and therefore cannot be expressed in the market as demand. It also legitimates *social inequality* in consumption. It further legitimates the possible contribution of socio-institutional mechanisms to *producing* the subjective interpretation of unwell being exclusively in terms of lack of consumption or that these same mechanisms may stimulate the individual *lack of consciousness* of needs that might not be met by consumption. It legitimates the fact that socio-institutional mechanisms favour the *commodification* of society and the growing *dependence on money* even if it occurs in a context of increasing unemployment and decreasing welfare protection, as is the case in the majority of contemporary European societies.

The basic distinction between demand, satisfier and need is overlooked and the whole issue is reduced to a problem in the realms of individual psychology. It is claimed that the autonomy, incomparability and infinite multidimensionality of needs make it impossible to use the category 'need'. It is said that the 'lack of a universal character of human needs' turns 'need' useless to an Economic Theory (Schwefel, 1978, p. 31).

The practical problem of identifying real human needs cannot be solved by reducing them to manifest wants and by reducing wants to the means of their satisfaction. If real needs are *unobservable* that does *not* make them *less real* and their identification is no more problematic than other unobservable phenomena in science (such as gravity, magnetic fields, social relations, etc.) (Lawson, 2003, p. 241).

### 3.5.3. Human relations, agency and the 'Homo Economicus'

As was seen, the *relational* dimension of human existence plays a central role in the 'survival strategies' of poor households and in defining the very concept of poverty (see 3.1). Therefore, supporting or rebuilding the 'social link' are crucial dimensions of anti-poverty action.

But the assumptions about human beings underlying mainstream Economics, currently referred to as the 'Homo Economicus', correspond to a reduction of the 'whole' human being, *the 'person'*, to only self-interest motives. The 'Homo Economicus' does not correspond to a living human being. A 'childish' (Bauer 1981c, 1985) and 'pathological' psychological structure (Henriques 1989d) would have to be admitted. The 'Homo Economicus' does not know interpersonal relations and attachment (Bauer 1981b, Kraemer and Roberts 1996). His behaviour is egocentric and he knows neither belongingness nor reciprocity. Far from the intellectual and moral maturity of the adult, his behaviour is rigid and mechanic in reacting to external stimuli (changes in prices, etc.).

A real person acting like this would be seen as being dominated by pathological forms of behaviour as the individual super-ego (rationality) would entirely dominate the emotional world. As a matter of fact, those assumptions do not find scientific legitimacy among the behavioural sciences (Psychology, Sociology, Anthropology). The *'normopath'* 'Homo Economicus' (Henriques 1989d) cumulates a childish and psychopathological behaviour. The pathology of 'normality' is a consequence.

One of the specificities of the 'Homo Sapiens' relates exactly to his capacity to be *'abnormal'* (Morin 1973) and, therefore, *unpredictable*. Human action is partially determined and partially indeterminate, it is partly predictable and partly unforeseeable. Human actions can be both routinized and conservative, and display flights of imagination and eccentricity that are beyond rational anticipation (Hodgson, 1988, p. 12).

The approach followed in this work, and which underlies the understanding of the 'economic' dimension of integration on the basis of which this work will be developed, recovers the assumption of the *'wholeness'* of human beings. This is attempted in line with contributions from Humanistic Economics which seek to *'restore the person'* in economics to its fullness and wholeness by recognizing motives other than self-interest and then to derive an economics that is in accord with this wholeness. The problem with mainstream economics is not that this is wrong, but that its assumptions are taken as the whole picture. There is another side of human nature that operates alongside that of self-interest. To reduce the human being to the former is to distort reality. Policies and recommendations that come out of such a science will naturally tend to embody those distortions and pass them on to the general population.

This is particularly the case when poverty and anti-poverty action are involved. Self-interest exists together with mutual interest, and advantage seeking exists together with truth and fairness (Lutz and Lux, 1988, p.18). Human beings, *persons*, only can become themselves in understandable small groups. Therefore, for authors like Schumacher (1973, p. 66), one should try to understand Economies in the framework of societies formed by a matrix of small scale units and establish a close contact with the realities of poverty, frustration, alienation and despair.

Human beings *become 'persons'* (Rogers 1961; Caldeira 1979) by their social relations. As human beings are moral beings they are responsible for their action and accountable to others (Friedmann, 1992, p. 47). Human beings are necessarily *social beings*, individuals created through relationships with others. The need for attachment, for an identity rooted in belonging, is about as far from *'no such thing as society'* as it can possibly be (Hewitt, 1996, p. xv, in Kraemer and Roberts, 1996). Human cognitive processes are essentially social as they involve the use of social language and concepts, and reflect ideas and practices that relate to a social culture (Hodgson, 1988, p.7). The totality of our knowledge and experience is unique, but the mechanisms of our perception and acquisition of knowledge are *unavoidably social* and unavoidably reflect social culture and practices.

### 3.5.4. Wealth creation, use value, exchange value and the household economy

Allowing intermediate needs to be met with the least possible market dependency requires a broad understanding of wealth and wealth creation. The explicit interdependence between the production of use value and the production of exchange value is directly invoked. And the acceptance of its concreteness at the level of human households becomes a direct consequence (Bauer 1981a, 1981d, 1981e).

In fact, the relational basis of human existence finds its basic unit in the household. Households are not always families in the conventional sense. What matters is the context of personal interaction in which the *production of life* occurs (Friedmann, 1987b, p. 4).

If poverty can be identified as a state of disempowerment (see 3.1.), then 'economic integration' leading to empowerment is, for John Friedmann (1987b, p. 4), a question of *household access* to the basis of social power (defensible life space, surplus time, knowledge and skills, appropriate information, social organizations, social networking, instruments of work and livelihood, financial resources) in order to enhance the capacity to generate synergic satisfiers and meet basic-needs.

Thus, the system of 'household economy' is central to civil society, through which *non-market* and *market* relations are articulated. The household economy does this by allocating the time of its individual members to different tasks, spheres of life and domains of social practice. Poor households rely heavily on non-market relations both for securing their livelihood and pursuing their life goals. John Friedmann calls the relative weight attached to the main spheres of potential action (household itself, civil society, state, market and political community), the allocation of time and skills of each household member, a *'survival strategy'* (1987b, pp. 4-6). The household (the basic unit of society) becomes the point of departure of the *'whole economy model'* (Friedmann, 1992, pp. 48-51; Wheelock, 1992, p. 124). This model focuses on the household's production of livelihood, of life itself, because economic activities are merged with other life generating forces. The size of the so called *'invisible'* informal sector, especially in poor countries, makes it so important that excluding it from economic analyses will give a totally inadequate and misleading image of reality (Max-Neef, 1986, p. 48).

So assuming the relational basis of human existence in the context of the household, the concept of 'economic integration' adopted here recovers *both* the creation of use value and exchange value. The creation and mobilization of synergic satisfiers in order to meet intermediate needs and avoid unmet basic-needs requires an understanding of both dimensions of wealth creation. As the basic units of society, households offer the fundamental relational setting of poor households, as the basis of *'survival strategies'* (Friedmann, 1987, p. 4). *'Household work strategies'* (Pahl 1984; Pahl 1985), *'household adaptive strategies'* (Smith and Tardanico 1987) or *'strategies of passive resistance'* (Scott 1985) offer a number of widening possibilities for *linking* the formal and the informal economy *through* human households.

In fact, the conceptualisation of 'economic integration' as developed above up to now, implicitly assumes a *'retreat to subsistence'* as proposed by Clyde Weaver (1984, pp. 149-153) (see 4.2.2.). Weaver starts with a redefinition of the regional development problem as one of identifying the skills and resources available to create the use values people feel are lacking and thus meeting individual and collective needs. For Weaver, the forms of use value and simple commodity production can be found in simple use value production (production for one's self and production within the living group referring to the 'household economy'), extended use value production (communal production for individuals and for the collective) and simple commodity production (direct exchange between individuals and money exchange of cost plus).

On the other hand, household strategies for income-earning activities may not be restricted to working for a wage and may involve a number of different situations. The expression *'household work strategies'* was adopted to analyze these distinctive mixes of work. The term refers to distinctive practices adopted by members of a household, collectively or individually, to get work done (Pahl, 1985, p. 251).

It becomes clear that the local political economy encompasses much more than simply the traditional concept of a local *'labour market'*. It also includes local land and housing markets and how these are interrelated with the policies and practices of both local employers and local and national government. Unrecorded work in the household and between the households should also be considered as opportunities for analyzing distinctive mixes of work. Age and tenure of the housing stock, access to alternative sources of food and raw materials, and so on can also be remembered. Thus, the local political economy, the personality of the place, wider national and international economic and political forces

combine to produce a *distinctive* opportunity structure of patterns and constraints. Household-work strategies reflect the dialectical relationship between material conditions and cultural values mediated in specific *'milieux'* (Pahl, 1985, pp. 253-263).

There has recently been some relevant theoretical development on the role of households in the local economy, linking the *formal* to the *informal* economy (Pahl 1984; Pahl 1985), or linking the *local* to the *global* (Smith and Tardanico,1987),. In the same way that the restructuring of capital produces changes in the pattern of waged work, so the pattern of domestic work may change. The formal economy and the domestic division of labour by gender are interrelated. A model is needed that focuses on *all forms* of work and employment (Pahl, 1985, p. 244). There is nothing new in the types of work (wage-labour, household production, communal reciprocal work, etc.). What is *distinctive* is rather the way that one type grows at the expense of another.

So *wealth* creation concerns *use* value as well as *exchange* value. However, mainstream Economics can say little about the contribution of *non-market* relations to the production of livelihood. Making households the starting point in the production of life and livelihood is to emphasize this *relational* view of us. Households are understood as patterns of relationships and processes that *connect* the household to extended family, neighbours, the market economy and civil and political associations.

### 3.5.5. Firms and markets for the economic integration of poor people: entrepreneurial initiative, new organizational forms and institutionally built economic circuits

As introduced above, the concept of 'economic integration' also may cover the access to money resources mobilizing the potential for entrepreneurship among the poor. In the context of *'household work strategies'*, income-earning activities may include the mobilization of intra-household or inter-household potential for entrepreneurship. This can be achieved by the creation of small businesses for themselves (self-employment) and others in similar existential situations (enlarging local opportunities to work for a wage).

The understanding of 'entrepreneurship' underlying the concept of 'economic integration' as presented here, requires a critical distance from a conventional understanding of *'entrepreneurship'*, *'market'*, or *'competition'*. Some basic understandings are assumed to be implicit.

A broad understanding of the *potential for entrepreneurship* is assumed in the adopted concept of 'economic integration'. Selling in the streets, migrating or drug trafficking are examples of an informal potential for entrepreneurship that may be mobilized and put in value in adequate conditions.

New kinds of organizations may need to be experimented. *Management strategies* for micro-firms with little capital and *new organizational forms* (associations, cooperatives and micro-insurance organizations as well as 'social enterprises') offer a field open to experimentation. The very notion of 'social entrepreneurship' may be developed in this sense. Also entrepreneurship can be understood as a collective function ('team starters', etc.) and become a basis for linking collective action to self-employment and new job creation within conventional profit oriented micro or small firms *as well as* in new organizational forms defined as 'social enterprises'.

But these kinds of firm require careful and adequate preparation. The conditions that may contribute to the possibility of this kind of business are not dependent on any a-social, automatic and autonomous market mechanism. The constitution of 'entrepreneurship' itself may require specific *animation* activities. The realization of a potential for formal 'entrepreneurship' among the poor may require intense animation efforts. Besides the provision of access to capital, 'entrepreneurship' may require intensive animation, organizational and counselling efforts. These kinds of firm may remain *dependent* on pro-active supportive agencies, at least in an initial phase. The access to funding is the easiest and final phase. *Animation*, *project creation* and *project development* are previous phases requiring considerable effort (Glatz and Scheer, 1981, p. 52).

Therefore, the potential for entrepreneurship may not be independent of specific animation efforts aimed at its realization. In coherence with the way 'economic integration' has been conceptualized so far, the potential for entrepreneurship may require specific pro-active efforts aimed at the actualization of the respective 'causal powers'.

The kind of effort implicit from this perspective requires a critical understanding of the limits of conventional approaches offered by mainstream Economics. The neo-classical theory of the firm is misleading as it sees entrepreneurship just as a drive to pecuniary gain (Coffey and Pollese 1985). Conventional theory also offers little help to understand the specificity of decision-taking

and functional division of labour in small-scale groups with horizontal relationships (Hodgson, 1988, p. 208). Extensive literature on Small and Medium Sized Firms analyses these aspects.

On the other hand, *markets* collapse when their influence is extended to more basic elements of economic life, labour, land and money. *Markets* collapse when they are no longer an accessory of an institutional setting, controlled and regulated by social authority (Boyer and Drache, 1997, p. 9). The commodity description of labour, land and money is '*fictitious*'. However, it is with the help of this fiction that the actual markets for labour, land and money are organized. Labour is another name for *human activity* which goes with life itself, land is another name for *nature* which is not produced by man and money is a token of *purchasing power* which is not produced but comes into being through the mechanisms of banking or state finance (Polanyi, 1977, p. 183). The active involvement of local institutional organizations may be required and pro-active agency is needed to '*build*' the adequate economic circuits (local governments sub-contracting car, gardens or building maintenance, local schools ensuring the demand for goods, local bodies of the central state ensuring the demand for cleaning services, etc.).

Finally, '*competition*' is conventionally conceptualized in a way that is not adequate for solving the problems faced by small firms aiming at the 'economic integration' of poor households. The problem to solve by these firms is exactly to *avoid* competition. The identification of small niches and the creation of '*institutionally built economic circuits*' (public demand, demand from non-profit organizations of the social economy, sub-contracting, etc.) are possible development perspectives. An active support of innovation,  identifying '*intelligent*' products, production processes and commercialization strategies are needed.

The concept of 'economic integration' introduced so far, actually requires a broad understanding of the very concept of '*economic*' as already recalled. In fact, the kind of efforts involved in promoting the 'economic integration' of poor households  have much in common with the possibility of *pro-active agency* and *social innovation* incorporating domains of action currently associated with *economic* policy (access to capital, financial incentives, fiscal benefits, etc.), *social* policy (community development, income support, vocational training, etc.), and *regional* policy (decentralization, formal competencies of local authorities, local finances, etc.).

### 3.5.6. Exchange, transactions and human interaction

As was seen, the concept of 'economic integration' in a context of increasing structural unemployment must include the possibility of enhancing poor households' entrepreneurial potential. However, this potential is fulfilled by means of small businesses based on labour-intensive activities. These firms have to combine capital with labour somewhat differently from conventional firms. The aim is to create income-earning activities for all those *with no* other alternative, as opposed to maximising profitability to capital. Job sustainability depends on a *high* added value of labour due to the chronic scarcity of capital in these situations.

In fact, creating new jobs through setting up new firms which mobilise the potential of non-traditional entrepreneurs require an adequate conceptual basis of action in understanding firms, markets and adequate strategies for this kind of organizations. Low capital and abundant labour require specific strategies that may contribute to remunerate labour at the national average productivity levels (minimum wage). Product innovation, adequate technology, innovation in commercialization and organizational innovation are aspects that require specific attention (Bundeskanzleramt, 1981a).

That is why *competition* is a poor approach for the reality of small businesses as already introduced above. If everybody is competing on the same set of variables, then the standard gets higher but no company takes the lead. Strategy focuses on setting oneself *apart* from competition (Porter, 1997, p. 50). The small player must have a position that is *hard to imitate*. They must focus on the position, the 'niche' that they serve uniquely well (Porter, 1997, p. 56). Cooperation and 'niches' are more accurate than competition (Philips, 1986, p. 278).

*'Transaction'* is the fundamental unit of business and not an 'exchange'. The component of a transaction at a small firm run by *poor people* trying to build a new way of living may include a large component of aspects that include the *very knowledge* about this fact by the potential buyer. The *non-price* components of a transaction at a local business run by neighbours, friends or relatives may include a large component of critical awareness about the structural nature of poverty problems which combines cognitive, affective and emotional dimensions in consumption behaviour. The success of a small business depends heavily on providing goods and services that are appreciated by the buyer and generate word of mouth recommendations and decisions are not guided primarily by profit. A strong commitment and the support of others

can compensate for the hardness of small business. Instead of short term profit seeking, primary attention to improving merchandising, marketing and accounting controls and sufficient attention to customer suggestions, whims and desires lead to better results. Appealing to customers by serving the common good, avoiding competition by looking for cooperation and 'niches' and reaching 'monopolies' by providing high quality work and complete customer service are further aspects to consider. Finally, honesty is of vital importance to business efficiency. It is always more economical to repeat business than to generate new business (Philips, 1986, pp. 275-280). Neo-classical theory concentrates on exchange of products and forgets interpersonal relations in transactions.

### 3.5.7. Territorial 'embeddedness' and the socio-economic context

As seen above, poor households' *'survival strategies'* are heavily dependent on *territorially embedded* social practices; it is also assumed that *lasting changes* in the situation of individual poor households are not independent of lasting changes in the local *socio-economic context*. We will later associate these changes in the local socio-economic context leading to changes in the situation of poor households as 'local development' (see 4.2.). Several theoretical perspectives to local development will then be reviewed and assessed according to their potential contribution to the understanding of conditions in which local development with anti-poverty effects may be expected to occur.

The concept of 'economic integration' used in this work understands *socio-economic context* to be the every-day-surroundings in which individuals act. It represents constraints that promote and prevent, reward and punish. A *socio-economic context* may be understood from four perspectives: the worldview underlying individual action, the institutions influencing individual action (markets, laws, decrees, norms, habits, etc.);the reward that accrues to individual effort and is signalled in relative prices and incomes as well as reputation; the political actions that attempt to influence the above elements - the desired outcome will only be obtainedy when individuals *perceive* these elements as a social context rewarding their own actions (Matzner, 1993, p. 61); and the distribution of power which influences policy formulation (Blaas, 1994, p. 58). Individual actions and their aggregate interplay are *embedded* in the socio-economic context.

The context relates both to opening up and limiting the set of possible actions and guiding or shaping the observable decisions and actions (Granovetter 1992). Therefore, the *socio-economic context* is 'economic' *as well as* 'social' and 'political'. Paradoxically, the dependence of anti-poverty action on the *'social'* becomes clearer when we attempt to specify its *'economic'* dimension. Action in the domain of 'economic integration' is *'economic'* as well as *'social'* ('animation' of entrepreneurship, rebuilding the social link by means of formal organizations, institutional support for adequate business strategies, etc.). This relates back with was initially formulated. The subject-matter of Economics, and hence the distintictive approach of Economics to anti-poverty action, *'the economic'* of anti-poverty action, is concerned with *an aspect of all action*, where the conditions for action are features of explanatory interest common to all branches of social science. Economics cannot be considered separate from the others but '*as a division of labour'* within social science (see 3.5., introduction).

It is in this sense that *'embeddedness'* can be conceptualized. Hence, 'embeddedness' refers to the fact that economic should be seen as social action and as such it is affected by *actors' dyadic relations* and by the structure of overall *networks of relations*. Networks that function between markets and hierarchies are understood on a semi-permanent basis and the processes of institution building have to be tracked. Common forms of understanding that are seldom explicitly articulated (classifications, routines, scripts, etc.) are equally stressed (Amin and Thrift, 1994, p. 12).

A socio-economic context can be *'made'*. Changes in the socio-economic context can be identified and understood as necessary in order to achieve a desired outcome (Matzner, 1993, p. 67). It is in this sense that it can be defined that the concept of 'economic integration' of poor households relates to institutions and *pro-active agency involved in making the socio-economic context* that may offer the possibility of lasting change. A pro-active agency aimed at *changing discourses* on poverty (recognizing rights, etc.) or aimed at enhancing the *collective organization* of poor people (combating 'organizational outflanking' of the poor, etc.) are examples worthy of mention. The promotion of *social innovations* aimed fulfilling the potential for entrepreneurship among poor people creating new organizations and institutions (local development agencies, new partnerships and new forms of governance, etc.) and developing *new methods in public intervention* (social learning approaches to planning, animation of changes of attitude, facilitating funding, innovating in firm strategies facing chronic capital shortages, etc.), are further examples.

### 3.5.8. Poverty as social cost, the value of irreparable damage  and the public financing of anti-poverty action

Given its structural nature, poverty can be understood as a *social cost* of growth and private enterprise (Kapp 1979). That is also the understanding adopted in this work. As such, it corresponds both to a *right to produce this social cost* as well as to a *right to reparation*. Ensured survival, welfare protection or state recognition of the right to reparation in a context of structural poverty inevitably requires forms of protection *other* than the conventional ones (welfare dependent social assistance, income support, etc.). Furthermore, social costs may be conceptualized as *irreparable damage*. Unemployment, for example, can be a source of complex and interdependent processes with negative effects that no reparation can compensate for (Dupuy and Robert, 1978, p. 101).

In a context of structural unemployment, public investment in the reconstitution of conditions for the production of use value *as well as* of exchange value for survival is required (food production for self-consumption, access to capital for small business, etc.) if individual (re)insertion in the formal employment system cannot be ensured. When job creation is a possible aim, this only can occur by means of new firms that require access to capital by public means. In these cases, access to capital is a concrete form of enabling for autonomy.

Therefore, if anti-poverty action intends to depart from welfare-dependent income support to face deprivation, the 'economic integration' of poor households requires public resources both in the form of capital and also in the form of secured income aimed at building the capacity for autonomy within civil society (access to funding in small businesses, 'social enterprises', etc.).

Reconceptualizing households as consumption *and* productive units helps to see that a shift of public resources to the poor from other potential uses would help make them more productive (not only in the market sense); this would lead to a greater  production of life and livelihood within the suggested framework of the 'whole economy model' (Friedmann, 1992, p. 85).

Following this line of reasoning, adequate policies have to be designed and implemented. It will be important to establish a difference between transfers intended to respond to *deprivation* and transfers that might be the object of further conceptualization, namely, as investment in *social innovation,* i.e., contributing to the mobilization of synergic satisfiers and enhancing wealth

creation by some other means than participation in the formal labour market for a wage, market-dependent satisfaction of needs or welfare-dependent support to deprivation. The formal and legal recognition of new rights also supports the needs and claims of poor households and contributes to the participation of the poor in the distribution of wealth.

In the framework of this conceptual reformulation, the nature of *public expenses* must be analysed. Investing in the recovery of autonomy may offer a particular role to a Minimum-Income Policy. But to achieve autonomy, the public resources involved have to be clearly understood as just being instrumental in achieving conditions for autonomy. Poor citizens have the right to access to the distribution of wealth when society denies them the possibility of participating in production by working for a wage in the employment system. This represents a major challenge for policy.

Given the structural nature of the problem, the limits of compensatory social policy, require us to search for *new integrated socio-economic policies*. An increase in social protection and public support requires institutional and conceptual reformulation of policy making (economic, social, regional) and state practices. A *spatialized socio-economic policy perhaps requires a new territorial organizational model* of society (Huber, 1993, pp. 26-27).

### 3.5.9. Economic integration, alternative development and local development

As defined above, the economic integration of poor people is closely linked to *alternative development*. Lasting changes in the situation of poor people require a contextual change that will be defined as *'alternative development'*. It will be understood as a kind of societal change that is unlikely to occur without the role of a pro-active intentional agency.

In short, the concept of 'economic integration' was understood as promoting access to the bases of household's productive wealth covering both the production of use value and the production of exchange value. 'Economic integration' was understood as action aimed at the lowest possible market-dependency in meeting intermediate needs (changing the subjective interpretation of need, changing market-dependency in meeting intermediate needs, producing use values on an individual or collective basis, etc.), and opening the opportunities to access money resources by ways other than working for a wage in the context of the formal employment system.

This approach was founded on the understanding that the 'economic' dimension of anti-poverty action is based on understandings of Economics that see possible developments starting from the h*ousehold economy* and can be best analyzed on the basis of the '*whole economy model*'. This model focuses on the household's production of livelihood and life because economic activities are not abstracted but merged with other life generating forces (Friedmann, 1992, pp. 42-51).

As introduced above, the kind of contextual change that may enable the 'economic integration' of poor households, which therefore ensures lasting changes in the situation of poor households, will be defined as *alternative* development. *Alternative* development is *centred on people* rather than on products and profit; it, is based on the life spaces of civil society and approaches the question of improving the conditions of life and livelihood from the household's perspective (Friedmann, 1992, p. 31). Alternative development requires a '*new look at the economy*'. It assumes a reconstitution of our representation of reality. Our assumptions and staring points must be quite different from those adopted in neo-classical economic theory (Friedmann., 1992, p. 45). The reform of Economics is not a question of adding dimensions to neo-classical economic theory. A 'theoretical revolution' is required at the core of Economics itself (Hodgson, 1993, p. 40).

There have already been a number of relevant contributions to *alternative* development with the aim of restructuring the very concept of development. The well known contributions of Dudley Seers (1969), the Stockholm Conference on Human Environment (1972), the Cocoyoc Declaration (1974), the document '*What Now? Another Development*' (1975) prepared by the Dag Hammarskold Foundation, the report '*Catastrophe or New Society? A Latin America World Model*' prepared by the Bariloche Foundation and the contributions of the International Foundation for Development Alternatives with the report '*Building Blocks for an Alternative Development Strategy*' (1980) are today well known references in the approach to alternative development. Development in 'developed' countries has been also the object of analysis (Binswanger et al, 1983).

This last document took an innovative step in recognizing the different scales at which development occurs and local space was regarded as the most significant for '*people's creative unfolding*': '*Development is lived by people where they are, where they live, learn, work, love, play - and die. The primary community, whether geographical or organizational, is the immediate space open to most people. It is in the village, the neighborhood, the town, the*

*factory, the office, the school, the union's local, the party's branche, the parish, the sport's club, the association - whatever its purpose - that personal and societal development first and best interact'* (1980, cited in Friedmann, 1992, p. 4).

There are also innovative contributions on the role of small scale and local space in rethinking development in the work of Ernst Friedrich Schumacher (1973) and Leopold Kohr (1985). John Friedmann puts it briefly (1992, p. 33): *'As its central process, alternative development seeks the empowerment of households and their individual members (...) It is a process that originates both from below and within specific territory-based social formations, such as a village or barrio neighborhood. It focuses explicitly on the moral relations of individual persons and households, and it draws its values from that sphere rather than from any desire to satisfy material wants, important as these may be. An alternative development cannot be 'guided' by governing elite's without destroying its alternative character. It is also very different from the impersonal processes that are responsive to the principle of growth efficiency. Alternative development must be seen as a process that seeks the empowerment of households and their individual members through their involvement in socially and politically relevant actions'.*

Small scale and local action are important but they are *not* enough. Local action in *alternative* development needs to be facilitated, complemented and supported by appropriate action at the *central* state level. The *state* remains a major player. On the other hand, as spontaneous community action is limited in scope, external agents are needed as catalysts for change. The role of Non-Governmental Organizations (NGO's) is becoming even more important as they begin to *'scale up'* their operation and are starting to act as intermediaries between state and civil society.

Nevertheless, poor people need to acquire a political voice of their own. Alternative development builds on people's own initiatives, with the state essentially playing an enabling, facilitating and supportive role. A *social learning* approach to an *alternative* development seems to have the greatest potential for success (Friedmann, 1992, pp. 158-164).

As will be discussed below (see 4.2.), local development is closely linked to *alternative* development. Local development is based on an *alternative* approach to development. The concept of local development will be used to define the locally initiated processes (either as isolated initiatives of Municipalities or initiatives of Municipalities in the framework of regional

development strategies and policies which emphasize their role) that may lead to lasting contextual changes in the poverty situation of poor households; , the challenge of achieving *alternative* development in society is therefore linked to the challenge of preventing poverty and achieving the social and economic integration of poor households.

### 3.5.10. Poverty, poor people and the making of a local socio-economic context for anti-poverty action

The concept of 'economic integration' adopted in this work relates to processes of creating synergic satisfiers aimed at avoiding or overcoming situations of unmet basic-needs (health and autonomy). Hence, economic integration will be linked to fostering autonomy in meeting intermediate needs (food, housing, health care, etc.). It is understood as a process of meeting intermediate needs by means of creating synergic satisfiers that permit as little market-dependency in poor households as possible in meeting basic-needs.

Therefore, the concept of 'economic integration' also covers possibilities of meeting intermediate needs which do *not* depend only on market-oriented individual consumption. The direct engagement in *individual use value* production (small-scale agricultural production for self-consumption, building own house or furniture, producing your own clothes, etc.) or in *collective use value* production (associative kindergartens, community health associations, collective building maintenance by inhabitants, etc.) are further open possibilities.

On the other hand, the concept of 'economic integration' covers the possibility of access money resources that are *not* restricted to income-earning activities depending on working for a wage in the formal or informal employment system. There might be potential for entrepreneurship that can be recognized, animated and supported.

As was seen, a *relational* dimension of human existence plays a central role in the definition of the very concept of poverty (see 3.1). Therefore, supporting or rebuilding the *'social link'* becomes a key issue in anti-poverty action and plays a central role in the concept of 'economic integration' used here. This relational understanding of human existence enables us to conceptualize households as playing a relevant role in anti-poverty action. In fact, if we see the household as the basic unit of civil society it becomes the starting point of the *'whole economy model'* because it focuses on the household's production of livelihood.

Thus, the local political economy encompasses much more than simply the traditional concept of a local *'labour market'*. It also includes local land and housing markets and how these are *interrelated* with the policies and practices of both local employers and local and national government. And *'invisible'* work *in* the household and *between* the households should also be considered because *household-work strategies* reflect the dialectical relationship between *material* conditions and *cultural* values mediated in specific *"milieux"*.

That is why the prevention of poverty and the 'economic integration' of poor households require changes in the socio-economic *context* in the sense of an *alternative* development. And a socio-economic context can be *'made'*. Changes in the socio-economic context can be identified and understood to be necessary in order to achieve a desired outcome. Therefore, changes in the local socio-economic context can be *'made'* in order to achieve local anti-poverty effects. And the *'making'* of the local socio-economic context will be understood here as the result of the mobilization around a local development process resulting from *'intentional'* pro-active agency (local development *project of hope* around a *'strategic vision'*).

As the 'origins' of local development itself were based on an *alternative* approach to development (see 4.2.), it will be understood as locally initiated processes aimed at combating *local underdevelopment* and fostering lasting contextual changes in the poverty situation of poor households. Local development links the challenge of achieving alternative development in society to the challenge of preventing poverty; the aim is the economic integration of poor households.

As these *kinds* of changes require that there is a *pro-active agency* aimed at anti-poverty in an integrated anti-poverty project for contextual change. *Both* the limits of a compensatory understanding of social policy and the need to search for new integrated socio-economic policies become clearer. This requires a *pro-active agency* and *institutional innovation* linking domains of action conventionally associated to economic policy (access to capital, financial incentives, fiscal benefits, etc.), to social policy (community development, income support, vocational training, etc.) and to regional policy (decentralization, formal competencies of local authorities, local finances, etc.).

Therefore, if *departure from welfare-dependent income support* to face deprivation is the objective of anti-poverty action, this means that the 'economic integration' of poor households requires both *public resources in the form of capital* as well as in the *form of secured income* in order to build autonomy within civil society (small businesses, 'third sector', 'social economy', etc.). If individual reinsertion in the labour market cannot always be ensured, public investment in the *reconstitution of conditions for the production of use value as well as of exchange value for survival* is required (food production for self-consumption, access to capital for small business, etc.).

Poor citizens have the *right* to access to the distribution of wealth when *society denies* them the possibility to participate in production through the employment system. Public resources in the form of capital are not understood as restricted to funding (funding for small firms, etc.) but also include the possibility to enhance the capacity for use value production (land, productive tools, etc.). Reconceptualizing households as *consumption* and *productive* units helps to see that a shift of public resources to the poor from other potential uses would help to make them *more productive* (not only in the market sense) in terms of the production of *life* and *livelihood* within the suggested framework of the *'whole economy model'*.

The time seems to be ripe to start speculating about the *possibility of spatially diversified and local specific socio-economic policies*, given the *'space-time'* constitution of poverty. On the other hand, anti-poverty is a remarkable *challenge* to contemporary societies because poverty cannot remain an object of social policy alone, and because poverty has to be understood as a 'social problem', a *societal problem* which needs the involvement of all dimensions of public policies and societal responsibility.

## 3.6. Towards a concept of anti-poverty action: an overview

Anti-poverty action will be understood in this work as action which aims to prevent the emergence of poverty as well as to mitigate and eradicate avoidable human suffering of those in poverty. Anti-poverty action will be understood as being about inducing changes in *society* (involving processes and situations, the poor and the non-poor, etc.) with direct and indirect effects on preventing poverty and on inducing lasting changes in the *existential situation* of poor

people. Therefore, given the structural nature of poverty, anti-poverty action is transformative action, action aimed at *social transformation*.

It will be assumed that, once a poverty situation exists, departure from this situation is unlikely to occur as the result of *autonomous* spontaneous action by the poor themselves. We cannot expect the integration of poor households to occur without specific anti-poverty action given the *'discursive-organizational'* context in the framework of which poverty is constituted.

This aspect will be developed below as the *'acting agent'*, the agent intentionally pursuing anti-poverty action (the 'planning agent'), is constituted by *non-poor* subjects and *'action'* will be understood as both departure from routine behaviour (a new path or an innovative practice) and the initiation of a chain of consequences that would not have occurred without this action (Friedmann, 1987, p. 39; Giddens 1984; Sayer 1984).

For the central problem of this work, it will be assumed that the integration of poor people is not expected to occur spontaneously; given the *discursive-organizational* context, specific anti-poverty action is needed and there must be a previously constituted *political will* of Municipalities to engage in anti-poverty action. The object of research is restricted to the *'how'* of this undertaking. As was introduced above, it will be assumed that anti-poverty action will be developed by *non-poor* people in a departure from routine behaviour (*'acting'*).

In this framework, the concept of *'integration'* will be understood precisely. Although *'insertion'* is also about supporting vulnerable individuals and groups, 'integration' is about the reconstitution of *'systems of interdependence'*, it is about enhancing the possibility of every member of society becoming indispensable to the existence of the whole society either in individually or collectively (Castel, 1994, p. 29). Robert Castel writes (2000, p. 520): *'(…) Populations likely to attract social interventions are not only threatened by insufficiency of material resources, but are also rendered fragile by instability in the fabric of their relationships (…). Even if it remains vague in definition and uncertain in content, 'integration' at least has the merit of emphasizing that the present-day challenge of poverty will not simply be relieved by distributing aid, but also by attempting to fill this social void'*.

Following this understanding, because poverty is understood as a *'social problem'* - a problem of society whose structural nature is politically recognized at European level - anti-poverty action is no longer understood strictly as a domain of social policy. And, on the other hand, recognizing the *limits* of a compensatory understanding of social policy also leads to recognizing the limits of deprivation-oriented public policy in anti-poverty action.

The kind of change that is required *cannot* be restricted to *change at the level of poor people* or even of the localities whose context they depend on. Anti-poverty action *cannot* be restricted to *action at locality level*. Though action at locality level will be the focus of the work undertaken here, it is understood that what is at stake concerns *comprehensive societal change* that may not be independent from the restructuring of current public policy-making and of state territorial organization; this involves *both* more *centralization* and more *decentralization* to obtain more *flexible regulation* as a result of the challenges of 'global restructuring' for state practice at national level.

Before proceeding, we will briefly recap some of the basic ideas from the above discussions and develop their practical implications for the conceptualization of anti-poverty action.

### 3.6.1. A reiteration of the central concepts

Let us recall the central problem to be addressed: ***how* can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in territorial planning for local development?**

As lasting changes in poverty situations depend on contextual change, this problem concerns the particular ways of linking specific anti-poverty action to current municipal territorial planning aiming at development.

At this point it is useful to remember some of the basic ideas discussed above. First, they will be summarized below in a number of points relating to the concepts defined. Second, implications for action of the undertaken conceptualization will be further developed.

**a) Resources, power and the concept of poverty**

The concept of poverty was defined as a situation of deprivation due to *lack of resources* in a given *'discursive-organizational'* context. In contemporary conditions the poor are not only threatened by the scarcity of material resources but also fragilised by the *liability of his social networks*. Poverty is increasingly associated with the rupture of links and the failure to reconstitute them. And poverty also emerges as *'powerlessness'*. The poor household cannot access the 'bases of social power' that depend on resources which can only be accessed by a collective actor. Social relations, agency and power play a crucial role in the concept of poverty proposed above.

That is why *low income* alone cannot offer a sufficient approach to poverty issues. The poor person no longer appears as *consumer* but as *producer* of his livelihood in the context of his household. This approach shifts the emphasis from the individual to the *household* as the relevant economic unit.

Also the concept of resources has far reaching implications far beyond income-related issues. Resources were understood as *means* that are functional to the realization of social agents' objectives. Therefore, resources may have a *material* or a *non-material* nature and depend on a *discursive-organizational* context where *both* agent's purposes and resources are constituted.

The '*discursive* field' influences the perception the *poor* and the *non-poor* have about the problems the poor experience and represented as *'poverty'*. This influences the perception of possibilities of societal change linked to anti-poverty action. In fact, the public discourses on poverty establish the conceptual boundaries for the very definition of the problems experienced by those in poverty (*'Wahrnehmung'*) as well as its causes. The poor find themselves caught in a web of relations which they do *not* control. This has the capacity to produce a discourse on poverty which defines the very conceptual boundaries in the context of which their problems are recognized and constituted as 'poverty'; simultaneously, it has the capacity to produce the *'opacity'* which is associated with the complexity of contemporary poverty and is *not to be perceived* as such (Fitoussi, Rosanvallon, 1996, p. 26): "*L'opacité que nous ressentons (...) correspond au fait que nos moyens de conaissance ne sont plus adptés à la compréhension des mouvements d'une societé aux énergies sociales plus faibles et plus diffuses.*"

The *'organizational field'* influences the way *'organizational outflanking'* is experienced by the poor. It occurs as the poor lack collective organization. The poor experience their 'poverty problem' in an isolated way, ignoring the relation between their own situation and the situation of others. They are embedded within collective and distributive power organizations controlled by others. *'Organizational outflanking'* results from the absence of knowledgeable resources (ignorance of the ways of power, isolation, division and lack of knowledge of other powerless agencies, etc.), or knowledge the poor possess only too well (costs of doing what is to be done, resources judged as unavailable or insufficient if the organization of concerted action cannot be attempted or envisaged as a feasible form of resistance). The *context-dependency* of the exercise of power is given by the 'organizational field' as it relates to the situation in the context of which power can be exercised.

As human action is *concept-dependent*, the realization of an agent's purposes is concept-dependent. Hence, it is relevant to see that power is also internalized and built on the basis of discursive constituted interests. The relevance of the discursive field emerges from its role in creating the framework within which discourses take place and in creating the definition of concepts used in the discourses. It establishes a particular relation between concepts; what is seen as a problem and accepted as such forms a *'nodal point'* through which any argumentation has to go. The capacity to problematize establishes the 'nodal points' that will stimulate the discourses.

The concept of poverty discussed above introduced issues of *power* and *agency* as central categories in poverty. In fact, agency implies power. Agency refers to the capability of doing things. Agency relates to events for which an individual is the perpetrator. To be an agent is to be able to deploy a range of causal powers including those deployed by others. Action depends on the capability of the individual to *'make a difference'* to a pre-existing state of affairs or course of events, including both his capacity to influence others (mechanic tradition) and his skills to realize specific purposes (strategic tradition).

As power was understood as *access to resources* in a specific discursive-organizational context, and as agent's purposes become constitutive of the very nature and role of the relevant resources, an agent's purposes play a central role in the constitution of the very possibility of empowerment, or disempowerment. But as the agent's purposes and resources are both socially constituted, the social constitution of agency becomes central. Action involves power in the

sense of transformative capacity and resources were understood as the media through which power is exercised.

Thus, changing the *agency-resources* relation based on *intentional changing* of the *'discursive-organizational'* context becomes a key issue in anti-poverty action.

**b) Poverty, human needs and the concept of basic-needs**

The 'absolutist core' of the notion of poverty was retained and absolute poverty was defined as a situation of *isolation* and *powerlessness* in *avoiding* unmet *basic-needs* (physical health and personal autonomy) due to 'lack' of *material* (financial resources, productive tools, space and time, etc.) and *non-material* resources (knowledge, skills and information, social networks and social organization) in the process of creating *synergic satisfiers* in order to meet *intermediate* needs (food, housing, medical care, etc.). Absolute poverty was understood as also being possibly dependent on *agent's purposes* when alternative action possibilities are real (individual market-oriented consumption, collective organization for the production of use values, political struggle, etc.). Understood in such a way, poverty could be conceptualised as the failure to *constitute* purposeful *agency*.

As basic-needs are universal but satisfiers may be relative, *satisfiers* were understood as all *objects*, *activities* and *relationships* that satisfy basic needs. Satisfiers are *not* only the available economic goods. Intermediate needs were understood as universal satisfier characteristics, as they contribute positively to health and autonomy in all cultures and the avoidance of unmet basic-needs may depend on a variety of context-dependent possibilities of generating synergic satisfiers. The social and historic constitution of *intermediate* needs, as well as the *ways to meet them*, and the social and historic constitution of *agent's purposes* (the social production of the collective and subjective interpretation of needs and ways to meet them) play a central role in the very constitution of the *specific forms* of poverty and in the role played by *poor people* in transforming, or reproducing, their own situation.

As the hierarchical tradition could not be accepted, linearity in meeting needs had to be refused together with its understanding of 'need' as *'something lacking'*. Meeting the multidimensionality and interdependence of basic-needs was best understood on the basis of

*systemic* assumptions according to which needs become a potential, engaging, motivating and mobilizing in the very process of generating synergic satisfiers.

Given the discursive field's way of acting, 'lack' of resources in meeting intermediate needs may depend on the way *needs and satisfiers are conceptually built*. As a critical role is played by the way in which needs are understood and the role and attributes ascribed to the *possible satisfiers*, an agent's purposes become constitutive of the very *possibility of avoiding* unmet basic needs, namely, achieving the preconditions for ensuring physical health and personal autonomy.

Meeting basic-needs is therefore primarily about *critical awareness* of the reasons for unmet basic-needs and the alternative possibilities of action on the generation of synergic satisfiers aimed at meeting intermediate needs (individual market-oriented consumption, collective organization, political struggle, etc.).

Therefore, meeting basic-needs cannot be primarily linked to collective or individual *consumption* alone. It concerns a critical subjective interpretation of needs and an individual and collective subjective interpretation of action to meet them which is not restricted to market-oriented consumption. This also means critical awareness of needs that *cannot* be met by consumption (interpersonal relationships and belonging, creative expression, political action, etc.).

## c) Poverty, poor people, and the 'duality of structure'

If resources are functional to an agent's purposes, and power is defined as access to resources in a given discursive-organizational context, the agent's purposes *become constitutive* of the strategic role played by resources and the possibility that they themselves become constitutive of the exercise of power. As resources are to be understood as the means required to achieve the generation of synergic satisfiers and, as such, as being functional to an agent's purposes, they are *constituted by the agent's purposes*.

Given that resources are means which depend on an agent's purposes, they are constituted as the result of *sense making* in the agent's purposes. And the *constitution of sense* is *prior* to the very constitution of resources, that is, to the transformation of those entities that *'become resources'* as a result of the agent's purposes.

Just as in purposeful agency, sense is given by a previously existing *project*. It depends on critical awareness of the *possibility* of an alternative life. Cognitive, affective and emotional dimensions influence the very possibility of *hope*, and therefore the very possibility of the constitution of a project. Hope is possible among poor people if the awareness of the possibility of *avoiding* poverty is actively aimed at or is not blocked by fear, anxiety or depression. Cognitive dimensions of human existence are linked to their affective and emotional dimensions. Mental health and critical awareness about a non-alienated consciousness of problems and the *'self'* are interdependent dimensions of human existence on which the constitution of *hope,* and therefore a project, depend.

The interdependence among cognitive, affective and emotional dimensions of life helps clarify the potential emancipatory content of *conceptual restructuring* given the concept-dependent nature of human action. It also helps clarify the unavoidable relevance of the *discursive field* as it influences the way in which the very *experience* of poverty is *meaningfully* constituted as well as the very possibility that hope may emerge in the constitution of purposeful agency aimed at the transformation of reality.

This is a crucial aspect in anti-poverty action, as the constitution and realization of the agent's purposes depend on structure and the concepts of agency and structure were understood as a *duality.* Actions are not possible without social structures and social structures depend on action for their reproduction.

The structural properties of social systems are both medium and outcome of the practices they recursively organize. Structure is not *'external'* to individuals. As it relates with memory traces and emerges *instantiated* in social practices, structure is *'internal'* to individuals. Structure does not exist *independently* of the knowledge that agents have about what they do in their day-to-day activity. Structure is *not* to be equated with constraint but is always both constraining and enabling.

Constraints do not *'push'* anyone into doing anything if he or she has not already been *'pulled'* (purposive conduct is implied). The study of the influence of structural constraint implies specifying aspects of the limits of the agent's knowledgeability. Structural constraints always operate via an agent's motives and reasons establishing conditions and consequences that affect options open to others and what they want from whatever options they have. Identifying

structural constraint in a specific context demands consideration of an *actor's reasons* in relation to the motivation that originates the preferences. Constraint is the reason for the conduct because it is understood *as such* by the actor.

Poor people are knowledgeable agents that know a great deal about what they do in their everyday lives and develop an *'existential reason'* which offers the rational basis for their 'survival strategies'. They are able to describe what they do and the reasons for doing it. However, this capacity is geared to the flow of everyday conduct and the discursive offering of reasons occurs only if asked by others.

Hence, poor people contribute to the *reproduction* of their poverty situations when they understand they *cannot* act otherwise i.e. when they understand there is no alternative for their conduct. This can be understood as an *unintended* consequence of their action but which results from the self-monitoring capacities gained by life. It is exactly the great *complexity* of the knowledgeability gained by poor people in their life contexts that enables their 'survival strategies' to be *successful* as well as the *reproduction* of the conditions leading to their situation as an unintended consequence of their doing. And yet, poor people *become experts* in resource management for survival, often following *counter-hegemonic* attitudes and behavior forms in order to achieve survival.

Thus, the way poor people cope with poverty can be understood as a result of the gaining of a particular expertise brought about by individual and collective action and which reflects the actor's mediation of possible alternatives of action given the material and non-material conditions for survival offered by a particular society.

That is also why 'participation' has to be understood in the context of its own limits. Participation without the possibility of critical understanding in relation to how constraints act on action and about alternative possibilities for action may remain a basis for system reproduction without the changes that would be understood as necessary to overcome the structural dimension of poverty.

**d) Space, time, 'distressed urban areas' and the 'urban locality'**

Poverty is context-dependent as its *'space-time'* constitution leads to the *spatial variability* and the *local specificity* of its concreteness. Given the situated character of social phenomena the circumstances of poverty are *unique,* as 'space-time' is constitutive of experienced poverty.

The matching of intermediate needs, synergic satisfiers and resources is highly dependent on location, distance, transport opportunities or timetables. The physical absence of close relatives and friends in everyday life reinforces social isolation and the dependence on collective facilities provided either by the state, the private sector or by the autonomous sector (nurseries, kindergarten, health centres, medical care, social protection for the elderly, etc.). Stress is a powerful pathogenic dimension of life. Timetables in workplace, commercial activities and schools, for example, force suburban populations to adapt their consumption habits and concentrate those activities in their leisure time. They are forced to live under the pressure of time as the result of a *'forced mobility'* ("*Erzwungene Mobilität"*) (Linder et al. 1975) that leads to the reduction of the availability of time for social relations (household, community activities, unions, political organizations, etc.). That is why the very 'space-time' organisation of everyday life can be constitutive of unmet basic-needs. It can be at the basis of the generation of particular forms of ill health and lack of resources.

And the 'space-time' constitution of day-to-day life cannot be seen independently from the produced *'spatiality'* of society. The society's social relations shape its form. The structures and mechanisms underlying *land use* and the economic use of the territory (industrial location, infrastructuring, locating public facilities, etc.) produce functional and social segregation as well as the physical form of built environment.

The urban context is a built environment following the rules of the market and the role of the state in the production of this particular material form.  The *socio-relational* uses of the territory are influenced by its *economic uses*. Given the contemporary cuts in public involvement in this domain, society is producing the conditions (forms of 'space-time' constitution of life) that may lead to an increasing market-dependency of poor households in a context of growing precarity in the access to money resources (unemployment, decreasing social protection, etc.).

It is this context that led to a particular use of the concepts of 'space' and 'local'. They will be used in the context of a realist philosophy of science and in the context of the contributions of structuration theory to social science. A locality is simply a *ring* drawn around sets of intersections of elements and is therefore unavoidably arbitrary. Significant elements at different scales must be included depending on the *substantive* issues in question. A locality offers the possibility to examine a more rounded set of processes and interrelations of causal entities in different spheres (formal economy, civil society, state). And the locality's size remains unspecified and depends on the substantive issues in question. Though we may choose to focus on a particular geographical scale, all processes have both global and local effects.

Therefore, emerging from realist and structuration theory, 'localities' are understood in this work as *spatial units* that provide the setting for the analysis of social interaction. Such units can be conceived at *different scales* depending on the central issue in question, varying from neighbourhoods to local labour markets (cities or sub areas within cities).

The *specificity* of localities is not given by some long internalized history but it is constructed out of a particular *constellation of relations* articulated together at a particular locus. The *uniqueness* of a locality is constructed out of particular interactions and mutual articulations of social relations, social processes, experiences and understandings in a situation of co-presence.

But a large proportion of those relations, experiences and understandings are constructed on a far *larger* scale than we define as place itself. Instead of thinking of a locality as an *area with boundaries around*, it can be imagined as *articulated moments* in networks of social relations and understandings. This allows a sense of place that is extra-verted, including a consciousness of its *links* with the wider world, which integrates the global and the local in a positive way.

Localities do *not* have *single* 'identities', they are full of internal differences and conflicts. The specificity of a locality derives from the fact that each locality is the focus of a *distinct mixture* of wider and more local social relations, and that the juxtaposition of these relations may produce effects that would not have happened otherwise and that these relations interact and take a further element of specificity from the accumulated history of a locality.

This understanding permits a global sense of the local and a global sense of place which has a number of relevant implications. If localities can be conceptualised as social interactions that they tie together, and if interactions themselves are processes, then *localities are also processes*. Boundaries (counter position to the outside) are not necessary to the conceptualization of locality, and a definition can come through the *particularity of linkages* to that 'outside' which is itself part of what constitutes the locality.

Anticipating the theoretical development to be introduced below (see 4.2.), it is in this sense that *'locality studies'* and *action at locality level* correspond to a basic concern about the importance made by *space* and *place* in the concrete outcomes of the relations between human activity and spatial configurations. Given the spatial variability of social phenomena, local specificity can be linked to the possibility of *'locality effects'*.

Contextual conditions may offer a distinctive possibility of analysis and action. That is why the concepts of 'space' and 'local' will be used in the context of a realist philosophy of science. They allow specific *methods of analysis* and *methods of intervention* to be developed which are clearly useful to the central problem of this work.

As a *method of analysis*, 'locality studies' place the emphasis on the *retroductive* identification of structures and mechanisms that show a causal relation to social phenomena, whose experienced dimensions are under study, in order to understand their multidimensionality. It implicitly emphasises the *particularity* of circumstances and their spatial and temporal variations. Events in specific places are understood as the outcomes of developments in those places *as well as* the impact of global forces. Problems *in* localities are not only to be understood as problems *from* localities because 'locality effects' also contribute to the concreteness and uniqueness of their manifestations.

Understanding the constitution of the structural nature of experienced poverty can be achieved by *retroducing* the structures and mechanisms both working through time and space in the constitution of day-to-day life and producing the built environment in which the contextuality of space-time is built. The spatiality of causal properties of entities and the contingent real outcomes depend on the role of *local conditions ('locality effects'*).

As was seen above, locality studies have emerged as a method from the attempt to address the complexity of *spatially intersecting* causal processes. The sense of the local can be derived from a realist perspective by paying attention to the spatial ranges of the many causal elements that impinge on any chosen area. Social reality is made up of the *totality* of significant relationships over space.

As a *method of intervention*, localities will be understood both as *'settings of interaction'* and as *'territorial units of municipal intervention'*. Given the central problem of this work, it seems adequate not to choose an area smaller than the smallest significant unit of the local state. And, if the material basis of localities is constituted by social relations (*not* geographic space), then it follows that municipal pro-active agency can also be linked to the 'animation' of those social relations.

Defining the concept of *'urban locality'* for Municipal anti-poverty action requires the specificities involved in the urban context to be recognised. The combination between a *higher market-dependent* satisfaction of needs, a *looser social fabric* and *decreased social protection* by the state (missing public services, decreasing income support, increasing the price of public services, etc.) all contribute to the complexity involving poverty in the urban context. These issues become even more complex in the context of *'distressed urban areas'*. The *creation* of localities for anti-poverty action in *'distressed urban areas'* becomes a major challenge. Problems *in* such areas are not problems *from* these areas and facing these problems represents a major policy challenge. As the OECD recalls: *'The issue of distressed urban areas is one of the most intractable in the developed countries of the OECD, and if anything it has become more aggravated in the 1980s and 1990s, both in countries with strong employment growth and in those where unemployment remains high'* (OECD, 2000, p. 9).

In fact as introduced above (see 3.4.), combating poverty in the context of *'distressed urban areas'* constitutes an enormous challenge for contemporary European societies. The aim of this work is precisely to be a contribution to face this challenge.

**e) The 'economic' dimension of anti-poverty action and the intentional creation of the socio-economic context**

The 'economic integration' of poor households was conceptualized as the 'economic' dimension of anti-poverty action. It was conceptualized as a process of meeting *intermediate* needs by means of *creating* synergic satisfiers enabling the least possible *market-dependency* of poor households in meeting basic-needs, and the highest possible *autonomy concerning income-earning* activities not restricted to working for a wage in the labor market, on the basis of conditions for wealth creation which involved both *use* value and *exchange* value.

Households offer the fundamental relational setting of poor households as the basis of survival strategies. *'Household work strategies'*, *'household adaptive strategies'* or *'strategies of passive resistance'* offer a number of links between the formal and the informal economy. Therefore, households were defined as the setting of the production of life and livelihood according to a *relational* view of human existence. Given their relevance for the 'economic integration' of poor people, they were defined as the point of departure for the *'whole economy model'*. Households, as a foundation for re-thinking economic relations relevant to 'economic integration', are understood as a pattern of relationships and processes that *connect* the household to the extended family, neighbours, the market economy and civil and political associations. This model focuses on the household's production of livelihood because economic activities are *merged* with other life generating forces.

This model permits an understanding of *wealth creation* both associated to *use value* production and to *exchange value* creation and income-earning activities.

Use value production may involve both individual activities (small-scale agricultural production for self-consumption, building your own house or furniture, producing your own clothes, etc.) as well as collective activities (associative kindergartens, community health associations, collective building maintenance by inhabitants, etc.).

Income-earning activities may involve working for a wage and will depend on the opportunities offered to poor people by the 'labour market'. These opportunities are very context-dependent and are increasingly dependent on pro-active agency in order to promote access to available jobs.

Income-earning activities may also involve the mobilisation of the potential for entrepreneurship among poor households aimed at small-scale business activities. Besides the provision of access to capital, 'entrepreneurship' in these cases may require intensive animation, organisational and counselling efforts.

This possibility is not to be expected as *'spontaneous'* and is understood as being highly dependent on pro-active agency. It requires an adequate conceptual basis of action in understanding *'firms'*, *'markets'*, *'competition'* and *adequate firm strategies* for this kind of organisation. These strategies assume that success is not dependent on any a-social, automatic, or autonomous market mechanism. Low capital and abundant labour require specific strategies, which might contribute to remunerating labour at the national average productivity levels (minimum wage). New and unique products, adequate technologies and non-price factors are some of the aspects involved.

Given the dependency on pro-active agency, institutionally built economic circuits or *non-price* factors in commercialization, the realization of the potential for entrepreneurship among poor people is highly dependent on context. Accordingly, changes in the situation of individual poor households depend on the occurrence of lasting changes in context. This requires pro-active agency and successful *intentionality* aiming at contextual effects to occur. Pro-active agency is implied in designing strategies to achieve synergic effects in institutional cooperation as 'economic integration' concerns *both* the poor and the non-poor.

The concept of 'economic integration' also has a constitutive *territorial* dimension. The 'survival strategies' of poor households are heavily dependent on territorially *embedded social practices*. Economic relations are embedded in the matrix of social and cultural relations. One has to look at institutions and at socio-cultural relations. Entrepreneurship as well as innovation are dependent on the territorial context. Economic processes are *not* only *located* in space. Economic processes are *embedded* in territory and its institutions.

Given its structural nature, poverty was understood as a *social cost* of growth and private business enterprise. If it can be understood as a societal 'permission' to produce this social cost, then it should be associated to the societal recognition of the right to reparation concerning those supporting the 'costs'. Furthermore, social costs can be conceptualized as *irreparable damage*. Poverty can be a source of a complex and interdependent set of processes with negative effects

that *no* reparation can compensate. Anyway, if society recognizes the right to perpetrate this 'cost'. it is also assuming the responsibility to compensate their victims. The public resources involved in anti-poverty action should correspond, at least, to the realization of this right to reparation, with the implicit decision to support these costs by means of mobilizing public resources.

In conceptualizing 'economic integration', the nature of public expenses also requires specific analysis. Investing in the recovery of autonomy may offer a particular role to a Minimum-Income Policy. But to achieve autonomy, the public resources involved have an instrumental character depending on specific anti-poverty action.

It becomes relevant to establish a difference between transfers aimed at responding to deprivation (income support, etc.) from transfers aimed at investing in innovative ways to ensure the creation of synergic satisfiers and enhance wealth creation. As was seen, this may be achieved by means *not* restricted to *market-dependent* satisfaction of needs or direct participation in the *formal employment system* working for a wage. Anyway, in contemporary conditions *both* kinds of transfers will be needed.

In contemporary conditions, ensured survival, welfare protection or state recognition of the right to reparation in a context of increasing unemployment inevitable requires forms of public action other than compensatory forms of social policy. As was shown, departure from welfare-dependency requires public resources in the form of *capital* as well as in the form of secured *income*. The public expenses associated to 'economic integration' can be understood both as *unproductive costs* (income support, minimum-income, etc.) and as *productive investment* (access to capital, access to land, tools for agricultural production for self-consumption, etc.).

When individual insertion in the labour market cannot be ensured due to continued rises in unemployment, public resources aimed at the reconstitution of conditions for wealth creation at household or community level may involve *both* investment in the production of use value and in the production of exchange value. Poor citizens have the right to have access to the distribution of wealth when society denies them the opportunity to participate in production through the labour market.

### 3.6.2. Anti-poverty action and meeting basic-needs: intermediate needs, synergic satisfiers and resources

As was seen above, anti-poverty action will be understood primarily as action aimed at preventing the emergence of poverty as well as mitigating and eradicating avoidable human suffering of those in poverty. Thus, anti-poverty action will be understood as being about *intentionally* inducing changes in society with direct and indirect effects in preventing poverty and in inducing lasting changes in the existential situation of poor people. Anti-poverty action is about inducing structural change which addresses *both* the poor and the non-poor.

As it becomes clear, the understanding of the concept of poverty discussed above has relevant implications for the concept of anti-poverty action suggested below. Poverty is understood *both* as a process and a situation. It concerns the relation between the *possibility* of serious harm and the conditions on the basis of which human beings are put in a position of being able, or not, to *avoid* serious harm. Serious harm may always occur as a result of *not* meeting intermediate needs, a result of not mobilizing the resources seen by themselves as the *means* necessary to the generation of synergic satisfiers.

In this framework, the practical implications of distinguishing the concepts of deprivation and poverty in anti-poverty action are very relevant: *'The abolition of poverty may require comprehensive structural change in not one but several institutional systems'* (Townsend, 1979, p.55). According to Peter Townsend, one has to establish how the different types of resources determine the overall standards of living of different strata in the population and identify which of the systems underlying the distribution of that resource that can be manipulated most efficiently to reduce poverty. In other words, Townsend associates anti-poverty action with the *generation of changes* in society concerning the distribution of resources.

Following the reasoning of Robert Castel, poverty is *not inevitable*. Action can be taken to prevent the consolidation area of vulnerability: *'It can be on the 'zone of de-affiliation' to try and avoid a settling into the margins of society which transforms the difficulties of integration into definite exclusion'* (1990, p.14). Circumscribing the analysis to the life contexts that facilitate marginality (belonging to the zone of vulnerability), the model suggested by Castel focuses on a strategic area, in that instability *leads* to marginality. A dynamic way to approach the problem allows factors to be identified that are at work when a group or an individual move from the zone

of *vulnerability* (precarious work situation and fragile social relations) into the area of *de-affiliation* (no job and socio-affective isolation).

This approach suggests a pattern to describe different kinds of action to combat marginality: strategies for consolidating the zone of vulnerability, strategies assisting the marginalized and strategies of exclusion. From his approach, Robert Castel identifies strategies with qualitative differences concerning the different identified stages in the marginalisation process. In any strategy to combat marginalization, it has to be seen not simply as a condition but also as a product of that dynamic which moves from integration to de-affiliation *via vulnerability* (1990, p. 2).

Anti-poverty action should encourage people to *fill the social void* based on action aimed at stimulating a subject's capacities to overcome his condition. Integration can be seen as a strategy of *building supports* both in terms of *work* and *relationships* to people who suddenly face the risk of being. The basic income may be a step as it is based on the assumption that every person is entitled to receive an adequate means of living from the collectivity. This right to relief is accompanied by a duty to encourage integration, both as an obligation undertaken by recipients and undertaken by the collectivity in the form of moves towards *'integration contracts'* (Castel, 1990, p.13).

That is the path that leads him to the identification of a *double* anti-poverty action: one with a dominant *preventive* character (controlling the zone of *vulnerability* by means of *global* measures) and the other with a *reparative* character (reducing the zone of *de-affiliation* by *specific* integration oriented action). The Minimum-Income is shown as an example of this approach (Castel, 1991, p. 168). The contemporary challenge of anti-poverty action *cannot* be reduced to the distribution of help and has to be seen as an attempt to *fill the social gap* ("*combler se vide social"*) (Castel, 1991, p. 140).

John Friedmann defines anti-poverty action as a process of *collective self-empowerment* which results from joining households in organization and struggle. *Cooperation* and *organization*, however, are not sufficient condition and they need a state *'whose social policies facilitate, complement, and support community efforts at self- empowerment'* (1987, p. 12). A practical implication of the contribution of John Friedmann, relies on an understanding of anti-poverty

action as linked to the animation of *collective self-empowerment*, and an understanding of this as linked to the search for an *alternative development*.

However, the attempt to define poverty as absolute poverty and the conceptualization of absolute poverty linked to *blocking conditions* in meeting basic-needs has far reaching implications for anti-poverty action. Accordingly, unmet basic-needs (ill health and lack of autonomy) and unmet intermediate needs (food, housing, medical care, etc.) due to lack of resources in a given discursive-organizational context, offer the critical points of departure for the concept of anti-poverty action that is developed here.

The identification of situations of poverty *directly* experienced as such (individual poor households demanding support, collective initiatives and social movements, etc.), situations of poverty *indirectly* experienced as such and identified by means of the symptoms of unmet basic needs (community patterns of avoidable ill health, school failure, early school leave, etc.) or *actually unmet* intermediate needs (bad housing conditions, lack of access to medical care, social isolation, etc.), enable the identification of action possibilities.

In fact, though the social agents involved *may not* be conscious of the nature of unmet basic-needs, one may start with the identification of the material forms of expressed non-satisfaction (ill health and illness, social movements, consumption behaviour, etc.). *'Alarm systems'* can be created (Schwefel, 1978, p. 160) and *'symptoms'* of unmet basic-needs can be identified (avoidable mortality or morbidity, etc.). The identification of unmet basic-needs allows *priorities* for action to be identified. It concerns *both* the market-dependency of meeting intermediate needs and the possibilities of courses of action *not* restricted to market-oriented consumption behaviour in meeting them.

Thus, the satisfaction of fundamental human needs *cannot* be structured from the 'top down'. It can only emanate from the *actions*, *expectations* and *creative and critical* awareness of the protagonists. The state can encourage synergic processes at all territorial scales. Fundamental human needs must be *realized* from the outset and throughout the entire process of (local) development. The realization of needs becomes, instead of a goal, the motor of development itself. This is possible if the development strategy proves to be capable of stimulating the *permanent generation* of synergic satisfiers (Max-Neef, 1992, pp. 211-213).

In short, conceptualizing anti-poverty action may involve diverse action possibilities.

First, community and individual *'centred'* approaches may be pursued in order to identify the substantive relations (necessary and contingent) between unmet basic-needs and unmet intermediate needs and between intermediate needs and the market-dependency in meeting them.

Second, the *retroductive* identification of structures and mechanisms leading to these experienced situations of poverty enables knowledge to be developed about local conditions favouring the constitution of poverty and offers the possibility to combine *preventive* with *reparative* action, thus enabling anti-poverty action to target situations as well as processes.

Finally, the way in which needs are understood and the role and attributes ascribed to the *possible* satisfiers are definitive in determining the nature of human action aimed at meeting needs. Meeting basic-needs may be considered to be a necessary or contingent outcome of meeting intermediate needs, but intermediate needs are met by the generation of synergic satisfiers by concrete agents. As resources are the *means* mobilized by purposeful agents in the process of generating synergic satisfiers, meeting intermediate needs will be inevitably linked to 'collective self-empowerment' associating 'critical' awareness with collective action ('rebuilding' social relations) in struggling for resources.

As was seen above, given the dependency of resources on the *agent's purposes* in a given 'discursive-organizational' context, the design of *'possibilities for change'* becomes a critical issue in the potential for anti-poverty action. Thus, needs oriented anti-poverty action can find relevant points of reference in much work already being developed. The application of the *'Matrix of Needs and Satisfiers'* developed by Manfred Max-Neef and others (1989), the development of *'Future Workshops'* devised by Robert Jungk (1981) and the *'Socio-Antropological Model'* developed by Carlos Caldeira for community intervention (1979), are examples of possible ways of operationalization.

These kinds of approach allow for simultaneous action in order to fill the social void, building supports both in terms of work and relationships, acting both in terms of vulnerability and 'de-affiliation', enabling conditions for cooperation and organization and changing discourses on poverty both centred on societal change for prevention and on the recognition of poor people's rights concerning structural problems that they cannot be made responsible for.

Communities become critically aware of their deprivations and potentials, satisfiers required to fully meet the fundamental needs of the community are identified and they can be critically analyzed in order to determine if they are or should be generated exogenously or indigenously. Such an exercise demonstrates the potential capacity for local self-reliance (Max-Neef, 1992, p. 210) and enables direct *links* to local development as introduced below (see 4.2.).

### 3.6.3. Anti-poverty action and the role of poor people: agency, structuration and the possibility of counter-hegemony

As was seen above, anti-poverty action concerns processes and situations as well as prevention and integration. *Processes* concern the way mechanisms act. *Situation*s are understood as the outcome of the complex relationship between structure and agency involving the role of the poor themselves in reproducing, or transforming, the structures underlying the way those mechanisms act.

Thus, anti-poverty action starts with the attempt to *understand* how structures and mechanisms underlying poverty act and explores possibilities offered to poor people to build a *'critical' awareness* of the ways those structures and mechanisms act; it also ensures the production of livelihood meeting intermediate needs reproducing, or transforming, the very structures on which action also depends.

Therefore, anti-poverty action concerns the processes and situations in the context of which the social production of serious harm, *as well as* the social production of the possibilities of individual and collective *understanding* of such harm (as well as the alternatives of action to face it), are reproduced. This understanding is supposed to be the possible object of *potential* transformation.

Poor people, as all human beings, are *knowledgeable* agents (Giddens, 1984, p. 281). They develop a highly *skilled expertise* about survival under difficult conditions (scarcity of resources, isolation, etc.). When they reproduce the very structures and mechanisms that lead them to poverty they act according to their interpretation of the possibilities offered. The reproduction, or transformation, of the structural nature of poverty is *not* independent of the way poor people understand their alternatives of action.

Thus, 'overcoming poverty', relies on the collective and individual possibility of developing a *'critical' awareness* of the very nature of the *existential difficulties* discursively *constituted* as 'poverty'. This means that the *identification of alternatives* is liable to change and that this change may be facilitated by *strategically placed agents* that possess the capacity for critical self-monitoring. The role of these strategically placed agents touches issues such as *pro-activity* and *intentionality* associated to 'agency' in anti-poverty action.

The relation between anti-poverty action and planning requires some concept of a *'desired outcome'* when conceptualising action aimed at "solving" this particular problem. Paradoxically, as if some concept of *'becoming non-poor'* would be required. Not only a concept adjusted to different situations (before, after), but some way of conceptualising the very process of 'becoming non-poor'. A conceptualisation that cannot occur *independently* of the very experience of this process by those experiencing poverty and actively involved in 'becoming non-poor'.

The 'process of becoming non-poor' cannot occur independently of poor people's purposes to realize it. Poor people's purpose of 'becoming non-poor' is constitutive of the very possibility for the process to occur. Therefore, in order to *induce changes* in the poverty situation of 'others', careful attention must be given to how *those 'others'*, the poor, experience the problems *constituted as 'poverty'* by the non-poor.

On one hand, before 'critical' awareness of poor people is possible, 'critical' awareness is needed by those social agents involved in anti-poverty action. *Poverty situations* have to be reconceptualized *not* as externally defined by the *non-poor*, but as experienced by the poor people themselves. If market-dependent *'distorted'* consumption can be observed, poverty may well be experienced as 'lack of money' by the poor themselves. *Non-poor* people involved in anti-poverty action require the capacity to develop a critical awareness of the *'discursive-organizational'* fields in the context of which particular problems experienced by poor people are constituted as 'poverty problems' and it is not unusual that anti-poverty is constituted as concerning deprivation-oriented public action.

On the other hand, the change in poverty situation cannot occur independently of poor people's constitution of the purpose to *become non-poor*. It is crucial to resolve how to facilitate this change occurring when linking anti-poverty action to planning. It will be the guideline for the search of the substantive content of the concrete nature of anti-poverty action.

This represents a major theoretical problem. Given the context-dependency and the concept-dependency of actually experienced poverty situations, the substantive content of anti-poverty action may not definable in advance. Poor people's *objective* situation and their *perception* of this situation are linked to each other in the constitution of *poor people's purpose* to become non-poor.

As changes in the poverty situation involve the poor people's perception of their own situation, a possible *change of perception,* as favoured by the *non-poor* as part of anti-poverty action, is not likely to occur without poor people's personal change at individual and collective level. Changes favouring processes of becoming non-poor, cannot be conceived as independent of changes of perception and changes of organizational capacity only continuous *interpersonal* relations can favour.

As needs are simultaneously *deprivation* and *potential*, they may not be only something 'lacking', but a potential to engage, motivate and mobilize. The way in which needs and possible action to avoid serious harm are understood, as well as the way in which the role and attributes ascribed to the possible satisfiers is understood, to be central in conceptualizing anti-poverty action. Thus, needs may *become resources* in human mobilization, and agent's needs-oriented purposes play a crucial role in reproducing, or transforming, the structures and mechanisms leading to poverty.

Therefore, anti-poverty action has to rely heavily on the understanding of the *concrete* existential context in the framework of which unmet intermediate needs are experienced and alternatives of action are identified as possible, or not, at the level of 'practical consciousness'. Anti-poverty action must always start with *how* and *where* poverty is experienced.

This is the kind of challenge which may find adequate support in community *'centred'* approaches in order to capture the *existential world* in the context of which poverty is experienced and the motivation to overcome it can be real (Caldeira 1982; Rogers 1961).

*Congruence*, *positive and unconditional listening* and *empathy* are basic attitudes to be adopted by *non-poor* people involved in anti-poverty action concerning this kind of approach aimed at comprehending the rationale for 'survival strategies' (becoming poor, remaining poor or reentering poverty, wanting or not wanting to change, hoping or not hoping to avoid poverty, etc.). Anti-poverty action requires community 'centered' approaches enabling the understanding of the particular forms of the *concreteness* of experienced poverty *as well as* the understanding of the relation between *local conditions* and the structures and mechanisms leading to the *diverse* and *unique* manifestations of poverty in the locality.

If a *change of perception* among poor people is supposed to occur as a condition for the success of anti-poverty action, it is unlikely to occur without implicating non-poor ('strategically placed agents') who act on the basis of an empathetic understanding of the reasons given by the poor for their acting, or not acting. Given the *possibility of critical consciousness* and the *possibility of counter-hegemonic strategies,* it can be admitted that *strategically placed actors* may contribute to seeking reflexively to regulate the conditions of system reproduction aimed at social change.

Anti-poverty action involves *both* a *change of perception* among *poor* people and among *non-poor* people. Anti-poverty action aims at changes in the discursive field as well as in the organizational field. As resources are understood as means and, as such, functional to an agent's purposes, and as power depends on the nature of resources required by agent's purposes in a given discursive-organizational context, the cognitive, affective and emotional dimensions of human individual and collective existence become central to the very possibility of change.

Here, *human relations* see their central weight reinforced as an object of analysis and action. Human relations play a crucial role, as the vitality of the 'social link' may be a vital *means* (constituted, or not constituted, as 'resource') either for the success of 'survival strategies' or to overcome poverty itself. In fact, changes in the 'organizational field' require the consolidation, or recreation, of social relations. The quality of interpersonal relationships may be the very condition for the achievement of changes in the 'organizational field', thus counteracting *'organizational outflanking'*. The quality of interpersonal relationships *becomes* the very condition for the creation of a territorial basis for the collective capacity of initiative and organization.

### 3.6.4. Anti-poverty action and the intentional achievement of 'locality effects' in the urban context: 'urban distressed areas', pro-active agency and the creation of urban localities

As has been seen above, the concreteness of poverty is context-dependent, the specificity of its 'space-time' constitution *becomes concrete* in the locality. The identification of the factors responsible for not meeting basic-needs requires concrete analysis at locality level in order to *reconstitute the wholeness* of human lived life and identify how structures and mechanisms act leading to ill-health and lack of autonomy. Both, 'space-time' differentiation and local specificity, contribute to emphasising the role of localities in analyzing *as well as* combating poverty.

Understood as territorial units corresponding to the administrative boundaries of Municipalities and as *'arbitrary rings'* defining sets of social relations, institutions and agents in a particular setting of interaction, localities *can be created* and may be an object of struggle (political struggles and social movements around preserving traditions, changing administrative boundaries, creating new local governments, etc.). The locality is not understood as a territorial unit reducible to its physical dimensions, but as a territorial unit corresponding to a *setting of social interaction.* The locality is not given, but is the *result of a possible human creation*. The *creation* of localities, the preservation or enlivenment of social relations, are constitutive dimensions of the very possibility of Municipal anti-poverty action in the urban context.

Therefore, *analysis* and *action* at locality level are central dimensions of the concept of anti-poverty action adopted in this work. Anti-poverty action in the locality deals with the local specificity of the space-time constitution of poverty, relating the local specific concreteness of poverty with the 'locality effects' associated to the local-global interplay.

As was seen above, households play a central role in anti-poverty action. By making household action central to it, anti-poverty action starts at locality level. It is at that level that households can perceive their interests most clearly and the possibility to *change their perceptions* and *organize for cooperation* may become real. However, as households lack the means to help themselves, *external agents* are assumed to play a central role. Anti-poverty action assumes that pro-active agency aimed at anti-poverty effects occur. Municipalities, the state, NGO's and their organization around new partnerships are supposed to be able to contribute to strengthening

territorial communities, territory-based identities and the productive role of localities and poor households.

Departure from traditional planning practice is required and legal battles may have to be fought for *key legislation* and new *citizen rights* (Friedmann, 1992, pp. 167-171). That is why John Friedmann sees the 'barrio economy' as a 'vital resource' in the fight against massive urban poverty. It is understood as the major focus of his 'new strategy'. The *'barrio economy'* becomes a critical point of encounter between civil society and the state around the municipality. Friedmann identifies a renewed interest in local governments that *'must now reach out to barrio populations in a partnership beyond the old antagonisms'*: facilitating access to *land* and incorporating new settlements into the fabric of urban *public services*, creating a legal framework for *community-based organizations*, encouraging *self-reliance* and *self-provisioning*, promoting the production of *wage goods* through labor-intensive methods and their distribution through *cooperative channels*, organizing urban extension services and assisting in the organization of *nurseries* and *kinder gardens* to relieve women's and men's work and free them to take on income-generating work (1987b, pp. 19-20).

As was already mentioned, the enlivenment of social relations aimed at revitalizing the 'social link' plays a central role in the concept of anti-poverty action adopted here. A locality is created or struggled for, it is the result of the transformation of a space of physical contiguity into a territory of social links and interdependent identities. Hence, a locality is understood as a *potential* source of capacity for initiative and organization, of pro-active agency and community mobilization in dealing with a critical understanding of the *local-global interplay*.

The quality of the social link is a crucial dimension in poverty. Its *vitality* may be seen as a critical resource either for facilitating survival or to ensure the very possibility of collective processes aimed at overcoming poverty. Social isolation alone may be a sufficient condition for particular forms of poverty (family breakdown and loss of a second income, depression, psychosomatic illness and job loss, etc.).

A *relational* understanding of the locality offers the possibility to link an agent's purposes to collective empowerment processes leading to the generation of synergic satisfiers by means of valorizing existing resources, mobilizing underutilized resources or acceding to new exogenous

resources, given the nature of those purposes in the framework of a discursive-organizational context.

This is crucial in anti-poverty action given the role of social relations in the genesis of poverty and in the reconstitution of the social link in anti-poverty action. If it is possible to admit the existence of 'locality effects', then it is logically possible to admit that 'locality effects' can be *intentionally* induced, namely, when purposeful action aimed at desired anti-poverty 'locality effects' can be associated to the activation of the 'causal powers' and the creation of the conditions by means of which they might be obtained.

If pro-active agency can be linked to the creation of localities, then the transformation of the territorial unit into a 'community', the *creation* of the locality, is possible by means of the systematic organization of *'interests communities'*. The 'Socio-Anthropological model' built to show the possibility of linking community development to health promotion is a very useful conceptual and theoretical tool 'imported' from research undertaken in the field of social psychiatry and public health (Caldeira, 1979). The animation and support to the creation of *'interests communities'* (Worsley, 1970, p.379), joining together all those sharing common problems, can be seen as a possible form of action. Social isolation may be counteracted and social relations animated thus contributing to the production of anti-poverty 'locality effects'.

The *creation* of localities, as well as the creation of conditions for *collective action*, leads to the creation of organizational and institutional models enabling reinforced capacities for *self-sustainability* that counter-act *'organizational outflanking'* among poor people. It is in this sense that the contemporary discourse on 'local partnerships' may be further developed. *'Building a local partnership'* for territorialy based capacity for initiative and organization in anti-poverty action may become an aim in itself of Municipal action.

### 3.6.5. Anti-poverty action and the 'economic integration' of poor households: towards an increasing autonomy

As was seen, the concept of 'economic integration' adopted in the framework of this work, relates to processes of creating synergic satisfiers aimed at avoiding or overcoming situations of unmet basic-needs (health and autonomy). Hence, economic integration will be associated with promoting *autonomy* in meeting intermediate needs (food, housing, health care, etc.). It is

understood as a process of meeting intermediate needs by means of creating synergic satisfiers that enable the *least* possible market-dependency of poor households in meeting basic-needs and the *highest* possible autonomy concerning income-earning activities.

In this sense, the concept of 'economic integration' also covers possibilities of meeting intermediate needs not depending only on market-oriented individual consumption behaviour. The direct engagement in individual *use value* production (small-scale agricultural production for self-consumption, building own house or furniture, producing own clothes, etc.) or collective use value production (associative kindergartens, community health associations, collective building maintenance by the inhabitants, etc.) are possible examples of the role of use value in wealth creation for 'economic integration'.

On the other hand, the concept of 'economic integration' covers possibilities of acceding to money resources not restricted to *income-earning* activities depending on *working for a wage* in the formal or informal employment system. There is a potential for *entrepreneurship* that can be recognized, animated and supported.

As was seen, the *relational* dimension of human existence plays a central role in the definition of the very concept of poverty. Therefore, supporting or rebuilding the *'social link'* becomes a central issue in anti-poverty action and plays a central role in the concept of 'economic integration' as it adopts a relational understanding of human existence.

This relational understanding of human existence permits an understanding of the potential role played by households in conceptualizing 'economic integration'. In fact, regarding the household as the basic unit of civil society it becomes the point of departure of the *'whole economy model'* as it focuses on the household's production of livelihood.

And, as was seen above, 'economic integration' also has a constitutive *territorial* dimension. The 'survival strategies' of poor households are heavily dependent on territorially *embedded social practices*. Economic processes are *not* only *located* in space; they are *embedded* in territory and its institutions. Thus, the prevention of poverty and the 'economic integration' of poor households require *changes* in the local socio-economic context.

### 3.6.6. Anti-poverty action and pro-active agency: on the 'making' of the socio-economic context

Pro-active agency aimed at changing the local socio-economic *context* can be based on four central dimensions that are retained in the concept of economic integration adopted here. First, as to the *'world view'*, the *'discursive field'* on poverty (understanding *poverty as distinct from deprivation*), the recognition of the *structural causes* of poverty and the recognition of the *responsibility of society* (civil society and the state) on its emergence and persistence or on its mitigation and eradication, the understanding of *claims of poor people as rights* and of anti-poverty action as an *imperative of social justice and solidarity* are relevant aspects to mention here. The 'discursive field' of power also relates to how the 'non-poor' become, more, or less, responsible for the problems of poor people. That is the case of those existential problems society leads poor people to experience as *'poverty problems'*. Alternatively, it is within the 'discursive field' that poor people may, or not, develop a perception of a right to a society's response to 'poverty problems' as a dimension of citizenship.

Second, as to the institutional level, the *creation of new rights* (Minimum Income, etc.), *changes in legislation* (labour market, housing, land reform, etc.), *new formal competencies* at central and local state level, on the commitment and cooperation of institutional organizations in anti-poverty action are other aspects to mention.

Third, as to relative prices, incomes and reputation, firms can be confronted with the *social costs of collective dismissal*, the *costs of professional training* of dismissed low qualified workers or the *costs of professional training of inexperienced youngsters* seeking a first job.

Finally, as to political action, other relevant aspects to mention are: the *realization of created new rights and new legislation*, the *enlivenment and support to organizations of the civil society* aimed at the collective empowerment of poor people and counter-acting *'organizational outflanking'* of poor people and the *political commitment at central and local level to facilitate the access of poor people to resources* in the context of *both* a discursive and organizational field that can be influenced by political action in favor of poor people.

Thus, a socio-economic context can be *'made'* in order to favour the prevention of poverty and lasting changes in the poverty situation of poor people. Changes in the socio-economic context can be identified and understood as necessary in order to achieve a desired outcome. And the *'making'* of the local socio-economic context will be understood here as the result of the mobilization around a *local development* process resulting from *'intentional'* pro-active agency.

As was seen, these kinds of change require a pro-active agency aimed at anti-poverty effects. An integrated anti-poverty project for contextual change is required. The limits of a compensatory understanding of social policy require the search for new socio-economic policies. These kinds of effort have much in common with aspects of possible active and integrated spatially diversified and locally specific socio-economic policies. And this clearly requires *pro-active agency* and *institutional innovation* linking domains of action conventionally associated to *economic* policy (access to capital, financial incentives, fiscal benefits, etc.), to *social* policy (community development, income support, vocational training, etc.) and to *urban* and *regional* policy (decentralization, formal competencies of local authorities, local finances, etc.).

It seems the time is ripe to start speculating about the possibility of spatially diversified and local specific socio-economic policies, given the 'space-time' constitution of poverty. On the other hand, as poverty cannot remain an object of social policy alone, and as poverty has to be understood as a 'social problem', a *societal problem* requiring the involvement of all dimensions of public policies and societal responsibility, anti-poverty involves a remarkable challenge to contemporary societies.

In this work, the kind of contextual change enabling the 'economic integration' of poor households will be related to the *factors* contributing to *explaining* local development. A theoretical development will be required next, helping us to discuss the nature of the challenges that local development faces in contemporary conditions of '*global restructuring'* and to discuss the possibility of *intentionally* inducing local development aimed at 'economic integration' on the basis of *strategies* and *planning* activities undertaken by Municipalities and concerning 'urban distressed areas' in their localities.

# Chapter 4.  THEORETICAL DEVELOPMENT

Realist approaches seek out the *generative mechanisms* and *conditions* which produce the events we want to change, or to foster. By searching for information about the *necessary* conditions for the existence and the activation of the mechanism, and on how conditions mediate its effects, it is hoped the chances will be increased of either *removing* or *changing* the mechanism, preventing its activation, suppressing the damaging effects of its exercise or boosting its activation.

*Theoretical* claims must be combined with *empirically discovered* knowledge of contingent-related phenomena, moving from *abstract* concepts to the *concrete*. As seen above (see 2.2.), theories are examined sets of concepts which are used in making empirical observations. They make their strongest claims at the abstract level about necessary relations. Where relations between things are contingent, their form must always be an empirical question; it must be answered by observing actual cases.

By searching for lessons from experimental programmes and to  contribute to improving Municipal action in combating poverty, realist approaches may help find *'possibilities of action'* to guide the search for the 'causal powers' which could lead to  action possibilities.

Given the conceptual formulation presented above (see Chapter 3.), we recall our central problem: ***how* can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in their territorial planning for local development?**

Thus, the aim of this work is tot produce knowledge about *how* Municipalities can *act*. It attempts to contribute to a deeper understanding about how Municipalities can *interfere locally* with the structures and mechanisms underlying poverty and how Municipalities can incorporate their anti-poverty action in current territorial development planning practice.

An answer to this question would require both:

   a) the production of knowledge about the necessary conditions for the existence and activation of mechanisms leading to poverty and on how local specific conditions mediate their effects; knowledge is needed about the identification of specific

mechanisms (processes) leading to poverty, starting with the analysis of *concrete* situations of poverty *experienced* by poor households and proceeding with the *retroductive* identification of these mechanisms;

b) and the production of knowledge about the nature of 'causal powers' and the conditions for their *potential activation* to increase the chances of either removing or changing the mechanisms identified, preventing their activation or suppressing the damaging effects of their exercise; knowledge is needed about the *conditions* on which Municipalities can base the activation of their own 'causal powers' in order to either prevent the acting of mechanisms or to suppress the damaging effect of their exercise, or to foster the acting of desired mechanisms and support their desired effects.

Given the contemporary conditions of 'global restructuring', it would be necessary to produce knowledge about the specific conditions required for the existence and activation of mechanisms leading to poverty that may be related with those conditions.

In this work, the *empirical* basis of the theoretical development will be centred on the results of evaluations of experimental programmes aimed at innovation in poverty related issues. 'Revisiting' evaluation exercises centred on their outcomes will offer the empirical basis of our analysis. The possibilities of action for Municipalities will be analysed based on the results of this 'revisiting' exercise.

In other words, *substantive* knowledge will be required to clarify two aspects:

a) what is the nature of the *specificity* of contemporary change associated with 'global restructuring' and how does it relate to the *concreteness* of poverty *in* 'distressed urban areas' and with the specific challenges of Municipal anti-poverty action *for* these areas?

b) how is this relation equated at project level in the 'revisited' experimental programmes and what is the sense for *innovation* involved in the expected results?

c) in 'distressed urban areas', how can a change in the local context aimed at lasting anti-poverty effects be *conceived* and *promoted* by Municipalities on the basis of the *lessons* learned from the outcomes of these experimental programmes?

For example, if unemployment and precarious employment at local level are associated with poverty it will be important to understand whether local conditions might contribute to preventing unemployment and precariousness (stimulating innovation and competitiveness, actively promoting alternatives to unemployment, etc.) or to mitigate the effects of unemployment and precarity (actively promoting job creation, self-employment, start-ups, negotiated reintegration in the labour market in existing fast growing firms, etc.).

But the implications of choosing a realist approach must be further developed. As social science deals with systems whose spatial form is deliberately arranged to manipulate causal mechanisms (new towns, communication systems, etc.), the possibilities and problems of reproducing social forms depend on the integration of their elements in *'space-time'*. Therefore, spatial form has to be taken into account in concrete studies, if the contingencies of the concrete and the differences they make to outcomes are to be understood (Sayer, 1984, pp. 111-136). This aspect was already discussed above when discussing the space-time constitution of social phenomena (see 3.4.). The relevance of context becomes central.

That is a key aspect of our 'revisiting' of experimental programmes based on local projects. In fact, discussing possibilities for action at local level is a domain where diverse ambiguous perspectives confine. The very role of the 'local' in the context of 'global restructuring' requires some previous analysis. *'Space-time compression'* is related with changing perceptions of time and space. And the role of the *'local'* (as relevant *experiential* context) and of *'time'* (as the condition for hope and *'life projects'*) in a possibly emerging new regulation mode requires careful analysis, as will be developed below (see 4.1.3.).

In fact, capturing local dynamics at local level involves an understanding of the context-dependent concreteness of local mediations in the local-global interplay or, more precisely , in the local-national-global interplay. Changes *within* territorial units are combined with spatial (intra- and inter-national) shifts in investment (of practically all forms of capital) and a massive expansion of the radii of organizational control (Castells and Henderson, 1987, p. 2).

The concept-dependent *interpretation* of possibilities of action underlying *'intentionality'* and *'agency'* (actual acting capacity) regarding  the action of local-national social agents plays a role in the concreteness of local manifestations of global change as developed below (see 4.2.). *Human agency* plays a crucial role.

'Locality effects' can actually be identified due to locality-specific social processes, (see 4.2.4.). There are systematic processes occurring at a locality level, which mean that outcomes at the sub-national level are principally the result of those locality or regional processes rather than of how certain national phenomena are distributed sub-nationally. That is the case when local policy outcomes are the result of the specific balance of local social and political forces which cannot be read off from the distribution of national occupational classes in the area. There are sets of conditions within such localities that *in themselves* may produce a distinctive set of outcomes. Localities can be seen as distinctive entities: *'Although they are increasingly subject to structural change this does not mean that their social and cultural characteristics can be reduced to the causes of such change'* (Urry, 1985, pp. 239-240).

Therefore, a specific analysis must be made to discuss the substantive content of action. As *agency matters*, the possibility of achieving *intentionally* desired 'locality effects' is an open theoretical hypothesis. 'Global restructuring' leaves more open space than sometimes admitted. That is also what Frank Moulaert recognizes when concluding that the 'globalisation process' leaves more space for local socio-political choices and creativity than current approaches of this process suggest: "*This space is in fact strongly determined by local governance dynamics"* (Moulaert, 2000, p. 9).

*Critical understanding* about the nature of real constraints and about the nature of possibilities becomes *constitutive* of agency. Local pro-activity is becoming more problem-oriented because organized resistance against globalisation is being seen as assumed *'localisation'* (Santos, 2001, pp. 77-78). The response to the damaging effects of a *'deterritorialized'* economy cannot be other than *'reterritorialization'*, the rediscovery of the sense of place and community; this also implies the rediscovery or invention of proximity activities. Small-scale household farming, small-scale commerce, local money, local governance on the basis of participatory democracy are examples of issues being dealt with. There are several examples of how this *'reterritorialization'* is being proposed. It may be found in the promotion of local and community economies, small-scale, diversified and self-sustainable activities linked to external forces but not dependent on them.

Nevertheless the link with specific anti-poverty action is not easy to find. It requires specific development. The analysis of the *manoeuvring space* of Municipalities and the *substantive nature of possible action* deserve adequate attention especially regarding the *intentional*

achievement of local contextual change aimed at lasting anti-poverty outcomes. It is in this context that discussing *local development* and *territorial planning* deserves adequate attention (see 4.2. and 4.3.).

Theoretical contributions explaining the *transition* to 'flexible accumulation' help understand the role of the *local* in a new mode of social regulation. The possibility of observing 'locality effects' helps understand that at local level agency is important in the context-dependent concreteness of the effects of contemporary global change. But the discussion of the *substantive* nature of action to conceptualize possible action involves discussing other sources of theoretical development.

Research within this theoretical framework has been mostly oriented to the explanation of contrasting trajectories of localities. The discussion of the possible *substantive* content of action has *not* been the focus of analysis. To do this we will follow the developments of initially proposed approaches on the bases of 'endogenous' regional development strategies, community development and other contributions (see 4.2.).

These approaches will be read on the basis of the assumptions of critical realism and within diverse theoretical contributions. The links to Municipal anti-poverty action and *territorial planning* for local development will be developed afterwards (see 4.3.).

**Chapter 4** presents the theoretical development of the work. After conceptualizing anti-poverty action (see chapter 3.), it aims to contribute to a theoretically informed discussion about Municipalities' *scope for action* in combating poverty at locality level given the contemporary context of 'global restructuring'.

First, **Chapter 4.1**. aims to contribute to the clarification of the relevance of contemporary 'global restructuring' to poverty and anti-poverty action. It starts by situating theoretical contributions within the framework of restructuring theory. Restructuring theory started to gain acceptance within different scientific communities during the early 80's due to its capacity to focus on the spatial aspects of the contemporary conditions of change. It does not correspond to a single or coherent body of knowledge. Several perspectives can be developed within its framework. In this case it will be understood as a major theoretical way of inquiry specifically focusing on the contemporary conditions of change.

Restructuring theory enables the specific adoption of the approach offered by the French 'regulation school'. The contributions of regulation theory are analysed according to the need to find a theoretical explanation for the specificity of contemporary territorial dynamics and its links to global change. Radical changes in labour processes, consumer habits, in geographical and geopolitical configurations, in state powers and practices are characteristics of a deep shift in contemporary conditions.

In order to represent these shifts, the proposal of David Harvey (1989) will be adopted; first, representation will be based on the hypothesis offered by the French 'regulation school'. Contemporary change is understood as a *transition* in the *regime of accumulation* and its associated *mode of social and political regulation*. It starts with a short introduction of the elements of the French regulation theory that are useful to understand both *contemporary* political-economic transformations and to explore a *possible* role of localities in a new mode of regulation.

The chapter offers a theoretical perspective following David Harvey and his explanation of contemporary change as a new round of *'time-space compression'* in capitalist organization as a possible resolution for the contemporary problem of over-accumulation. However, it also says that the basic rules of a capitalist mode of production continue to operate as invariant shaping forces in historical-geographical development. Production for profit remains the basic organizing principle of economic life.

While accepting the language of the French 'regulation school' and proposing a way to represent contemporary 'global restructuring' as a *transition* from 'fordism' to 'flexible accumulation', Harvey recognizes difficulties in capturing the mechanisms of *causation* underlying the shift. Recalling his words (Harvey, 1989, pp. 176-177): *"But if the language of the regulation school has survived better than most, it is, I suspect, because of its rather more pragmatic orientation.There is within the regulation school, little or no attempt to provide any detailed understanding of the mechanisms and logic of transitions. This it seems to me, is a serious lack. To plug the gap requires going back to basics and dealing with the underlying logic of capitalism in general"*. Harvey continues by looking at  'flexible accumulation' not only as a form of capitalism, but explaining *transition* to 'flexible accumulation' as an attempt to cope with over-accumulation in contemporary conditions of capitalist development .

Harvey's proposal to understand socio-cultural implications of contemporary change as *'time-space compression'* are then presented as a basis for the discussion of the nature of 'impact of global restructuring on local communities' and the nature of constraining, as well as enabling, properties of structures and mechanisms when aimed at combating poverty in the context of the contemporary conditions.

In this way, linking 'regulation theory' to a theoretical explanation of the *transition* to 'flexible accumulation' as 'time-space compression', Harvey permits an analysis of local change in the context of global change and is based on a methodology which provides knowledge about the constraining, as well as enabling, properties of structures and mechanisms; thus it introduces the theoretical possibility of analysing the role of Municipalities as regulating entities with a potential contribution to anti-poverty action.

**Chapter 4.2.** develops a theory of *local development* to determine how to link knowledge to action aimed at lasting anti-poverty effects. A theoretical development is suggested which concerns the relations between 'global restructuring', local change and the nature of local conditions underlying the constitution of 'locality effects'.

Theoretical development is required with a framework that supports our understanding of the relation between the possibilities of Municipal initiative, local action and the achievement of lasting anti-poverty 'locality effects' in a *semi-peripheric* society and in a historical and geographical context of European integration and 'global restructuring'.

The *ambiguity* of the current uses of the concept of 'local development' is consensual. Apart from a general distinction between growth and development, the concept of 'local' is still often equated with *'small territorial scale'* and it is difficult to find the conceptual and theoretical tools to achieve actual integration between economic and social aspects of development. However, a clear conceptual definition and a theoretical framework are needed due their policy implications.

This is particularly important for anti-poverty action because it has no strong traditions in analysis and policy design and also because the crucial policy problem to solve is exactly the *absence* of local development. A theoretical development is proposed where the promotion of local development is understood as a response to *local underdevelopment*.

**Chapter 4.3**. analyses the specific challenges of poverty and anti-poverty oriented local development in 'distressed urban areas'. Contemporary poverty in 'distressed urban areas' is discussed as a problem of *territorial planning* Then, planning theory is revised and assessed in relation to this precise planning problem.

Different planning paradigms are revised and their potential contribution in dealing with anti-poverty action is assessed. A possibility of synthesis is proposed as a contribution to an *action-oriented* solution of the central problem of this work. The scope of analysis also attempts to contribute to resolving the dichotomy between procedural and substantive theory. In so doing, it enables an analysis of the relations between the 'crisis of the theory *of* planning and the role of theory *in* planning and proposes theoretical development aimed linking theoretical development to the challenges of anti-poverty action.

Lastly, the theoretical possibility of linking territorial planning to local development aiming at lasting anti-poverty effects will be constructed. A particular approach of planning will be proposed the central issue in defining the *substantive* content of *action* in local development aimed lasting anti-poverty effects will be presented. The chapter ends with a proposed theory of territorial planning as an '*empowering dialogue'*.

## 4.1. 'Global restructuring', the political-economic transformation of the late twentieth--century capitalism, and the *transition* to flexible accumulation

This chapter aims at clarifying the aspects of 'global restructuring' that have more direct implications for the contemporary concreteness of poverty and for the specific challenges that anti-poverty action in *'distressed urban areas'* faces.
There has been a profound change in political-economic practice since around 1972. An analysis of this is required to understand better the *contemporary* conditions regarding poverty and anti-poverty action and to situate the theoretical discussion about anti-poverty action at locality level.

Discussing action at locality level involves an understanding of the *nature* of 'global restructuring' and its implications to appreciate the *specificity* of local dynamics. Local change cannot be understood without adequate knowledge of the nature of global change and the nature of local-global interplay (Castells and Henderson 1987).

Naturally, this has relevant implications for this work in terms of linking Municipal action to local development and territorial planning for anti-poverty action. Bearing in mind the nature of the problem to be dealt with here, two key issues require specific theoretical development given that local-global interplay:

a) How to explain the nature of *local change* because the moment of anti-poverty action potentially occurs as an *intentional* interference in a process *already* taking place.

b) How to *intentionally* achieve the desired outcomes of the planning agent, how to interfere in the process which is already taking place, given the *manoeuvring space* and the 'causal powers' of particular Municipalities.

As will be seen below (see 4.1.3.), the contemporary emphasis on the *'local'* may be understood as part of a major alteration related with the changing experience of *'space'* and *'time'*. In fact, this is as an important mediating link between the dynamics of capitalism's historical geographical development and the complex process of cultural production and ideological transformation. Following David Harvey (1989, pp. vii-viii) this change is deeply bounded with the emergent ways we experience 'space' and 'time'. Harvey explores the necessary relation he believes can be identified between the rise of postmodernist cultural forms, the emergence of more flexible modes of capital accumulation, and a new round of *'time-space compression'* in the organization of capitalism. Anticipating what will be developed later (see 4.2.3.), Harvey analyses the emergent cultural forms known as postmodernism, as a shift in the structure of feeling (op. cit., p. 39), as a historical condition, *not* as a set of ideas.

We will examine below whether the local-global interplay can be analysed as the local impact of an *external* threat, or opportunity, or whether the local-global interplay must be analysed as a contemporary process of change including *both* the *spatiality* of socio-economic processes and the constitution of *place related* specificities of the very same process of global change. Analysing local change involves the analysis of the mediating *link* between local change and

global change. As defined above (see 3.4.), local specificity results from the particular ways of *building the link*, of constituting the *mediating link* (Amin and Thrift 1994).

Given that the spatiality of capital accumulation gives rise to regions constituted as *'structured coherences'* (Harvey 1985), the particular forms of constituting the mediating link must be examined carefully. Clarification of this crucial if we are to understand the nature of local geographical *boarders* and the nature of the responsibility and *'causal powers'* of *local social agents* concerning the reproduction, or transformation, of contemporary processes.

It is in the context of this reasoning that the dynamics of local change have to be investigated in order to evaluate the possibilities of intentional contextual change for *'desired outcomes'* to occur. Making the 'causal powers' of Municipalities become concrete will depend on the way *'power'* is conceived and exercised in the context of the diverse local *'fields'* (*discursive* and *organizational* fields) (see 3.1.).

This knowledge is needed in order to evaluate the nature of Municipalities' 'causal powers', understood as planning agents  to achieve a desired change; it also determines how to link knowledge to action, namely, how to link knowledge about local processes to the nature of 'causal powers' and to the ways of *achieving their activation* in particular contexts.

As will be developed below (see 4.2.), the nature of contextual change in relation to anti-poverty action can hardly be achieved on the basis of more conventional approaches to local development. The policy-problem to solve is the *non-emergence* of local initiative aimed at facing *'local disintegration'* and the *persistence* of poverty in spatially concentrated form..

Theorizing *local development* aimed at clarifying the Municipal action's scope for contextual change in *'distressed urban areas'* requires the clarification of two basic assumptions underlying this work:

a) It is assumed that contemporary restructuring processes of change require the *reinforcement* of the *nation-state* as a condition for the survival of the market as a coordinating mechanism, and that centralisation *as well as* decentralisation of state structures are critical dimensions of institutional innovation to cope with challenges in *flexible governance,* given the spatial diversity and the local specificity of the

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concreteness of poverty problems and of the possibilities of anti-poverty oriented local development.

b) It is assumed that Municipalities take *pro-active initiative* in order to *intentionally* promote local contextual change aimed at achieving lasting changes in poverty situations of poor people.

c) It is assumed that existing poverty, and potentially existing poverty (preventive action), demands the careful identification of the relations between the *concreteness* of poverty and *'local disintegration'* in the locality.

Therefore, clarifying the *'manoeuvring space'* of Municipalities involves an analysis of the specificity of the relations between 'global restructuring',  the concreteness of poverty and 'local disintegration'; also, how the substantive context of Municipal pro-active agency can be oriented to bring about local contextual change, understood as local development  aimed at lasting changes in the poverty situation of poor households.

Our analysis looks at the nature of contributions from within 'local development' theoretical contributions. Finally, we   will examine a proposal for the analysis of the local-global interplay bearing in mind the identification of theoretical perspectives for exploring action possibilities of Municipalities aimed at the promotion of anti-poverty local contextual change in *'distressed urban areas'*.

### *4.1.1. 'Global restructuring' and contemporary change: understanding the specificity of contemporary political-economic processes and 'discourses' on 'globalisation '*

Therefore, a next step in the theoretical development leads to the analysis of theoretical contributions aimed at describing and explaining current contemporary 'global restructuring' and their implications for the analysis of local change and for the analysis of the relative autonomy Municipalities (understood as planning agents) to deploy 'causal powers' with desired outcomes in terms of lasting anti-poverty effects in the poverty situation of poor people.

The *visibility* of contemporary change in the 'media' is very much influenced by news and debates about the diffusion of new information and communication technologies, the involvement of trans national corporations in world trade, 'plant–closure' by national and

foreign firms, the increasing presence of products *'made in Asia'*, the debate about the role of China in international trade, 'anti-globalisation' riots, financial instability and increasing interest rates, etc.

Before further development of this perspective, we will analyse the nature of the contemporary political-economic transformation. Restructuring can be conceived as a very complex process of change. Its material content is currently associated with the debate on the *'globalisation process'*. However, it is precisely in this context that the very expression 'globalisation process' becomes confusing.

Many authors associate the notion of *'globalisation'* with quite diverse material realities; it is used in very confusing and contradictory ways. Nevertheless, some definition is needed as a base of our analysis. The contributions of Mário Murteira will provide this definition. Mário Murteira (2003, p. 22) talks about globalisation as a *'false clear idea'* contributing to the increasing difficulty in capturing the complexity of our contemporary world. He recognizes the need to clarify the specific problems to be dealt with and the methodology to analyse them. Mário Murteira also makes clear that any attempt to approach globalisation related issues will never be independent of the *'world view'* of the epistemic subject (the personal way of approaching the process of societal change).

Furthermore, the ambiguity of how the notion of globalisation is used may not be independent from specific purposes. Due to the *strategic discourse* of particular social agents serving specific interests and to *structural discourse* underlying contemporary debates, the use of the expression 'globalisation process', or simply the use of the notion of 'globalisation', becomes a very confusing and unclear way to characterize contemporary processes. Globalisation is related with material processes but its materiality is *interwoven* with discourse. As a *political-economic process,* it concerns changes in production and technology and in the realities of trade and finance. As a *discourse,* it concerns a certain form of speech *on* the contemporary 'global restructuring' process (Novy 2000).

Many discourses about globalisation serve ideological and political purposes that do not help clarify the nature of the material processes under analysis. This *'opacity'* contributes to an acceptance of globalisation as the *dissolution* of an old order and to the widespread feeling of *powerlessness* or acceptance of globalisation as the offer of unknown *potentialities* and

perspectives for individual self-realisation (Novy, 2000, p. 1). The variety of discourses about globalisation contributes to reinforcing the 'opacity' of contemporary social processes.

As a *discursive strategy* of social agents, globalisation can be presented, for example, as radically *new* and making existing theories and practices *obsolete*, or as unjust but *unavoidable* and *without alternatives*. As a discursive structure, globalisation can be understood as a deployment in the context of which the market (understood as a reflexive institution without a dominant actor) plays the role of key institution. Agency is reduced to adaptation, the exercise of power by sovereign subjects is dissolved, and flows and networks create a relational space of linkages substituting the territory as bounded space. The power-holder as a sovereign subject is substituted by an apparent systemic necessity (*"Sachzwang"*) (Novy, 2000, p. 3-9).

But, irrespective of the perspective from which 'globalisation' is seen, different authors emphasize that its outcome is not independent of the role that critical social agents play in interpreting the nature of the process and acting upon it. In Novy's words: "*Globalisation did not happen to Brazil, it did not fall from heaven, but was implemented by social and political forces*" (op. cit., p. 14).

This means that 'globalisation' is associated to processes whose concreteness is *not independent* of the role played by the diverse social agents in reproducing, or transforming, contemporary political-economic conditions. Paradoxically, this may concern processes whose concreteness is not independent of the role played by *discursive* structures and strategies in *constituting them as globalisation related problems*. For example, this may also concern material processes whose potential to *cause* problems may also be understood as *dismissal* from state policy in order to cope with the same processes (at least attempting to avoid the problems); more specifically, when *non-promoting* institutional innovation is required to cope with the contemporary possible shifting nature of this problem.

This agency-dependent nature of the concreteness of globalisation processes can be clearly seen in the words of Joseph Stiglitz (2002, p. ix). He writes in the preface of his book: "*I have written this book because while I was at the World Bank, I saw firsthand the devastating effect that globalisation can have on developing countries, and specially the poor within those countries. I believe that globalisation – the removal of barriers to free trade and the closer*

*integration of national economies – can be a force for good and that it has the* potential *to enrich everyone in the world, particularly the poor. But I also believe that if this is to be the case, the way globalisation has been managed, including the international trade agreements that have played such a large role in removing those barriers and the policies that have been imposed on developing countries in the process of globalisation, need to be radically rethought".*

Joseph Stiglitz emphasizes this aspect at other moments. He writes (2002, p. 20): *"Globalization itself is neither good nor bad. It has the power to do enormous good, and for the countries of East Asia, who have embraced globalization under their own terms, at their own pace, it has been an enormous benefit, in spite of the setback of the 1997 crisis".* At another moment he emphasizes (op. cit., p. 214): *"The problem is not with globalization, but with how it has been managed".* This leads him to writing about changes in mind sets (op. cit., p. 216): *"The greatest challenge is not just in the institutions themselves but in mind-sets: caring about the environment, making sure the poor have a say in decisions that affect them, promoting democracy and fair trade are necessary if the potential benefits of globalization are to be achieved".* Later he stresses the role of governance (op. cit., p. 226): *"The most fundamental change that is required to make globalization work in the way that it should is a change in governance".* To stress this idea he writes elsewhere (op. cit., p. 248): *"The globalization of the economy has benefited countries that took advantage of it by seeking new markets for their exports and by welcoming foreign investment. Even so, the countries that have benefited the most have been those that took charge of their own destiny and recognized the role government can play in development rather than relying on the notion of a self-regulated market that would fix its own problems".*

Ulrich Beck (2005) develops a very similar line of thought. For him the worst risk of globalisation is its misinterpretation by the social agents involved and how acting according to this misunderstanding can make the risks more concrete. Writing about the German economic situation and the political debate in the country, Beck stresses the risk of *not* understanding adequately what 'globalisation' is about. He writes (Beck, 2005, p. 70): *"Nicht der Teufel Globalisierun, sondern das Unverständnis der Globalisierung ist das Problem".*

This idea of risk stemming from a *non*-adequate understanding of the nature of contemporary change was already stressed by David Harvey. He wrote (Harvey, 1989, p. 305): *"This should alert us to the acute political dangers that attach to the rapidity of 'time-space compression' in recent years. The transition from Fordism to flexible accumulation, such as it has been, ought to imply a transition in our mental maps, political attitudes, and political institutions. But political thinking does not necessarily undergo such easy transformations, and is in any case subject to the contradictory pressures that derive from spatial integration and differentiation. There is an omni-present danger that our mental maps will not match current realities"*.

The International Confederation of Free Trade Unions (2001, p. 9) also discusses the meaning of 'globalisation' distinguishing what may be considered as *inevitable* from what it labels as 'dogma': *"Fashioning a strategy for responsible globalisation requires an analysis which separates that which is dogma from that which is inevitable. Otherwise, globalisation is an all too convenient excuse and explanation for anti-social policies and actions which undermine progress and break down community"*. And some lines later it concludes: *"The challenge of globalisation is not to try to make it go away or to pretend it does not exist. It is to find ways to manage change and regulate and structure globalisation so that it is subject to the popular will, supports fundamental rights, and brings prosperity to as many people as possible. The global task of trade unions is to affect policy at the international level, convince governments and enterprises to assume the responsibilities of globalisation, and engage in practical, effective solidarity.*

The World Commission on the Social Dimension of Globalization (ILO 2002) also stresses an agency-related understanding of threats and opportunities of globalisation. In a chapter devoted to "The governance of globalization" (ILO, 2002, p. 11) one can read: *"We judge that the problems we have identified are not due to globalization as such but the deficiencies in its governance. Global markets have grown rapidly without the parallel development of economic and social institutions necessary for their smooth and equitable functioning. At the same time, there is concern about the unfairness of key global rules on trade and finance and their asymmetric effects on rich and poor countries"*.

Another approach to 'globalisation' with this kind of concern can be seen in the White Paper on International Development presented by the British Government to Parliament in 2000 (2000). The document stresses the word 'globalisation' in different ways and that the contested nature of the concept is part of the explanation for the confusion of so much of the public debate. And the document mentions explicitly (op. cit., p. 15): *'Managed wisely, the new wealth being created by globalisation creates the opportunity to lift millions of the world's poorest people out of their poverty. Managed badly and it could lead to their further marginalisation and impoverishment. Neither outcome is predetermined; it depends on the policy choices adopted by governments, international institutions, the private sector and civil society'.*

Nevertheless, *beyond discourse,* globalisation also concerns material processes. These processes associated to contemporary change are central to the discussion of the material possibility of creating *'manoeuvring spaces'* for anti-poverty action. However, following the approach of Andreas Novy (op. cit.), and due to the structure-agency interplay, it is clear how the concept-dependent *discursive field* becomes a powerful in the *social creation of opacity*. This kind of process may also underlie the *'social opacity'* that Jean Paul Fitoussi and Pierre Rosanvallon (1997, pp. 24-25) refer to in approaching the contemporary conditions when analysing poverty related issues.

The concept-dependent interpretation of possibilities of action behind *'intentionality'* and *agency* regarding the action of local social agents plays a role in the *concreteness* of local-national manifestations of global change. Given the above-mentioned ambiguity, the concept-dependent *discursive field* becomes a powerful *'field of forces'* because it cannot be considered independent of the social constitution of pro-active agency. It cannot be considered to be independent of the very possibility of discussing alternatives to *interpreting* and *acting* upon current material processes of change.

As seen above, the material processes associated to contemporary change are central to the discussion of the material possibility of creating *'manoeuvring spaces'* for anti-poverty action. Material processes that do *not* necessarily lead to the *dismantling* of the Nation-State. On the contrary, given the *institutional embbededness* of markets, the Nation-State is even more challenged to *reinforce its role* as a matter of collective will (Drache and Boyer 1996). The nation as a territory remains an unavoidable 'container of power'. The nation continues

being in charge of an effort to adapt the territory externally (economic stability, reliability for foreign investors, etc.) and internally (social welfare to avoid de-legitimisation of the social and economic order, etc.).

Meanwhile, the discursive structure on globalisation *denies* its relevance (Novy, 2000, p. 16). The '*loss of sovereignty*' by the nation-state and the '*uselessness*' of state policies is often presented and justified with the need to *adapt* to the 'forces' of the global market. It is particularly in this sense that globalisation is *redefining* the role of the nation-state as an effective manager of the national economy. However, as we will argue below, markets cannot survive without nation-states; they must be socially constructed by state policy and institutional innovation is required to face contemporary challenges.

Unlike the assumptions of conventional neo-classical theory, as coordinating mechanisms, markets do *not* rule everything. To be efficient, markets have to be *socially constructed* via a set of agreed or imposed rules of the game; evidence shows how state policy based on market ideology has been unsuccessful everywhere in coping with innovation and structural competitiveness and that the welfare state is of fundamental importance in maintaining social cohesion for global competitiveness.

The nation-state is the only entity capable of restoring a degree of *congruence* between the social, economic and political dimensions of reality. Nation-states matter because trans-national corporations exploit national differences for their own profit-making ends; nation-states are crucial for political movements and nation-states are needed to reduce uncertainty given that industrialists, unlike financial speculators, need stable expectations and moderate real interest rates (Boyer and Drache, 1996, pp. 1-26).

### 4.1.2. The historic-geographic constitution of the transition to 'flexible accumulation'

As already seen above, there has been a sea-change in political-economic practices since around 1972. It is a complex change which *no* social entity has chosen to bring about *intentionally* and in the context of which our human capacities as well as our organisations and institutions are being increasingly *challenged*. Understanding what is happening *while* such a complex change is occurring is a major challenge for the social sciences themselves.

It is a change whose nature has deep implications in our own lives and where our efforts to understand necessarily involve our own *"Weltanschauungen"*. Meanwhile a huge diversity of approaches in the social sciences tries to cope with contemporary change mostly polarized by the *'globalisation'* debate as introduced above. Diverse approaches made their own way. *'Post-Fordism'*, *'flexible specialisation'*, *'disorganised capitalism'* or *'flexible accumulation'* are examples of expressions that emerged with these kinds of attempts to capture the dynamics of contemporary change.

Given the nature of this work, this change requires analysis so as to understand the origin of the growing emphasis on action at locality level and in the context of which the challenges of local anti-poverty action in *'distressed urban areas'* can be adequately placed.

Beyond discourse, there is a contemporary change whose nature must be understood. As the whole debate cannot be covered, decisions had to be taken to ensure the continuity of work under way. The attempt to cover all the most relevant approaches was abandoned, to concentrate on the contributions that try to capture the nature of contemporary change in both *material* and *immaterial* aspects, thus enabling the analysis of the repercussions of their *interdependence* for the contemporary experience of poverty and for the challenges of anti-poverty action.

The *'post-Fordist'* debate was chosen given these assumptions and the previous conceptual development introduced below (see chapter 3.). It is in itself also a confrontation of diverse viewpoints. Different positions which draw on different concepts and which develop a different focus in the analysis. It is possible to identify three theories that are dominating the debate about the nature of contemporary 'post-Fordist' *transition* (Amin, 1996, pp. 6-16): the *'regulation'* approach, the *'neo-Schumpeterian'* approach and the *'flexible specialization'* approach. The work will develop from the basic assumptions of the *'regulation'* approach. But a brief presentation of the other two approaches will follow first.

The *'neo-Schumpeterian'* approach recognizes the systemic and cyclical nature of capitalist development and understands contemporary change as a change in both the *'techno-economic paradigm'* and the *'socio-institutional framework'* associated with a change of a 'long wave' or 'long cycle in capitalist development. The approach emphasizes the role of technology and technical standards in initiating, sustaining and separating individual long waves; it is a

development of approaches initiated by Kondratief in the 1920's on *'long waves'*, Schumpeter in the 1930's on the role of innovative entrepreneurs in giving birth to new technical paradigms and on the work of Freeman during the 1980's on innovation. The approach identifies a 'crisis' in the fourth Kondratief's 'long wave' and understands it as a tension between an emerging techno-economic paradigm which could renew growth and the enduring socio-institutional framework of the fourth Kondratief. The change in the institutional framework is understood to be slow as difficulties and time lags involved in changing embedded socio-cultural habits and norms require time. The approach has been criticized for being *technologically determinist* because in reality the 'socio-institutional' dimensions are perceived as subordinate to the 'techno-economic'.

The *'flexible specialization'* approach makes less attempt to identify general structural tendencies and rejects a deterministic account of historical evolution and transition. It is centred on the recognition that the two industrial paradigms have coexisted since the nineteenth century. The adoption and diffusion of a paradigm is claimed to be a matter of historical circumstances and political choice rather than of logical necessity. One paradigm gains in strength because it comes to be seen as 'best practice'. The approach is based on the identification of *two 'industrial divides'* (at the turn of the century and the present dating from the stagnation of the world economy in the early 1970's). The present one is presented as an open choice between mass production and flexible specialization given changes in the market (stagnation of demand in the course of the long recession, uncertainty of demand given the breakdown of international regulatory mechanisms such as Breton Woods, etc.) and the rise of non-specialist and highly-flexible manufacturing technologies and flexible work practices.

The contribution of the French *'regulation'* approach to the analysis of contemporary change is widely accepted among the social sciences (Aglietta 1987; Boyer 1986). It belongs to the group of three approaches which Ash Amin recognizes above to be closest to the debate. David Harvey (1989) also starts his proposal by accepting the French *'regulation'* approach and proposes that the contemporary change in political-economic practices (labour processes, consumer habits, geographical and geopolitical configurations, state powers and practices, etc.) may be understood as a *transition* from *'fordism'* to *'flexible accumulation'*.

The French *'regulation school'* accepts that production for profit remains the basic organizational principle and that the basic rules of a capitalist mode of production continue to operate as invariant shaping forces in historical-geographical development. In short, a *regime of accumulation* describes the stabilization over a long period of the allocation of the net product between consumption and accumulation. This represents some correspondence between the transformation of both the conditions of production and the conditions of reproduction of wage earners. The accumulation system depends on the coherence of the reproduction schema. The problem is to bring the behaviours of all kinds of individuals into some kind of configuration that will keep the regime of accumulation working. The regime of accumulation is materialized in the form of norms, habits, laws, regulating networks, etc., that ensure the unity of the process. The aim is the appropriate consistency of individual behaviours with the schema of reproduction. It is exactly this body of *interiorised* rules and social processes that is called the *mode of regulation.*

Therefore, given the context of ongoing *transition,* the opportunity is still open for the stabilization of a possibly new accumulation regime and its mode of social and political regulation. The *transition* to flexible accumulation regime is still an open hypothesis. The possibility of an understanding of the contemporary nature of poverty and the scope for more adequate anti-poverty action to reduce avoidable human suffering is *open* to collective action (state intervention at central or local level, social movements, political parties, etc.).

However, a further representation of that shift is needed. Explaining the ongoing contemporary change will be based on the theoretical development suggested by David Harvey (1989). He starts by analysing contemporary change following the hypothesis suggested by the French 'regulation school' according to which a *transition* in the *'accumulation regime'* and in its *'mode of social and political regulation'* is taking place. Harvey represents this change as a *transition* to a regime of *'flexible accumulation'* and its own mode of social regulation. Second, the analysis will incorporate the contribution of Harvey proposing an understanding of the transition to *'flexible accumulation'* as a new round of *'time-space compression'* in the organization of capitalism as a response to the contemporary capitalist tendency to over accumulation.

David Harvey develops his argument recognising that the approach of the French 'regulation school is poor at the *explanatory* level. Harvey attempts to go deeper in searching for *'causality'* in developing his argument on the basis of an analysis of the contemporary dynamics of

capitalism. The socio-cultural implications of contemporary political-economic change as changes in the experience of time and space (4.1.3.) and the implications of *both* for poverty and local anti-poverty action will then be analysed below (see 4.1.4.).

This approach is particularly helpful in the context of this work as it focuses our attention on the complex interrelations between *habits, political practices* and *cultural forms* that allow a capitalist system to acquire a semblance of order to function coherently at least for a certain period of time. Therefore, it provides an understanding the complex *interrelation* between the nature of *contemporary* shifting (*both* material and discursive), the persistence and emergence of poverty and the relevance of  action at *locality* level; this is *both* as an effect of changes in the *accumulation regime* (transformation of conditions of production and of conditions of reproduction, increasing unemployment and precarious employment, declining stable income, increasing market-dependency in meeting needs and state withdrawal in social welfare protection, etc.), and of changes in the *mode of social and political regulation* (entrepreneurship and self-employment, collective action and social economy, 'alternative' development, local development and Municipal development action, etc.).

But to go deeper in the analysis of the ongoing transition to a *'post-fordist'* regime requires, first, the previous remembering of key features of *'fordism'* as an accumulation regime is needed. This will be introduced below on the basis of the synthesis offered by Harvey.

**a) The constitution of Fordism**

The general implantation of Fordism was quite complex and result from the development of intense *struggles* and *tensions*. The balance of power that prevailed between organized labour, large corporation and the nation state, which formed the basis for the post-war boom, was the *outcom*e of years of struggle.

Though the symbolic date was 1914 when Henry Ford introduced the five-dollar, eight-hour day and shortly after Taylor published *'The Principles of Scientific Management'* in 1911, the general implantation of Fordism had to wait until 1945. However, the basic ideas of Ford and Taylor played a relevant role. Taylor described how labour productivity could be increased by breaking down each labour process into component motions and organized fragmented tasks according to standards of time and motion. Ford reorganized that mass production meant mass

consumption, a new system of the reproduction of labour power, a new policy of labour control and management, new aesthetics and new psychology.

Only with the New Deal and Roosevelt in the 1930's and through state intervention were the gains made that Ford believed could be achieved by corporate power, ensuring worker *compliance* and the *discipline* required by assembly-lines with his five-dollar, eight-hour day. The great depression in the 1930's and war time mobilization (large-scale planning, rationalization of the labour process, worker resistance to assembly line, capitalist fears of centralised control, etc.) together with ideological confusions and intellectual practices (rationalized state planning supported by the right and the left, authoritarian regimes seen as the guarantee of efficient modernization, utopian planning inspired by anarchism, etc.), contributed to the matring of *Fordism.*

But the spread of *Fordism* had to wait from the 1930's until the 1950's because the state of class relations was not conducive to the acceptance of a productive system based on long hours of *routinized labour*, and a new conception of how *state powers* should be conceived and deployed had to be a reaction to depression and to the near collapse of capitalism. This was only solved after 1945 and brought *Fordism* to a mature distinctive regime of accumulation, a long post-war boom that lasted until 1973.

The *defeat* of radical working-class movements, but the *recognition* of unions' collective bargaining *rights* was essential to the resolution of the effective demand problems. Unions won powers and acquired and maintained rights (collective bargaining, control over job specifications, political power over minimum wage, etc.) for adopting a collaborative stance with respect to fordist production technique and accepted corporate strategies to increase productivity.

Large corporate power was deployed to assure steady growth in investments leading to productivity, guaranteed growth and raising living standards while ensuring a stable basis for gaining profits (technological change, mass fixed capital investment, growth of managerial expertise, economies of scale, etc.).

The state strove to curb business cycles through fiscal and monetary policies. But the *forms* of state intervention varied greatly across the advanced capitalist countries, and with national governments of different ideological complexions, they achieved stable economic growth and rising living standards through welfare statism, Keynesian economic management, and control over wage relations. Fordism was very much dependent on the way the *nation's state* played a special role within the whole system of social regulation.

The international dimension of *Fordism* must also be analysed. The post-war boom was crucially dependent on a massive expansion of *world trade* and *international investment flows.* Fordism was slow to develop outside the United States before 1939. It became implanted in Europe only after 1940 as part of the war effort, through policies imposed in the occupation and through the Marshall Plan and US direct investment. The absorption of the surplus capacity in the United States became possible. The formation of global markets, the globalisation of the supply of cheaper raw materials and the creation of new activities followed (banking, insurance, services, hotels, airports, etc.).

The *hegemonic* position of the United States was crucial in military, economic and financial terms. With the Bretton Woods agreement in 1944, the dollar became the world's reserve currency and the world's economic development became more dependent on the US fiscal and monetary policy.

Signs of *discontent* were found from the beginning. They came especially from inequalities from sectors of high risk production depending on low wage and weak job security, from social movements on the part of the excluded, etc., in a context of rising expectations fed by the artificial need-creation in the production of a new kind of consumerist society. Unions also found themselves under attack from excluded minorities. The state was forced to ensure the *legitimating* of state power by an adequate social wage for all (redistribution policies, legal actions, etc.). Signs of discontent also came from the consumer and from the Third World, where active movements towards national liberation appeared to be threatening global *Fordism.*

**b) The *'transition'* to 'flexible accumulation'**

1973 is currently referred to as a reference in the process of transition to *'flexible accumulation'*. Yet, Fordism was already facing problems since the mid-1960. The *saturation* of internal markets in the USA, Europe and Japan, occurred together with the increasing *displacement* of workers from manufacturing. This leads to a *decrease in* effective demand. Declining corporate profitability and productivity after 1966 also meant *fiscal* problems in the USA that led to inflation. This contributed to *undermining* the role of the dollar as a stable international currency.

Simultaneously, *import substitution* policies in the Third World coupled with the push by *multinationals* into offshore manufacturing brought competitive fordist industrialization to new environments. International competition challenged US hegemony and the Breton Woods agreement broke down. Floating exchange rates replaced the fixed exchange rates of the post-war boom. The *'rigidities'* of Fordism (large-scale fixed capital investments, labour market, state commitment, etc.) started to undermine capital accumulation. The inflationary wave that began resulted from monetary policy being the only tool of flexible response.

OPEC's decision to raise *oil prices* and the Arab decision to embargo *oil exports* to the west in 1973 Arab-Israeli war, led to changed relative *cost of energy* inputs. This forced corporations to economize on energy use through technological and organizational change, which led to a recycling problem of surplus petro-dollars that exacerbated the instability of the world's financial markets. At the same time corporations found themselves with unusable excess capacity in conditions of intensifying competition.

This gave rise to a period of *rationalization*, *restructuring* and intensification of *labour control* (trying to bypass union power). Technological change, the search for new products, market niches and geographical dispersal to zones of easier labour control and the acceleration of 'turnover time' were seen as corporate strategies for survival.

With the late 1970's and the 1980's, a troubled period of economic *restructuring* and social and political *readjustment* started to give the *early* signs of a *transition* to a new regime of accumulation (Harvey, 1989, p. 145). Experiments in the realms of industrial organization as

well as social and political life represented the early stirrings of the passage to a new regime of accumulation and its new model of political and social regulation.

*'Flexible accumulation'* represents a confrontation with the *'rigidities'* of Fordism (long-term and large-scale fixed capital investments, labour process, labour markets and labour contracts, products and patterns of consumption, state commitments that became more serious as entitlements grew to keep legitimacy at a time with no expansion in the fiscal basis, etc.) and it is characterized by the *emergence* of new sectors of production, new ways of providing financial services, new markets, intensified rates of innovation, rapid shifts in the patterning of uneven development, time-space compression, etc.

*'Flexible accumulation'* represents enhanced *power of employers* to exert stronger pressure of labour control on a workforce weakened by unemployment, rapid destruction and reconstruction of skills, modest gains in real wage and rollback of union power. More *flexible* work regimes and labour contracts were coupled with increasing reliance on corporate part-time, temporary or sub-contracted work arrangements and service employment saw rapid growth. As a result of a new round of *'time-space compression'*, *'flexible accumulation'* is also associated with the shrinking of time horizons in private and public decision-making while satellite communication and declining transport costs have made it possible to spread these decisions over an ever wider space (Harvey, 1989, p. 147).

Apparently, more *'disorganized'* (Lash and Urry 1987), the tensions between monopolies and competition, centralization and decentralization within corporations are clearly being worked out in *new ways*. Paradoxically, capitalism is becoming even more tightly organized *through* dispersal, geographical mobility, flexible responses in labour markets, labour processes and consumer markets, accompanied by institutional, product and technological innovation. This is being achieved by means of two parallel developments: access to and control over accurate and up-to-date *information and knowledge* (instant data analysis for centralized coordination, instantaneous response to changes, access to scientific and technical know-how, organized knowledge production, control over the information flow and over the vehicles for propagation of popular taste and culture, etc.) and the complete *reorganization of the global financial system* with the emergence of enhanced powers of financial coordination (Harvey, 1989, pp. 159-160).

This kind of change is much associated with ambiguous ways of referring to *'globalisation'* *issues*. Some authors see the emergence of a truly global economy (Borja and Castells, 1997, p. 9) while others call for a more detailed interpretation of the contemporary nature of international relations (Hirst and Thompson 1996). Also the *spatiality* of 'global restructuring' has been the object of a diverse number of works trying to analyse the emerging *'New International Division of Labour'*. Herwig Palme (1989) analyses the role of space in his *"Das Neue Weltwirtschaftliche Entwicklungsmodell und die Rolle des geopraphischen Raums"*. He discusses the role of the specificity of contemporary change and identifies central dimensions of change. Shifting mechanism of location, new mechanisms of coordination within transnational corporations as well as between different sectoral commodity and product markets are examples of aspects dealt with.

The emerging *'New Development Model'* (op. cit., pp. 22-23) is characterized by a number of issues. Economic relations are redefined at a global level on the basis of a new hierarchy of dominance, new technologies in production and communication being widespread and financial internationalization increasing. Meanwhile, according to Palme, social, cultural and political processes at local level, from which the reproduction of labor depends on, see their relevance increased as concrete local processes also depend on the interaction between these spatially differentiated processes. New technologies introduce the possibility of creating new relations between technology, labor and firm organization which enlarge the variability of organizational forms given the increasing potential role of social, cultural and political conditions. The key variables of the 'New Development Model' seem to be linked to the technological, organizational and structural conditions enabling competitiveness at global level. The key agents in this process are the trans-national corporations whose action possibility at global level enables the highest rentability in involving production factors. But smaller scale production becomes increasingly dependent on these organizations and it paradoxically increases the role of economic circuits in ensuring survival to lower income social groups. Technological change and social polarization see their relevance increased and their concreteness is increasingly dependent on spatially variable local specific conditions.

Going deeper into an analysis of the diverse dimensions of contemporary transition to 'flexible accumulation' is *beyond* the scope of this work. Therefore, central *themes* around which the analysis of contemporary change will be developed have been identified. These were chosen on the basis of the above mentioned synthesis proposed by Herwig Palme bearing in mind their

potential relevance to a better understanding of the relations between the contemporary transition to 'flexible accumulation' and their implications for poverty and anti-poverty action. The authors whose contributions may be considered as examples of relevant development of each theme will be specifically mentioned.

### *International interdependence, world trade and trans-national corporations*

The dramatic expansion in world trade, the increasing weight of trans-national corporations in the world economy and the increasing dependence of the world economy on the individual globalised strategies of these corporations are central to the *transition* to 'flexible accumulation'. However, they all represent different aspects that can be simultaneously observed and often represented in less clearly as 'globalisation'. Notions like '*internationalisation*', '*trans-nationalisation*' or '*globalisation*' often emerge in a rather imprecise way, contributing to the confusion in the debate on contemporary change. The need to clarify the difference between such notions has been attempted by several authors to clarify the diversity of phenomena that can be simultaneously observed (Murteira, 2003, pp. 53-55; Murteira, 1995, pp. 59-69).

The dramatic increase in world trade and in international interdependence since the 50's and its intensification since the early 70's, the increasing economic role of trans-national corporations in the world economy and the increasing dependence of the world economy from the individual firm strategies of trans-national corporations are relevant contemporary phenomena that are *simultaneous* and *interdependent* but that require autonomous analysis.

A *"New Economic International Order"* seems to be emerging for Mário Murteira (1995, pp. 50-58). Newly industrializing countries such as India, Hong Kong, Singapore, Taiwan or South Korea entering traditional markets (textiles, electronics, etc.) and countries that earlier followed import substitution policies (Brazil, Mexico, etc.) create conditions for new economic relations at world level. Import substitution policies in many developing countries (India, Latina America, etc.) coupled with the push by trans-national companies into offshore manufacturing (South-East Asia) brought competitive fordist industrialization to new environments where social contracts with labour was either weakly enforced or non-existent (Harvey, 1989, pp. 141-165).

*Technological innovation, the 'spatiality' of 'flexible accumulation' and a 'New International Division of Labour'*

In fact, the *technological* aspects of transition to 'flexible accumulation' play a central role. Contemporary political-economic aspects are interdependent with techno-economic dimensions of change. Contemporary change can be understood as a *techno-economic* process due to the role of a technological revolution whose roots can be found in the early 50's (Borja and Castells, 1997, pp. 8-9).

Contemporary changes in the spatial organization of production are being represented as a *'New International Division of Labour'*. This aspect was the object of pioneering analysis in the early 80's, when the expression *'New International Division of Labour'* first emerged (Fröbel et al., 1986). Shifting principles of location, new mechanisms of coordination between markets or new mechanisms of coordination within trans-national corporations can be observed (Harvey, 1989, p. 165). Reorganizing production taking advantage the 'spatial functional disjunction' of productive processes (each function associated with a different plant and a possible different location) might have a world wide different location and production process would still be part of a centralized management process.

The oil crisis of the early 70's created the conditions to search for cost reduction possibilities in new technologies. This was expressed in a number of different ways. There were several theoretical development proposals with spatial implications of these *techno-economic* processes throughout the 1980's. Examples can be found in the works of Manuel Castells and Geoffrey Henderson (1987) or Allen Scott and Michael Storper (1988). Castells and Henderson analyse the opportunities created by technology for firms emphasizing 'deskilling', enabling decreasing wages, relocating to other places with lower wages or combining skilled and unskilled labour in different locations (op cit, p. 5). Allen Scott and Michael Storper emphasized a comprehensive understanding of the economic geography of contemporary capitalism.

These increasing powers of *flexibility* and *mobility* facilitated by technological innovation allowed employers to exert stronger pressure. The rise of *unemployment*, the undercutting of organized labour by location in regions *without* previous industrial traditions and the importation of the *regressive norms* and practices established in these new areas reinforced

pressure on the workers. *'Flexible accumulation'* becomes associated with high levels of structural unemployment, rapid destruction and *reconstruction of skills* and *low* increases in real wages. The labour market undergoes radical restructuring. More *flexible* regimes and labour contracts become more common (part-time, temporary, fixed term contracts, sub-contracted, etc.) and reinforce *segmentation* and *'duality'* in labour markets. This means a trend towards shrinking qualified *core* workers (adaptable, flexible, geographically mobile, etc.) and widening *periphery* workers (full-time workers with skills readily available, under skilled highly flexible workers, etc.). Within these new labour conditions, some women and minorities gained access to more privileged positions but, in general, the *vulnerability* of disadvantaged groups increased. In an apparent paradoxic, it is important to stress that in contrast to *Fordism* some of these flexible employment arrangements do not themselves create strong dissatisfaction among all the workers. It can even be experienced as mutually beneficial. However, the aggregate effect (insurance coverage, pension rights, wage levels, job security, etc.) cannot be seen as positive for the working population as a whole (Harvey, 1989, pp. 151-152).

*Speeding up* of 'turnover time' became a key possibility offered by technological innovation. Speeding up of 'turnover time' in production (automation, robots, etc.) and in new organizational forms ('just in time', etc.) can be illustrated by several examples. But the acceleration of 'turnover time' in consumption became the key to both the other dimensions. The reduction of the product's *life time* (textile and clothing, video games and computer software, etc.) became a central feature of the *transition* to 'flexible accumulation'. David Harvey writes (1989, p. 156): *"'Flexible accumulation' has been accompanied on the consumption side, therefore, by much greater attention to quick-changing fashions and the mobilization of all the artifices of need inducement and cultural transformation that this implies. The relatively stable aesthetic of Fordist modernism has given way to all the ferment, instability and fleeting qualities of a postmodernist aesthetic that celebrates difference, ephemeral, spectacle, fashion, and the commodification of cultural forms"*. Therefore, Harvey considered that the control over information flows and over the vehicles for propagation of popular taste and culture played a central role. The concentration of economic power in book publishing, in the media and the press or in distribution and advertising are examples of this need to control.

### *Organizational restructuring*

Important *shifts* in firm organization can also be identified within this phase of *transition* to 'flexible accumulation'. Vertical disintegration, subcontracting (control over the market, etc.) and new relations between the bigger corporations and networks of small and medium size firms are examples of increasingly relevant processes. *'Deregulation'* also contributed to increased monopolization after a phase of intensified competition (airlines, energy, financial services, etc.). Massive mergers and corporate diversifications can be observed almost anywhere in the world.

New forms of competition and strategic alliances emerge in quite new forms in the relations among corporations and trans-national companies. New technologies and organizational forms in production threaten traditional organization of business with bankrupting, plant closures, deindustrialization and restructuring. The managerial forms and organizational technique appropriate to fordist production (high volume, standardize, etc.) are not easy to convert to a more flexible system of production (problem solving, rapid and specialized response, adaptability of skills, etc.) (Harvey, 1989, p. 155).

Meanwhile, trans-national corporations lose not only their direct link to original national identity but it seems their *own identity* as firms starts being put in question. Interestingly, Ignacio Ramonet (1993) wrote about these phenomena in the early 1990's: *"Non seulement la nationalité de la firme se dissout dans cette folle dispersion mais aussi, parfois, sa propre personnalité"*. And he proceeds quoting Robert Reich (1993) who describes the case of the japanese firm Mazda: *"C'est le cas de l'entreprise Mazda qui, depuis 1991, produit des Ford Probe dans l'usine Mazda de Flat-Rock, dans le Michigan. Certaines de ces voitures sont exportées au Japon et vendues sous la marque Ford. Un véhicule utilitaire Mazda est fabriqué dans l'usine Ford de Louisville, Kenntucky, et ensuite vendu dans les magasins Mazda aux Etats-Unis. Nissan, pendant ce temps, conçoit un nouveau camion léger à San Diego, Californie. Les camions seront montés dans une usine Ford dans l'Ohio, avec des pièces détachées fabriquées par Nissan dans son usine du Tenessee, et ensuite commercialisés para Ford et Nissan aux Etats-Unis et au Japon. Qui est Ford ? Nissan ? Mazda ?"*

On the other hand, flexible production systems depend more on small batch production and sub-contracting in order to bypass the *'rigidities'* of Fordism: product innovation, exploitation of specialized and small-scale market niches, reduction of turnover time in production and consumption, quick changing fashions and the mobilization of need inducement and cultural transformation. This represents new systems of coordination by sub-contracting arrangements, by the formation of new production ensembles in which *agglomeration economies* have taken on increased significance, or through the integration of small business under the aegis of powerful financial or marketing organization. Innovative entrepreneurship and self-employment are stimulated (Harvey, 1989, pp. 156-157).

In fact, the *transition* to 'flexible accumulation' is also leading to the redefinition of the relations with diverse manifestations of the 'informal sector'. Vertical disintegration and subcontracting also contribute to the creation of new relations between the *formal* and *informal* sector due to more porous *borders* emerging from larger scale chains of sub-contracting. Sub-contracting opens opportunities for small business formation and permits older systems of domestic, 'artisanal', family (patriarchal) and paternalistic labour systems to revive as centrepieces of the productive system. Naturally, they contribute to the transformation of the mode of labour control and employment, undermining working class organization and transforming the objective basis for class struggle. Class consciousness not deriving from the class relations between labour and capital and moving to a complex context of interfamilial conflicts and fights from within a kinship or clan-like system of hierarchically ordered social relations. This also led to a transformed role of women in production and labour markets (Harvey, 1989, p. 153).

### *Financial globalisation*

As seen above, capitalism is becoming more tightly organized *through* dispersal, geographical mobility, flexible responses in labour markets, labour processes and consumer markets, accompanied by institutional, product and technological innovation.

The reorganization of the *global financial system* is central to this process. 'Deregulation' and financial innovation lead to the formation of a single world market for money and credit supply, a highly integrated global system co-ordinated through instantaneous *telecommunications*, *computerization* and *electronics*. The structure of the global financial

system is becoming quite complex. The boundaries between distinctive functions (banking, brokerage, financial services, etc.) become increasingly *porous* and 'paper entrepreneurialism' is of growing importance. High finance becomes formed by activities where banks borrow from other banks, insurance companies and pension funds. Industrial, merchant and landed capital become so integrated into financial operations and structures that it becomes increasingly difficult to tell where commercial and industrial interests begin and financial interests end (Harvey, 1989, pp. 159-161).

Awash with liquidity and perturbed by an indebtedness that is out of control since 1973, the world's financial system has eluded any *collective control* and inducing warnings of impending financial *disaster*. Tighter organization and imploding centralization have been achieved by the capacity for instant data analysis (essential to the centralized coordination of far-flung corporate interests) and the complete reorganization of the global financial system and the emergence of greatly enhanced powers of financial coordination. The break down of Fordism-Keynesianism meant a shift towards the empowerment of *financial capital* vis-à-vis the *nation state*. Financial capital is seen as a coordinating power and the potential for monetary and financial crisis is greater than under Fordism. The increasing powers of coordination emerged at the expense of the power of the nation's state to control capital flows and its fiscal and monetary policy. This new financial system put into place since 1972 changed the balance of forces in global capitalism. The banking and financial systems became more *autonomous* and 'flexible accumulation' seems to finance capital to be its co-ordinating power. Therefore, this means a *lower* degree of control over its own fiscal and monetary policy. It also means more potential for independent and autonomous monetary and financial *crises* (Harvey, 1989, pp. 160-165).

However, this increasing role of the financial system was actively promoted by the 'liberalisation' and 'deregulating' of national financial systems and the shift from administrated finances to a market financial regulation (Chesnais 1996). Eric Helleiner (1996) also emphasises the role of political responsibility and challenges the argument that the globalization of financial markets is *irreversible*. He emphasises that the degree and pattern of financial integration between states has been influenced not just by technological developments but *also* by those in the political realm. He stresses that if states choose *not* to reintroduce capital controls, the open financial order may be threatened by a major global

financial crisis; he sees a risk in the fact that the existing crisis-prevention strategies are also not apparent to policy-makers until it is revealed by a crisis of some kind.

The fact that liberalised finance leads to high real interest rates (Plihon 1996) and the implications of this fact to national policy-making given the logic of 'autonomous' global financial markets is analysed by Jean Paul Fitoussi (1995). He explores the implications of 'financial globalisation' on employment given the tendency towards increasing real interest rates; he analyses the way monetary authorities act. He shows how 'artificially' high real interest rates have to be fixed, thus counteracting the priority that should apparently be given to employment issues in the European context. That is what he calls the *"taboo-debate"*.

In fact, the world wide financial speculation is associated to an increasing systemic rise and leading to potential crisis (Chesnais 1996). The implications of systemic risk to the national economies are becoming a matter of generalised concern and the political responsibility at national level is also being emphasized. The role played by George Soros in trying to develop some awareness in the field is a very good example of this concern (Soros 1997; Soros 1998). In his article *'The Capitalist Threat'* (1997), George Soros introduces his argument writing: *"I made a fortune in the financial markets, I now fear that the untrammelled intensification of laissez-faire capitalism and the spread of market values into all areas of life is endangering our open and democratic society. The main enemy of the open society, I believe, is no longer the communist but the capitalist threat"*.

### *Policy challenges and the role of the State at national level*

Modalities, targets and capacities of state intervention changed significantly with 'flexible accumulation'. As David Harvey writes (1989, p. 170): *"This does not mean, however, that state interventionism has generally diminished, for in some respects – particularly regarding labour control state intervention is more crucial now than it ever was"*.

Major power shifts can be observed along with the transition to 'flexible accumulation'. Keynesian policies became inflationary as entitlements grew and fiscal capacities stagnated. Like under Fordism, redistribution should be funded out of growth, slacking growth meant trouble for the welfare state. International competition forced states to become more 'entrepreneurial' and concerned with maintaining a favourable business climate. States were

forced to become more interventionist to curb organized labour and social movements, and instability in unstable financial markets. The role of the state, as a last resort lender or operator has become more crucial. The state is in a more problematic situation. Although the mobilization and targets of state intervention, as well as the capacity for it, have changed substantially since 1972, this does not mean that state interventionism generally diminished. Regarding *labour control*, state intervention is more crucial. Yet, Keynesian practices are by no means dead (Harvey, 1989, pp. 165-170).

The nation-state is undergoing a process of *'hollowing out'*. The transition to 'flexible accumulation' is leading to the reorientation of the state's primary economic functions. The combination of the late fordist trend towards internationalization with the post-fordist stress on 'flexible accumulation' encouraged states to focus on the *supply-side* of international competitiveness and to subordinate welfare policy to the demands of *flexibility* (Jessop, 1996). The new state form corresponding to this kind of change was labelled by Bob Jessop as *'Schumpeterian workfare state'* (1996, p. 263).

The *'hollowing out'* of the national state occurs both from the need for supranational coordination and the space for sub national resurgence. Sub national resurgence has much to do with the need to bring state intervention closer to inherently localized sites of structural competitiveness in local or regional innovation systems. A stronger role is seen for regional and local states. Different from the fordist era, local states engage in other fields of public policy with an increasing emphasis on economic regeneration (from basic infrastructural provision to social and cultural policy).

A consequence of this shift towards the *regional* or *local* level is a growing variety of forms and strategies of state intervention. *Decentralization* on a territorial basis requires *coordination* from central government. On the other hand, new forms of linkages among local states emerge. Local authorities become increasingly involved in trans-local trans-national relationships. But a key role remains for the *national state* in managing the political linkages across different *territorial* scales (social conflicts, redistributive policies, etc.). As long as the *wage form* continues to be the dominant social relation in capitalism, then the there will still be a role for the *welfare state* in securing the *reproduction* of wage labour and the wage form (Jessop, 1996, pp. 273-276).

Paradoxically, in contemporary conditions, exactly as a response to 'global restructuring', the nation-state is becoming increasingly *more* relevant; the creation, or preservation, of the conditions for reproduction which link social reproduction to economic issues related to competitiveness in an open world depend on it . Only *states* can ensure adaptation to new market pressures. Institutional forms and practices make the critical difference in creating national competitive advantages. The social capability to innovate matters *more* than ever: *'The nation-state as mediating structure, makes the strategic difference between winning and losing in a highly volatile international economy. It is thus a fallacy to reduce state intervention to Keynesian fine-tuning. Modern government has to provide all the basic ingredients for competitiveness. At the top of the list are education, health, job training, research and development policies, infrastructure support, competition policy and so on, hardly a minor role for government at the end of the millennium. Yet, on both the right and the left, state policy is going in exactly the opposite direction'.* In these conditions, social cohesion can be considered to be the *institutional glue* without which the preservation of national identity is impossible. Social policy, including welfare, health and education entitlements as well as employment security, remains an exclusively *national* responsibility (Boyer and Drache, 1996, pp. 4-7).

### c) The *'transition'* to flexible accumulation and a new round of *'time-space compression'* in capitalist organization

As introduced above, the contemporary change in political-economic practices is understood by Harvey as a *transition* from 'fordism' to 'flexible accumulation'. But a further way of representing all that shifting is needed.  As David Harvey (1989, pp. 122-124) remembers, two basic areas of difficulty can always be identified within a capitalist system: markets do not guarantee stable growth without some degree of *collective action*, usually state regulation; and disciplining of labour power for purposes of capital accumulation ('labour control') requires *socialization*, it does not occur 'spontaneously'. In fact, the trajectory and form of capitalist development is affected in ways that cannot be understood simply by analysing market transactions.

The *'regulation school'* helps to look at the total package of relations and arrangements that contribute to the stabilization of output growth and aggregate distribution of income and consumption in a particular historical period and place and contribute to the concreteness of the

'accumulation regime'. On the other hand, the 'regulation school' helps to conceptualise how the problems of organizing labour power for this kind of purpose are worked out in particular places and times, and how the 'mode of social and political regulation' becomes concrete.

However, as David Harvey notices (1989, p. 179), the French 'regulation school' has clear *limits* when looking for detailed analysis of the *causes* of the ongoing 'transition'. Looking for more detailed specification about the *nature* of contemporary 'global restructuring' requires a deeper understanding. Following Harvey's proposal, *'flexible accumulation'* will be analysed as a new round of *'time-space compression'* in capitalist organization and as a 'new' way to try to solve the capitalist tendency for over accumulation. Harvey sees the crisis of Fordism as the expression of the fact that the mechanisms evolved to control crises were overwhelmed by the power of the underlying contradictions of capitalism.

Harvey's proposal enables a deeper understanding of the *causes* of the 'transition' to *'flexible accumulation'* and helps to situate the implications of contemporary 'global restructuring' to poverty and anti-poverty action more precisely. First, Harvey's proposal provides a better understanding of the political-economic causes of the transition from Fordism to *'flexible accumulation'* understood as a new round of 'time-space compression' in capitalist organization. Second, it enables an analysis of the specific *socio-cultural* implications of contemporary 'time-space compression' (see 4.1.3.). Third, the implications of 'time-space compression' for poverty and local anti-poverty action will be explored (see 4.1.4.). What follows below is a summary of Harvey's proposal of reasoning about these issues (1989, pp. 173-197).

*'Flexible accumulation'* is still a form of capitalism. Therefore a number of basic propositions hold. Capitalism is growth oriented (it is only through growth that profits can be assured and the accumulation of capital be sustained): growth in real values depends on the exploitation of living labour in production (growth is always predicated on a gap between what labour gets and what it creates and class struggle over labour control and market wage are fundamental to the trajectory of capitalism); capitalism is necessarily technologically and organizationally dynamic (organizational and technological change plays a crucial role in labour markets and labour control as well as innovation in the regulatory system given the centrality of labour control in the mode of regulation).

But these conditions are inconsistent and contradictory and the dynamics of capitalism is crisis-prone. The tendency towards *over accumulation* is engendered by these dynamics and can never be eliminated under capitalism. The question is how the trend for over accumulation can be expressed, contained, absorbed or managed. This means that decisions have to be taken. Some decisions may include choosing *devaluation* (writing down or off the value of capital equipment, the cut-rate disposal of surplus stocks of goods, the inflationary erosion of money power, etc.), *macro-economic control* (institutionalisation of some system of regulation, connecting Fordist production with a Keynesian mode of state regulation, etc.) or the absorption of over accumulation through '*temporal*' (switch of resources from meeting current needs to exploring future uses depending on the availability of credit and on the 'capacity for 'fictitious capital formation', acceleration of turnover time depending on the continuous acceleration of social turnover time, etc.), '*spatial*' (absorption of excess capital and labour in geographical expansion, production of new spaces through infrastructural investments also depending on the credit system and on 'fictitious capital formation' backed by state fiscal, monetary and military power, etc.) and '*time-space*' (lending money raised in one country to another country in order to build long-term infrastructures or to purchase capital equipment, etc.) displacements are open choices to deal with the problem.

Fordism dealt with the tendency towards over accumulation through control of devaluation (steady devaluation through planned obsolescence, etc.) and a strong system of macro-economic control (control of the pace of technological and organizational change through corporate monopoly power, etc.) which kept class struggle within limits (through collective bargaining and state intervention, etc.) and kept mass production and mass consumption in balance through state management. But it was primarily through spatial (geographical relocation, producing new spaces, etc.) and temporal (indebtedness, rescheduling debt, etc.) displacements that the Fordist regime of accumulation coped with the over accumulation problem.

However, the Fordism crisis showed those options were running out Temporal displacement led to a level of debt that meant the only possible strategy was to monetize it away (inflation reduced the real value of past debts, etc.) and turnover time could not be accelerated more without destroying the value of fixed capital assets. New geographical centres of accumulation were created that became highly competitive centres of over accumulation. Spatial competition intensified between geographically distinct Fordist regimes with the most

efficient ones (Japan, etc.) and lower labour-cost regimes driving other centres to devaluation through deindustrialization. Spatial competition intensified after 1973 as the capacity to resolve the over accumulation problem through geographical displacement ran out.

*'Flexible accumulation'* represents a way of coping with over accumulation by recombining the two basic strategies to achieve profit. Remembering the relation between *absolute* and *relative* strategies, increasing absolute surplus value (extension of the working day in relation to the wage needed) is attempted by *longer* hours and a *reduction* in the standard of living (erosion of real wage, shift of corporate capital from high-wage to low-wage regions, etc.). Increasing relative surplus value is attempted by *organizational* and *technological change* to gain *temporary profits* for innovative firms and more generalized profits as the costs of goods are *reduced*. The two strategies combine enabling both new technologies that *free surpluses of* labour power and the revival of absolute strategies for *procuring surplus* value in advanced capitalist countries.

Under the first strategy, the shift towards longer working hours coupled with an overall reduction in the standard of living (erosion of real wage, shift of corporate capital from high-wage to low-wage regions) captures one aspect of flexible capital accumulation. Under the second strategy, cutting employment and labour costs and on the other hand giving new meaning to highly skilled labour powers enabling more flexible patterns of technological innovation and market orientation captures other aspects of flexible capital accumulation. Also new production technologies and co-ordinating forms of organization permit the revival of domestic, family and paternalistic labour systems and under conditions of *'flexible accumulation'* alternative labour systems can co-exist in the same space.

*'Flexible accumulation'* emerges as a historically *new* configuration of capitalism. The *transition* from Fordism to 'flexible accumulation' is characterized by a *mix* of highly efficient Fordist production in some sectors and regions and more traditional production systems resting on 'artisanal', 'paternalistic' or 'patriarchal' labour relations with quite different mechanisms of labour control. In this context, *market coordination* (sub-contracting, etc.) expands at the expense of direct corporate planning within the system of surplus value production and appropriation. This also means a change in the nature and composition of the 'global' working class as well as the conditions for creating awareness and political action (unionization, traditional 'left politics', etc.). Gender relations see a growing complexity as

the female labour force became more widespread and the social basis for ideologies of entrepreneurship, paternalism and privatism increases.

But the financial aspects of capitalist organization and the role of credit play a central role in *'flexible accumulation'*. The concentration of power in financial institutions, the explosion of new financial instruments and markets together with the rise of highly sophisticated systems of financial coordination on a global scale are good examples of these aspects. It is through this financial system that much of the geographical and temporal flexibility of capital accumulation is being achieved.

On the other hand, if any form of stability is to occur as a 'new regime' then, it will probably be found in the realms of new rounds and forms of *temporal* and *spatial* fixes . We can expect to see re-scheduling of the third world debt repayments and the stimulation of a radical reconstitution of spatial configurations in which a diversity of systems of labour control may prevail along with new products and patterns in the international division of labour.

### 4.1.3. 'Global restructuring', 'time-space compression' and socio-cultural implications: the changing experience of' time' and 'space'

As often repeated above, there has been a sea change in political-economic practices since around 1972.  The 'human consequences' of this change have been the object of research (Bauman 1998).  But at this point of the work, the objective is to find a *point of entry* that allows the analysis of the relations between this change and the shifting attention *both* to the emergence of the *'local'* and to *agency* related issues in anti-poverty action and territorial planning for local development.

As will be discussed below, the theoretical contributions to *local development* (see 4.2.) emphasize a contemporary shift of focus to matters of *local pro-active agency*. *'Endogenous'* regional development strategies stress the shift from *material* approaches (infrastructure, capital incentives, etc.) to *immaterial* dimensions related to local initiative and organizational capacity. *'Retreat to subsistence'* stresses the role of human relations and uses value production in wealth creation. *'Locality studies'* in the context of restructuring theory emphasize the role of local social structures and local social processes in the genesis of *'locality effects'*. *'Winning'* regions stress the role of context and institutions in

entrepreneurship and innovation. *'Losing'* regions stress the role of history in 'local disintegration' and the role of agency in creating possibilities for action in contemporary conditions. *Community development* puts the focus on the change of attitudes and behaviour in its initial formulations and offers contemporary approaches to community *'centred'* approaches and *dialogic* approaches in building 'critical' awareness and collective action.

Thus, *human agency*, collective and individual *capacity of acting*, becomes one of the central focuses of theoretical concern. The search for the conditions favouring, or blocking, action, understood as departure from routine (see 3.3.), becomes the focus of realist theoretical inquiry. This means that the theoretical development cannot miss a direct and explicit approach of the cognitive, affective and emotional dimensions of human behaviour in contemporary conditions. This means that the *cultural forms* that offer the context for human action in contemporary conditions must be understood in their relations with political-economic transformations.

It is not easy to find the direct *roots* of these changes. The more flexible *motion* of capital emphasizes the new, the fleeting, the ephemeral, the fugitive, and the contingent in modern life rather than the more solid values implanted under Fordism. As collective action was made more difficult, individualism seems to be a necessary condition in the *transition*. The new systems of production were made possible by new business formation, innovation and entrepreneurship.  And, paradoxically, it is also at such times of fragmentation and economic insecurity that the desire for *stable* values leads to a renewed interest in the authority of *basic institutions* (family, religion, state, etc.). But the interpretation of the roots of such a major transition in capitalism's dominant regime of accumulation requires more careful analysis.

A step forward in the theoretical development must, therefore, specifically analyse the *material* links between the *transition* to flexible accumulation and *cultural* processes. This will be done on the basis of Harvey's contribution (Harvey, 1989). He sees the specificity of the cultural implications of this change as being deeply bounded with the emergent ways we experience *'space'* and *'tim*e'. Harvey is interested in exploring the *necessary* relation he believes can be identified between the rise of postmodernist cultural forms, the emergence of more flexible modes of capital accumulation, and a new round of *'time-space compression'* in the organization of capitalism. We will follow his line of thought in order to explore the

relations between *'time-space compression'* and poverty and local anti-poverty action. The following relies again on an extensive quote from Harvey's contribution.

Harvey analyses the emergent cultural forms known as postmodernism, as a shift in the structure of feeling, as a historical *condition*, not as a set of *ideas*. For example, as an expression of postmodernism, urban planning, urban design, and architecture are very influenced by *fiction*, *fragmentation*, *collage* and *eclecticism* as a sense of *ephemeral* and *chaos*. It represents a break with the modernist idea that planning and development should focus on large-scale, metropolitan wide, technologically rational and efficient urban plans. Postmodernism cultivates a conception of the urban fabric as necessarily *fragmented*, past forms superimposed upon each other, and a *'collage'* of current uses, many of which may be *ephemeral*.

Harvey develops his argument by analysing the social forces that produce this condition: *'If both modernity and post modernity derive their aesthetic from some kind of struggle with the fact of fragmentation, ephemeral, and chaotic flux, it is, I would suggest, very important to establish why such a fact should have been so pervasive an aspect of modern experience for so long a period of time, and why the intensity of that experience seems to have picked up so powerfully since 1970. If the only thing certain about modernity is uncertainty, then we should, surely, pay considerable attention to the social forces that produce such a condition'* (1989, p. 118). Therefore, the rise of postmodernism just reflects a shift in the way in which contemporary capitalism is working; it is just a different reaction to an unchanging modernization process. It does not reflect any fundamental change of social condition.

The *transition* from Fordism to 'flexible accumulation' is associated to relevant shifts in norms, habits, and political and cultural attitudes. The shift from the collective norms and values of the 1950's and 1960's towards competitive individualism as the central value in an entrepreneurial culture which penetrated many domains of life and was *destructive* and *ruinous* to some but was also a liberation of energy to others. It was also felt as an alternative to the orthodox bureaucracy of state control and monopolistic corporate power. It facilitated a significant *redistribution* of income to the already privileged. *Entrepreneurship* was essential for business action and urban governance, the growth of the informal sector production, labour market organization, research and development and academic, literary and artistic life (Harvey, 1989, p. 171).

Thus, Harvey recognizes that the transition to 'flexible accumulation' has relevant cultural implications and he analyses this relation via the *mediation* of spatial and temporal experience (1989, pp. vii-viii). For him, the objective is to find a *point of entry* that allows the analysis of the shifting experience of *time* and *space* in the contemporary context of *transition* (1989, p. 223). *Time* and *space* are basic categories of human existence. However, they are commonly *taken for granted*, their meanings seldom debated and are understood in the common sense (1989, p. 202).

Even at the level of common sense, many *senses* of *'time'* are currently used. Examples of dimensions of time as experienced in human life include: cyclical and repetitive motions (everyday life, seasonal rituals, birthdays, vacations, 'long waves', etc.); a sense of progress (onwards and upwards into the unknown, etc.); family time (raising children, transferring assets between generations through kinship networks, etc.); time horizon involved in taking a decision (interest rate vs. sustainable development, etc.); and the subjective experience of seconds being felt like years or pleasurable hours passing by so fast that we hardly notice. Also '*space*' knows many senses at the level of common sense. It is experienced as direction, area, shape, pattern, volume, distance, and we experience how our subjective experience can contribute to the production of mental spaces and maps.

Yet, it seems difficult to arrive at a single and objective sense of '*time*' or '*space*'. It will be assumed that multiple objective qualities which space and time can express depend on the role of human practices in their construction: *'Neither time nor space, the physicists now broadly propose, has existence (let alone meaning) before matter; the objective qualities of physical time-space cannot be understood, therefore, independently of the qualities of material processes'* (Harvey, 1989, p. 203). If neither time nor space can be defined by objective meanings independently of material processes, the concepts of time and space can only be grounded *through* the investigation of *these* processes. Objective conceptions of time and space are *created* through the material practices, which leads to the reproduction of social life.

*'Time'* and '*space*' are not neutral to social affairs, they always express some kind of class or social content, and they are both defined through the organization of social practices fundamental to *commodity production*. The relations are unstable due to the dynamics of capital accumulation and class struggle. During phases of maximal change, the spatial and temporal basis for reproduction of the social is subject to severest disruption. It is exactly at

such moments that major shifts in systems of representation, cultural forms, and philosophical sentiment occur. That is the context in which to place the opportunity of the concept of *'time-space compression'* David Harvey defines as follows (1989, p. 240): "*I mean to signal by that term processes that so revolutionalize the objective qualities of space and time that we are forced to alter, sometimes in quite radical ways, how we represent the world to ourselves. I use the word 'compression' because a strong case can be made that the history of capitalism has been characterized by speed-up in the paces of life, while so overcoming spatial barriers that the world sometimes seems to collapse inwards upon us*".

David Harvey uses this concept to suggest that since the early 70's we have been experiencing an intense phase of *'time-space compression'*. The implications of 'time-space compression' for the experience of time and space become a possible point of entry to explain the contemporary experience of poverty and the particular contemporary challenges to local anti-poverty action.

### *'Time-space compression' and the experience of time*

New organizational forms and new technologies in production leading to the *acceleration of turnover time* are accomplishing the trans*ition to flexible accumulation.* Acceleration of turnover time in *production, exchange* and *consumption* has many expressions and innumerable consequences in contemporary ways of thinking, feeling and doing. They produce the *loss* of a *sense of future*. *Volatility* and *ephemeral* destroy the sense of *continuity*, and the rapid write-off of traditional and historically acquired values (Harvey, 1989, pp. 285-291).

The acceleration of 'turnover time' in *production* is being achieved by organizational shifts related to vertical disintegration (sub-contracting, outsourcing, etc.), 'just-in-time' delivery coupled with electronic control and small-batch production, intensification of labour processes and acceleration in de-skilling and re-skilling, etc.. In *exchange*, turnover time is being accelerated by improved systems of communication and information and improved systems of distribution (packaging, inventory control, containerisation, etc.), electronic banking and plastic money, and financial services and markets. In *consumption*, turnover time is being accelerated, particularly, by the mobilization of fashion in mass markets (clothing, ornament, decoration, life-styles, recreational activities, etc.) and by the shift from consumption of goods into the

consumption of services (personal, business, educational and health services as well as entertainment, shows, events, distractions, etc.).

This general *speed-up* in turnover time has many implications on *human experience*. The accentuation of *volatility* and the *ephemeral nature* of fashions, products, production techniques, labour processes, ideas and ideologies, etc., should be stressed). In the field of commodity production the effect has been the emphasizing the values of *instantaneity* (fast food, etc.), *disposability* (cups, plates, cutlery, as well as values, life-styles, stable relationships, etc.). Individuals are being forced to cope with disposability, novelty and the perspective of *instant obsolescence* leading to the experience of *temporariness* in the structure of both public and personal value systems. The hyper stimulation leads to individuals' sensory overload with psychological responses that may range from *blocking out* sensory stimuli, *denial, myopic specialization*, reversion to images of a *lost past*, or *excessive simplification (*Harvey, 1989, pp. 285-286).

Alternatively, volatility leads to the difficulty to engage in *long-term* planning. And learning to play with volatility either stimulates being *highly adaptable* (short-term rather then long-term planning, short-term gains, etc.) or *masterminding volatility* (manipulation of taste and opinion, advertising and media images, etc.). Opposed sentiments try to ensure a reaction to ephemeral in the search for *more secure moorings* and *longer-lasting values* in a shifting world. The need to discover some kind of eternal *truth*, some sort of religious revival, the search for *authenticity* and *authority* in politics or the revival of interest in basic institutions (family, community, etc.) are examples of that search.

The way corporations attempt to *master* volatility involves actively manipulating taste and opinion by constructing new sign systems and imagery (being a fashion leader, saturating the market with images, etc.) in order to shape volatility to their ends. Advertising and media images are called on to play an increasing integrative role in cultural practices. Advertising no longer attempts to inform and promote products but manipulate desires and tastes through images that may or may not have anything to do with the product to be sold. The production of *signs*, *images* and *sign systems* becomes increasingly relevant. Images themselves become *commodified* and object of *ephemerality* and instantaneous communicability over space given the acceleration of turnover time.

But *images* are also increasingly important in corporate competition strategies ('innovation', 'respectability', 'quality', 'reliability', 'prestige', etc.) and investment in *image-building* becomes as significant as investment in new plants and machinery because the image serves to establish an *identity* in the market. This also becomes important in the *presentation of self* and is integral in the quest for individual *identity*, *self-realization* and *meaning*. The effect is a growing dependence of the self on ephemeral created images.

The *cultural production* (local entertainers, graphic designers, street and pub musicians, photographers as well as schools for teaching art, music, drama, etc.) becomes a whole industry *specialized* in the acceleration of turnover time through the production and marketing of images. It becomes a social means to '*produce*' the sense of collapsing time horizons intimately related with the acceleration of turnover time.

### *'Time-space compression' and the experience of space*

The acceleration of turnover time in the context of the transition to flexible accumulation also had deep effects in spatial adjustment contributing to the *annihilation of space* through time (satellite communications rendering communication costs invariant in respect to distance, the decrease in transport costs due to reduced air freight rates and containerisation, mass television coupled with satellite communication, etc.). Images from distant spaces may be experienced almost simultaneously, collapsing the world's space into a series of images (Harvey, 1989, p. 293-306).

But the collapse of *spatial barriers* is leading to increasing relevance of relative *locational* advantages and of the *uniqueness* of geographical circumstances, and to a central paradox in the changing role of spatiality: "*The less important the spatial barriers, the greater the sensitivity of capital to the variations of place within space, and the greater the incentive for places to be differentiated in ways attractive to capital. The result has been the production of fragmentation, insecurity, and ephemeral uneven development within a highly unified global space economy of capital flows*" (Harvey, 1989, p. 296). Flexible accumulation takes advantage of contingent geographical circumstances and reconstitutes them as structured internal elements of its own logic (geographical differentiations in the mode and strengths of labour control, variations in quantity and quality of labour power, etc.). Alternatively, capital mobility and decentralisation are used to enforce speed-up and the redefinition of skills

against union power concentrated in mass production plants. Capital mobility, de-industrialization ('against' traditional working class communities, etc.) and industrialization (new industrial ensembles, new combinations with pre-existing skills and resources, with social relations and political organizations, with different cultural patterns and social relations of immigrant populations, etc.) of regions may give rise to new patterns of spatial transformation including the increasing relevance of 'world cities'. In fact, labour control combined with the need for accurate information and speedy communications contribute to emphasizing the role of 'world cities' and the hierarchy of the global urban system.

As capital becomes more sensitive to spatially differentiated qualities (*unique* local conditions), it is increasingly possible for the social agents commanding space in these localities to *alter* them to become more attractive to mobile capital (local labour control, skill enhancement, infrastructural provision, etc.). The active *'production of places'* with special qualities becomes an increasing challenge when the attraction of capital is the aim.

The search for personal or *collective identity*, the search for secure moorings in a shifting world, can be seen as a reaction against ephemeral, collage, fragmentation in social thought that mimic the conditions of flexible accumulation (Harvey, 1989, p. 302). In a contemporary context o superimposed spatial images, *place-identity* plays a central role as everybody occupies a space of individuation (body, room, home, etc.), and how we individuate shapes identity.

Two aspects must be considered in this context. *Place-identity* plays an increasing role in *social identity* when other forms of social identity (social class, socio-professional groups, unionization, political parties, etc.) lose the weight they already had. As most social movements command place better than space, this puts an emphasis on the potential connection between place and social identity which is clear in political action (municipal socialism, working-class community, regional interest groups, localization of the fight against capital, etc.). *Place-identity* is playing an increasing role in working-class *struggle* within the overall patterning of *uneven* geographical development. On the other hand, this *place bound* identity becomes a part of the very *fragmentation* produced by the transition to flexible accumulation (Harvey, 1989, pp. 302-306).

In fact, a global strategy of *resistance* and *transformation* has to begin with the realities of 'place' and 'community', although local, action cannot remain local. As Harvey sees it (1996, p. 382): *"The problem is to discover a centralized politics that matches the increasingly centralized power of 'flexible accumulation' while remaining faithful to the grass-roots of local resistances"*. It is also in this sense that an approach to *'counter-hegemonic'* globalization based on *trans-local* organization and a 'theory of *translation'* between context-dependent values and approaches is being studied by an author such as Boaventura Sousa Santos (2003a). And it is also in this sense that a *'turn towards localization'* is being reclaimed by authors such as Edward Goldsmith and Jerry Mander (2001) in their *"case against the global economy"* or by Michael Shuman (2000) in his proposal to *'create self-reliant communities in a global age'*.

### 4.1.4. Municipalities and anti-poverty action, 'here' and 'now': implications of 'time-space compression'

Given the problem to be solved the analysis will be restricted to the potential role of Municipalities in local anti-poverty action. The specificity of contemporary conditions is being clarified and the possibilities for action will be explored. The *context-dependency* of the contemporary concreteness of poverty and the *context-dependency* of the contemporary adequacy of anti-poverty action given the *uniqueness* of circumstances requires a particular challenging understanding of the relations between *'time-space compression'* and *existential* conditions of poor people.

With local anti-poverty action in mind, the contemporary *transition* to 'flexible accumulation' raises specific challenges. It involves possibilities for points of *resistance* and *empowerment*. State restructuring and d*ecentralization* as well as political-economic and cultural concerns with the qualities of *'time'* and *'place'* create a political climate in which the policies of community, place and region can develop in new ways when *all* places share the feeling of being threatened by 'flexible accumulation'. On the other hand, there is the risk of *fragmentation* and *reification* as territorial units (places, communities, cities, regions, etc.) cannot be seen as *'things in themselves'*.

Before proceeding, we will recall the key aspects of how conceptualising anti-poverty action was introduced above (see chapter 3.). Finally, it will be possible to explore the specificity of contemporary challenges linked to 'global restructuring' understood as *transition* to 'flexible accumulation'.

**a) Reiterating basic concepts**

Chapter 3 began by stating we must systematically reformulate our sense-relations to deal with the contemporary *expansion* of poverty in Europe and the *absence*, *insufficiency* or *inadequacy* of conventional mainly deprivation-oriented anti-poverty action.

The expansion of poverty due to increasingly difficult access to money resources should not cause *other* dimensions underlying unmet basic needs to be overlooked. Precarious interpersonal relations or social isolation may make material resources useless in the prevention of serious harm (psychological disorder, etc.). Consumption oriented individual behaviour together with the inability to identify basic-needs or the inability y to identify individual and collective ways to meet intermediate needs (collective action, political struggle, etc.) may also become a form of poverty. The conceptual definitions which followed helped clarify the concepts behind these issues.

Poverty was understood (see 3.1.) as a state of *deprivation* that results from *scarcity* or *insufficiency of resources* in a *discursive-organizational context*. As resources are functional to agents' purposes, and power was defined both as access to resources and as capacity to realize specific purposes in a specific organizational-discursive relational context, *agents' purposes* become constitutive of the role played by the entities that *become* resources. That is the reason why the *exercise of power* is not independent from the process by means of which resources are 'constituted'.

Thus, as both agents' purposes and human action are *concept-dependent*, concepts play a role in the constitution of the actual possibility to exercise power. Power is exercised over resources on the basis of a *discursive-organizational* socially created context. The very relevance, sense and meaning of resources become *both* context-dependent and concept-dependent. Therefore, the materiality of resources cannot be assessed *independently* of the

purposes whose social constitution creates resources as the means required for the fulfilment of the purposes it creates.

That is why the *institutional* discourses on poverty gain a central relevance. They establish the conceptual boundaries for the actual definition of the problems felt by those in poverty (*'Wahrnehmung'*) as well as its causes. The poor find themselves caught in a web of relations which they do not control and that can produce *discourses* on poverty that define the very conceptual boundaries in the context of which their problems are *recognized*, *accepted* or *understood* as poverty.

Poverty was further discussed as *absolute* poverty. Given the anti-poverty orientation of this work, the existential dimension of poverty would have to be the focus of the conceptual debate. Anti-poverty action is also about changing poor people's lives. It was shown that, concerning the *'absolutist core'* of the notion of poverty, a concept of poverty could be defined which was built on a precise concept of *basic-need* with universal validity. It was shown that an objective concept of basic-need was possible without remaining a normative concept.

Thus, poverty could be further conceptualised as a situation of *unmet basic-needs* (ill health and lack of autonomy) which emerges as the outcome of a process by means of which *unmet intermediate needs* (food, housing, medical care, etc.) are related with *insufficiency of resources* (material or non material) in a given *discursive-organizational context*. Understood as absolute poverty, poverty can thus be defined as the inability to mobilize *material* and *non-material* means to create *synergic satisfiers* to *meet intermediate needs* and avoid ill-health and lack of autonomy. This inability is the result of the *failure* of *constituting purposeful agency* in a relational context defined by a *discursive field* marked by *hegemony* and an *organizational field* characterized by *'organizational outflanking'* of the poor.

This led to a clearer understanding that poverty *cannot* result from *low income* alone. Poverty is related to a complex *interdependency* between lack of conditions that result from *detachment* from production (lack of money, lack of productive tools for self-consumption, etc.), lack of *cognitive* skills (relevant knowledge, strategic information, etc.), fragilised *affective* conditions (isolation and rupture of interpersonal relations, lack of collective organization, etc.) and blocking *emotional* conditions (anxiety, depression, loss of identity,

etc.); this weakens  the very *possibility of hope* and the constitution of an *emancipatory project* which could articulate individual and collective interests.

Specifically for the purpose of this work, other dimensions of intermediate needs were *abstracted* and the analysis focused mainly on the role of *unemployment* and *precariousness* in the way the substantive relations (whether necessary or contingent) between *health* and *intermediate needs* such as *housing*, *medical care, professional skills*, *critical understanding* and *social relations* are constituted. The *market-dependency* of meeting needs due to society's *commodification*, and *consumption-oriented* subjective interpretation of *need* and *action*, are understood as historical constructs, thus *liable to change.*

Thus, *avoiding* poverty may require some distance from hegemonic values, attitudes and behavior as favored in capitalist societies. This is a central aspect as the relation between agency and structure establishes the *boundaries* for human action in society and as such for the *possibility* of *counter-acting* the structures and mechanisms leading to poverty. But 'critical' understanding means far more then access to formal education or professional training. Poor people are knowledgeable human agents that develop a highly skilled expertise in order to survive. The structure-agency interplay establishes the context for human action, and therefore, for the development of these 'survival strategies'.

Furthermore, given the situated character of social phenomena the *circumstances* of poverty are *unique*. 'Space-time' is constitutive of experienced poverty. The matching of intermediate needs, synergic satisfiers and resources is highly dependent on location, distance, transportation opportunities or timetables. This leads to the unique conditions that interact in shaping the *particular* forms of poverty in a given context.

Poverty in the urban context can be experienced in an exacerbated form. The combination of fully *commodified* standards of life with *spatial social segregation,* with *social isolation* and with *decreasing opportunities* for raising resources through the formal employment system contribute to continuously bringing about *new forms of vulnerability*. Higher costs of living, greater likelihood of not finding suitable accommodation and the difficulty of adopting self-provisioning strategies all contribute to the complexity involving poverty in the urban context.  Naturally, the issues involving the *spatial concentration* of poverty in *distressed urban areas'* are even more complex.

Localities were seen above as *potential communities* and as *territorial development units*. Their *material* basis is constituted by social relations (not geographic space). Pro-active agency can be linked to the animation of those social relations *creating localities.*

Given the way *meeting needs* in the context of poverty was conceptualized, 'economic integration' was defined as *action* aimed at processes of linking the *knowledge* about material conditions of unmet basic needs with the kind of *material* transformation which may contribute to anti-poverty effects ; namely, this is through widening *possibilities* for *decreasing market-dependency* in meeting intermediate needs and *broadening possibilities for income earning* activities to decrease dependency on working for a wage in the 'labor-market'.

Given the *relational* understanding of human beings, the *household* was seen as central in the *'whole economy model'* and its territorial *embeddedness* was assumed. Poverty was further understood as a *'social cost'* and as such the public resources involved in 'economic integration' were assumed to take the form of *capital* as well as secured *income*. Thus, the public expenses associated to 'economic integration' can be understood *both* as *unproductive costs* (income support, minimum-income, etc.) and as *productive investment* (access to capital, access to land, tools for agricultural production for self-consumption, etc.). Finally, the kind of lasting contextual change enabling the 'economic integration' of poor households was conceptualized as *alternative* development.

**b) Urban context and the implications of *'time-space compression'* for 'poor people's lives'**

Therefore, in any capitalist society, the possibility of *avoiding poverty* is not only dependent on income from a wage or state-dependent monetary resources. It is also highly dependent on being able to develop *'critical' awareness* and *counter-hegemonic rationality* about the role of intermediate needs and how to *conceive possibilities* to meet them (subjective interpretation of needs not only as something lacking but as a motivation for action, active involvement in use value production as an alternative to consumption oriented behavior in meeting needs, etc.).

*'Time-space' compression, poor people's needs and consumption*

The *transition* to 'flexible accumulation' reinforces a subjective interpretation of need as lack of consumption. The speeding up of 'turnover time' in production, in organizational forms and in consumption became increasingly dependent on actively promoted quick-changing fashions and the mobilization of all the artifices of need inducement and cultural transformation. The control over information flows and over the vehicles for propagation of popular taste and culture were called on to play a central role (book publishing, media and the press, distribution and advertising, arts, universities and philanthropic projects, etc.).

In contemporary capitalist societies, the *condition*s for the *avoidance* of serious harm become increasingly *market-dependent*. The satisfaction of the material basis of instrumental needs like food and water, housing or medical care, are increasingly dependent on *money*, and therefore, on employment for a wage or welfare-dependent transfers. Thus, the contemporary expansion of poverty in the capitalist world can be understood as resulting from a model of social and economic organization heavily dependent on the *commodification* of intermediate needs, on the *social production* of the *subjective interpretation* of *unwell*-being as *lack of consumption* and on the subjective interpretation of *action* aimed at satisfying unmet needs exclusively as *consumption behavior.*

Unemployment and precarious employment, increasing vulnerability of family links and decreasing income transfers and social protection provided by the state (state production of use values) combine to create the *lasting* conditions for the *structural expansion* of poverty. *Consumption oriented* subjective interpretation of needs, unmet needs and human action for the satisfaction of needs contribute to creating the structural conditions for *powerlessness*, *despair* and *revolt* among those caught in poverty.

As seen above, *avoiding* poverty may require a departure from hegemonic values, attitudes and behavior as favored in contemporary changing political-economic conditions. Given 'time-space compression' and the pressure to accelerate turnover time, a less critical understanding is favoured for the subjective interpretation of need as lack of consumption. Corporations develop their efforts to master volatility by actively manipulating taste and opinion (fashion, images, etc.) in order to shape volatility to their ends. Advertising and media images are called to play an increasing integrative role manipulating desires and tastes through images that may or may

not have anything to do with the product being sold. As was concluded above (see 4.1.3.), the production of *signs*, *images* and *sign systems* becomes increasingly relevant involving the very *presentation of self* and are an integral part of the quest for individual *identity*, *self-realization* and *meaning*. The role of the symbolic value of consumption patterns among poor people gains new relevance in this framework.

*'Time-space compression', the experience of time and the role of 'tomorrow'*

'Flexible accumulation' is closely linked to the search for accelerated 'turnover time'. It requires early *material* (fashion dependent goods and habits, etc.) as well as *immaterial* (values, knowledge, etc.) *obsolescence* in life. That is the reverse side of a 'cult' for innovation in all dimensions of life. This general *speed-up* in 'turnover time' is leading to many implications in human experience. As seen above (see 4.1.3.), the stress on *volatility* and *ephemeral aspects* of fashions, products, production techniques, labour processes, ideas and ideologies can be seen as a direct consequence of that.

In the field of commodity production the effect has been emphasizing values such as *instantaneity* (fast food, etc.), *disposability* (cups, plates, cutlery, as well as values, life-styles, stable relationships, etc.). Individuals are being forced to cope with disposability, novelty and the perspective of *instant obsolescence* leading to the experience of *temporariness* in the structure of both public and personal value systems.

The possibility of *hope* is already difficult for those caught in poverty. But the *acceleration of turnover time* in production, exchange and consumption has many expressions and innumerable consequences in contemporary ways of thinking, feeling and doing with direct implications on the human experience of '*hope*'. They produce the *loss* of a *sense of future*. *Volatility* and *ephemeral* destroy the sense of *continuity*. On the other hand, *volatility* leads to the difficulty to engage in *longer-term* planning. In fact, *'time space-compression'* has relevant implications on the experience of *time* among poor people. The future is increasingly lived as a source of *threat* and the present becomes *overvalued*. Engaging in anti-poverty action presupposes *hope* and hope becomes more difficult. Rebuilding conditions for hope requires *interpersonal* relations and the building of *confidence* for the possible emergence of hope requires *time*. Furthermore, survival cannot often wait until *tomorrow*.

*'Time-space compression', the experience of space and urban context*

'Flexible accumulation' is contributing to the increasing relevance of the 'local' due to the political-economic characteristics of the *transition*. The 'hollowing out' of the state and the emergence of the qualities of place for capital and competitiveness (see 4.1.3.) contribute to this. In addition, their socio-cultural implications in the experience of 'time' and 'space' contribute to this increasing relevance of the 'local'. This happens particularly among poor people.

*'Time space-compression'* has relevant implications on the experience of 'space' among poor people. As was seen above (see 4.1.3.), *place-bound* identity and *local* social relations play an increasingly relevant role in a fragmenting society. Non-local relations, belonging to the non-local society, is experienced as non-real or threatening specially if society is being experienced as a source of discrimination, segregation or racism in the case of immigrants, foreigners or ethnic minorities. The idea of citizenship becomes even more difficult to develop as duties are not felt to be equivalent to rights. Paradoxically, place-bound identity offers a sense of collective identity while reinforcing a sense of societal fragmentation and difficult societal identity (the feeling of *not* belonging to the wider society).

But poor people find themselves *'trapped in space'*. In contrast with the practices of affluent groups who command space through mobility and ownership, and as ownership is restricted (illegal settlements, etc.) among poor people, space can only be dominated by *continuous appropriation*. This means material and interpersonal transactions and the formation of very small scale communities. Within the community, *use values* get shred through mixes of mutual aid and predation, tight but also conflictual interpersonal social bonding in both private and public spaces. The result is intense attachment to place and an exact sense of boundaries as only the control over space is assured through active appropriation (Harvey, 1996, p. 371).

Meanwhile, urban policies are confined to the production of 'symbolic capital' (luxury goods attesting the taste and distinction of the owner), transforming urban life in an 'immense accumulation of spectacles' and entrepreneurialism in urban government restricts action possibilities to where 'public-private partnerships' are possible. In this context, increasing *polarization* and the *breakdown* of the processes that allow the poor to construct any sort of community of mutual aid entails an increase in individual anomie, alienation and all the

antagonisms that derive from there (Harvey, 1996, p. 378). It is how *'organizational outflanking'* among the poor (see 3.1.) may also be actively reinforced by the state.

*Learning* to cope and survive in the urban context on low or no income is an art which has to be learned. The growth of impoverishment leads to a weakening of some of the most powerful mechanism to cope (competition, mutual predation and mutual aid). The rise of the informal sector (illegal and legal practices), the role of entrepreneurs within the poor household communities taking advantage of the vast reserve of labour power (sweatshops, etc.) and the *commodification* of traditional mutual aid within these communities lead to the emergence of unregulated urban spaces within which such practices are combined and tolerated and which contribute to the contemporary complexity of *'urban distressed areas';* this becomes consistent with the new regime of 'flexible accumulation' (Harvey, 1996, p. 374). This process may reach the form of an actively produced 'social disaster' when *'distressed urban areas'* of this sort emerge as a result of  publicly promoted re-housing  processes spatially concentrating poor households previously living in slums and whose social relations were disorganized as a result of the very re-housing process.

### c) 'Time-space' compression and Municipal anti-poverty action

Municipalities are part of the nation-state, a nation-state which is forced by the *transition* to 'flexible accumulation' to undergo major changes. But, paradoxically, and as was seen above (see 4.1.2.) in contemporary conditions, the nation-state is becoming increasingly *more* relevant. The creation, or preservation, of the conditions for reproduction depend on its role. Reproduction will only be achieved by linking social reproduction to economic issues related to competitiveness in an open world.  Only *states* can ensure adaptation to new market pressures; institutional forms and practices make the critical difference in creating national competitive advantages. In these conditions, *social cohesion* offers the *institutional glue* without which the preservation of national identity, reproduction and competitiveness become impossible. Social policy, including welfare, health and education entitlements as well as employment security, remain an exclusively *national* responsibility.

Naturally, modalities, targets and capacities of state intervention are changing considerably with the transition to 'flexible accumulation'. The nation-state is undergoing a process of *'hollowing out'* being forced to focus on the *supply-side* of international competitiveness and

to subordinate welfare policy to the demands of *flexibility*. And this *'hollowing out'* of the national state results both from the need for *supranational* coordination and the space for *sub-national* resurgence.

With regard sub-national resurgence, a stronger role is seen for regional and local states and local states engage in other fields of public policy with an increasing emphasis on economic regeneration (from basic infrastructural provision to social and cultural policy). *Decentralization* on a territorial basis and *coordination* by the central government emerge with new forms as a key role remains for the *central state* in managing the political linkages across different *territorial* scales (social conflicts, redistributive policies, etc.).

Anti-poverty action is one of those fields of public policy that lie beyond traditional fields of intervention. Given the shortcomings of deprivation-oriented compensatory welfare policy, anti-poverty action requires both the integration of different public policies and the achievement of this integration in particular forms given the spatial diversity and the local specificity of the concrete poverty manifestations.

On the other hand, territorial integration of public policies must be linked with local contextual change aimed at lasting changes in the poverty situation of poor households. Theoretical developments on 'local development' (see 4.2.) may help to clarify the nature of the change and to identify the mechanisms from whose activation this kind of change may be brought about. Theoretical developments on 'territorial planning' (see 4.3.) may help  clarify the nature of the link between scientific knowledge and action aimed at changes in the poverty situation of poor households and to identify the substantive elements that constitute action in this field and generally referred to as 'planning tools'.


## 4.2. The local socio-economic context and local development: *towards a theory of 'local underdevelopment' for anti-poverty action*

Given the context-dependency of poverty manifestations, anti-poverty action becomes also context-dependent. As was seen above (see 3.6.), the kind of contextual change that was

conceptually explained to favour poverty prevention and lasting anti-poverty effects showed the relevance of conditions that favour:

a) a development of 'critical' *awareness* among poor people regarding the relation between their unmet basic-needs and intermediate needs, the market-dependency in meeting intermediate needs and the possibility of needs oriented action not restricted to consumption;

b) a *decreasing* market-dependency in meeting intermediate needs (public services, organizational forms within the social economy, collective and individual use value production;

c) *enlarged* opportunities of acceding to money resources either by getting a job due to new job creation or by realising the potential for entrepreneurship among poor people themselves (self-employment, micro-firms, etc.).

The kind of local change which is required will be further designated as *local development*. Research will proceed by exploring action-relevant theoretical contributions that can help to explain possibilities for making it happen. In the following chapters, the theoretical contributions to the *intentional* change of the local socio-economic context aiming at local development will be discussed.

### *'Global restructuring', 'time-space compression' and Municipal anti-poverty action*

The analysis of the implications of the contemporary context of 'global restructuring' to Municipal anti-poverty action analysed above (see 4.1.) will be shortly synthesized. In fact, the *transition* to 'flexible accumulation' is showing relevant implications for a deeper understanding of the contemporary role of Municipalities in local anti-poverty action.

First, 'time-space compression' is leading to an increasing role of the nation-state in ensuring reproduction. On the other hand, the nation-state is undergoing a process of *'hollowing out'* promoting *decentralisation* and widening responsibilities of the local state in diverse public policy domains. This opens the space for a deeper understanding of the potential role of Municipalities in anti-poverty action.

Second, 'time-space compression' is leading to the dismantling of *space barriers* and to the discovery of the *qualities of place*. This makes it easier to accept that *local* agency may *intentionally* become relevant in altering these qualities according to predefined purposes ('attraction' of mobile capital, promoting competitiveness of local firms, etc.). Therefore, agency also matters in shaping the fate of localities in ways that are more conducive to the lasting 'economic integration' of poor households.

Third, 'time-space compression' is leading to socio-cultural transformations in experiencing needs, 'time' and 'space'. This enables a deeper understanding of the *conflict* between the increasing social role of consumption and the decreasing opportunities to have access to money resources. This also enables the understanding of the increasing relevance of *short-term* solutions and the difficulty of engaging in actions based on *trust* and *hope*. Finally, this enables the understanding of the increasing relevance of *place-identity* as a privileged form of *social identity* in contemporary conditions (defensive strategies, resistance and struggle, social movements, trans-local left wing organisation, etc.). In fact, this becomes even more relevant when it involves poor households. They are *'trapped in space'* and the 'locus' of their 'survival strategies' is directly dependent on their place-identity. Therefore, counteracting *'organizational outflanking'* among poor households may well start from these forms of identity in order to *'build communities'* by means of *rebuilding* social relations. Building trans-local social relations may become also part of this perspective (Santos 2003c).

Therefore, in this chapter 4.2., the attempt will be made to contribute with an action-oriented theory of *'local underdevelopment'* in order to offer a *framework of meaning* in linking anti-poverty action to local development. Theoretical contributions will be analysed according to the need to find a theoretical framework that enables the linking of 'global restructuring' to the identification of conditions depending on which *possible* action aiming at the achievement of lasting anti-poverty *'locality effects'* might be conceived.

### European context, job creation and local development

Issues concerning *'local development'* are becoming increasingly relevant in European policy-making. Many policy domains make explicit relations with 'local development' (employment and third sector, rural and urban development, anti-poverty action, area-based tackling of long-term unemployment, etc.). This increasing attention to *local development* and action at local

level since the late 1970's, can be explained by a number of factors. At European level, and beyond the global implications of 'time-space compression', one can find the increasing attention to local development related issues being associated to a number of reasons. Examples of this may be the search for responses to the shortcomings of *compensatory* social policy in the search for social *innovation* in the organisation of social welfare; the increasing support to micro, small and medium sized firms, given their contribution to *new firm* and *new job creation* as a response to the decreasing control by the Member States over growth and the effects of macroeconomic policy in their territories, or the increasing need to foster local *pro-active* agency in regional development, given the poor results of traditional regional policy.

It is within the field of welfare policy, particularly in the field of employment issues, that this relation has received wider attention at European level. However, satisfying attempts to make explicit the content of *'local development'* are practically non-existent can hardly be found. 'Local development' is increasingly the object of explicit *discourse,* though in ways which are not always clear.

In fact, this increasing relevance of issues related with *local development* has to be understood in the context of contemporary 'global restructuring' and the nature of conceptual and theoretical influences coming from diverse origins and contexts. The understanding of the *'emergence of the local'* in this context is a pre-condition for the correct identification of *possibilities* for local development and anti-poverty action at local level (see 4.1.). Analysing this dynamic is central in order to understand the possibilities of agency at locality level in promoting local development (contextual change), shaping the context-dependency *as well as* the concept-dependency of the *local-global* mediation, within the overall increasing relevance of the 'local' as an implication of 'time-space compression'.

The interest in 'local development' was first manifested in the ERDF 'non-quota' programmes of 1979 and in a consultation programme running from 1982 to 1984 organised in conjunction with the OECD and covering about 50 local job creation projects. It was about the same time that action at local level was being boosted by the initial initiatives of OECD on *Local Employment Initiatives* and the training of *'Local Development Agents'* in the framework of the Social Fund, initiated by the European Commission. 'Local Employment Initiatives' were the object of a council resolution in 1984, where their potential to combat unemployment was recognised, and the Council revised the ERDF Regulation and introduced Article 15 aimed at promoting locally

generated development through joint financing of assistance to small and medium sized firms. From 1984 onwards, action at European level concentrated on research and action led by programmes such as LEDA, ERGO, EGLEI, TURN and ELISE. After 1988 there was some attempt of more solid action making local development one of the Structural Fund tasks ('global development grants', etc.) (CEC 1994).

In this interesting Commission Staff Paper of 1994 *'Inventory of Community Action to Support Local Development and Employment'* (CEC 1994) it is possible to read: *"Ten years on the principles of 'bottom-up' are the same. But the general European economic situation has altered making still more relevant the new approach to employment that these principles embody. On the one hand the new globalized conditions of competition, the unavoidable reform of the social security systems, the switch to a service economy, and the increasing pressure of structural unemployment are combining to accentuate the advantages of an approach by geographical area that exploits diversity. On the other hand, as with the active employment policies recommended in the white paper on 'Growth, Competitiveness and Employment', supporting local initiatives is undoubtedly an interesting option from the point of view of the cost-benefit field of budgetary resources"*.

In fact, the idea that action at local level should be an object of concern has been particularly stressed since the presentation of both the white papers on *'Growth, Competitiveness and Employment'* in 1993 and on *'European Social Policy'* in 1994. Thinking and practice have evolved toward increasing acknowledgment of the spatial effects of policies and the resulting spatial diversity and local specificity of actual policy integration.

The white paper on *'Growth, Competitiveness and Employment'* (CEC 1994) emphasized the role of the local level of action, given the context-dependency of the outcome of policies and strategies. First, local level relevance is associated with the increasing complexity of contemporary social and economic phenomena (op. cit. p.13): *'Decentralization now also reflects a radical change in the organization of our societies, which are all confronted with the growing complexity of economic and social phenomena and the legislative or regulatory framework. Hence the growing importance of the local level at which all the ingredients of political action blend together most successfully'*

Second, when approaching the problems of *competitiveness,* the importance of territorial context is emphasized. It is stated that competitive advantages are based on more qualitative factors than comparative advantages and can be influenced by corporate strategies and by public policies. In this context, factor mobility and the capacity to combine factors effectively and to organize the social consensus on sharing added value are becoming much more important than the initial factor endowment (op. cit., p. 71). The document also states that the key elements in competitiveness are no longer confined to the relative level of the direct costs of the various production factors. They include 'non-physical' ('knowledge-based') investment (the quality of education and training, the efficiency of industrial organization, the capacity to make continuous improvements in production processes, the intensity of R&D and its industrial exploitation, etc.). Hence, the document stresses *organizational capacity*, the capacity to incorporate all elements into coherent strategies, as the *key* component of a firm strategy (op. cit., p. 76).

Third, the white paper goes on to stress explicitly a *territorial* approach to the context-dependent character of competitiveness. It proposes the development of 'clusters' of competitive activities drawing on the regional diversity of the Community (op. cit., pp. 79-80): *'The proliferation within the Community of 'clusters' that combine industrial, technological, and geographical advantages may hold one of the keys to job creation. This requires the active involvement of all the actors concerned, something that can be greatly facilitated by structural measures taken at Community and national level. In this area, as in the preceding ones, the main emphasis should be on horizontal, transsectoral and multidisciplinary approach'.*

Finally, the white paper stresses the role of pro-active agency and national context-dependency in employment creation (op. cit., p.16): *'Growth is not in itself the solution to unemployment, and vigorous action is needed to create jobs. However, such action must take account of national circumstances. (...) The educational system, labour laws, work contracts, contractual negotiation systems and the social security system form the pillars of the various 'national employment environment'*

This emphasis on the role of pro-active agency is also explicitly formulated in relation to the medium term national employment programmes in the Communication from the Commission on *'Trends and Developments in Employment Systems in the European Union'* (CEC, 1995,

p.7): *'These programmes should be pursued vigorously, with particular attention to (...) encouraging local development and employment initiatives, by improving the legal, fiscal and financial environment and by generating vigorous local support'*

The dependency of employment creation by local initiative from contextual change at local level was shown by explaining the relevance of local development and employment initiatives in relation to four main aspects (*op. cit*., p. 30): *'They lend themselves to activities for reintegrating the long-term unemployed, young people with problems and underemployed women; they are geared towards providing the best means of meeting the new needs of society through new occupations; they are keeping with the aspirations of new entrepreneurs; and they are often based in the context of a local renovation or economic and social development project in a rural or urban environment'*

In line with the decisions taken by the Council of Ministers in Essen in December 1994, the Member-States were supposed to prepare *'Multiannual Employment Programmes'* and submit them to the Madrid Council of December 1995. Concerning the contribution of Local Employment Initiatives (LEI) and Small and Medium Size Enterprises (SME) to employment, the measures presented by the Member-States have already been analysed in the framework of early contributions to the preparation of the *European Employment Strategy* (CEC 1996).

It is only relevant to remember here that an understanding of local development as a specific policy domain, aiming at responding to the challenges required by the context-dependent potential contribution of LEI and SME to employment, could *already* be identified in a number of Member-States. This is seen in the case of *agreements* on employment management between governments and the national or federal associations of local authorities aiming at an active part to be played by an increasing number of local authorities, increasing their responsibility for labour-market policy and contributing to raise the level of employment (Finland, Sweden, Greece).

It is also the case of the promotion of *local pacts* (territorial agreements), using such accords as tools for the stimulus and management of local initiatives aimed at creating jobs which satisfy the unresolved needs of depressed areas, these pacts occurring in the framework of governmental efforts of establishing a new, more flexible mode of governing the labour market and on

contractual flexibility, in terms of both the procedures followed in performing jobs and the salary structure (Italy).

Support to *locally-based initiatives* could also be identified in partnership with the local community, state agencies and the social partners at local level, to stimulate economic, social and environmental development on the basis of strategic plans (enterprise creation, integrated development and urban and village renewal, local development coordination) (Ireland).

Finally, the shifting of unemployment-company relation to a *unemployment-territory* could be found, preparing integrated jobs schemes for application to pre-determined territories and groups (creation of Integrated Job Services representing all the material and human efforts applied to the battle against unemployment, involving the social partners and the local authorities; development of the Workshop Schools and Trades, a dual training experiment combining qualification and productive work) (Spain).

But before proceeding, it might be interesting to analyse the way, more recently, issues currently associated to 'local development' are being dealt with within the 'European Employment Strategy'. The awareness concerning the opportunities that exist at local level for employment, decentralisation processes in employment policy, bringing decision-makers closer to the local communities and their needs, experimenting with *'Local Development and Employment Initiatives'* (CEC 1995) (identifying potential areas for job creation based on unmet contemporary new needs), *'Territorial Employment Pacts'* (1996), *'Third System'* and the *'Local Social Capital'* pilot action (1998) (Article 6th), are the issues initially introduced (CEC 2000). This emphasis on local action is justified with the stiffer competition emerging from 'global restructuring' (*op cit.*, p. 5): *"To cope with this new situation local players are now forced to develop strategies based on their specific strengths. Changes in production systems allowed by technology have made the development of endogenous potential much easier. This trend is suitable for micro-economic development and for the formation of local production systems composed of small-sized enterprises"* (*op cit.*, p. 5). In the same Communication, the European commission also recognises the role of local context in job creation*"* (*op cit.*, p. 9): *"The competitive position of the private sector depends to a certain extent on the competitiveness of the territory, which in turn depends, inter alia, on having the human and social resources required by the new economic conditions"*. The role of local authorities is particularly emphasised, the potential contribution of the Third Sector is mentioned, the involvement of the

social partners in local partnerships is valued and the support of national authorities by decentralising and 'devolving' decision-making to local areas are stressed. Finally, the creation of 'local plans', as a form to implement integrated strategies for local employment development, is seen as a relevant contribution to the success of the European Employment Strategy.

In an annex to the text, the Communication also suggests requirements for success in local employment development. These include, among others, the 'local' dimension (where the appropriate territory for intervention should be associated to collective identity, local production systems or travel-to-work areas, etc.), the 'integrated' character of the approach (integration in a single strategy, etc.), partnership (better coordination, various institutional levels, etc.), 'bottom-up' approach (local needs, local skills, local organisations, etc.) and a supportive environment (devolution of powers from central or regional bodies, fiscal policies, etc.).

One year later, the Communication of the European Commission *'Strengthening the Local Dimension of the European Employment Strategy'* (CEC 2001) reinforced this perspective and introduced some further details concerning 'local development'. It can be read (op. cit., p. 8): *"Local development is a cross-cutting policy area. It covers not only employment, but also, among others: gender equality, social inclusion, economic development, innovation, information society. Indeed, a number of policies and initiatives taken at Community, national and sub-national levels may have a more significant impact on local employment than those specifically targeted to local development"*.

Thus, as introduced above, understanding the rise of *local development* in the European policy agenda requires an understanding of the nature of contemporary change and the nature of conceptual and theoretical influences coming from diverse origins and contexts. As seen above, clarifying the *nature* of contemporary change is central for the aim of this work, in order to identify *possibilities* for anti-poverty action and their linking to current Municipal planning activities.

However, as also introduced above and as could be seen, satisfying attempts to make explicit the content of *'local development'* can hardly be found. 'Local development' is increasingly the object of explicit *discourse,* though in ways which are not always clear. In fact, beyond action at local level, the mobilisation of local actors and the adoption of integrated strategies aiming at employment, one cannot see clearly neither which is the kind of contextual change that is

implicitly aimed at  nor which are the factors and conditions which this contextual change may depend on.

In fact, these kind of concerns could already be found in the Commission Staff Paper of 1994 *'Inventory of Community Action to Support Local Development and Employment'* (CEC 1994) already cited above. One can read at the beginning of point 2.3.: *"Despite the appreciable progress made, local development projects often still suffer from a lack of strategic and integrated vision for promoting and planning local employment and of ability to take sufficient account of a region's potential in terms of its strengths or of the diversity of regional heritage and culture. These deficiencies are aggravated by a generally marked preference for 'visible' physical investments"*.

### *International organizations and local development*

Local development is also an issue to which the OECD and the ILO are offering an increasing attention.

After stimulating experimenting with 'Local Employment Initiatives' since the late 1970's, the OECD created the programme 'Local Economic and  Employment Development' (LEED Programme) programme which went on organising and widening practice and debate in the field.[4] The creation of the 'Trento Centre for Local Development' and the creation of  the 'Forum on Partnerships and Local Governance' are examples of the relevance that is being recognized by the OECD to local development issues.

The ILO created the 'Local Employment Development' (LED)[5] programme and supported the creation of 'Local Employment Development Agencies' (LEDA) as part of the ILO campaign for *'decent work'*. Also within the programme 'Strategies and Tools Against Exclusion and Poverty' (STEP Programme) is being paid increasing attention to small scale entrepreneurship, micro-insurance organisations and local development. Within STEP, the 'Learning and Resources Centre on Social Inclusion' (CIARIS)[6] emphasises action at local level. One can read

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[4]  For further information see:  http://www.oecd.org/topic/0,2686,en_2649_34417_1_1_1_1_37457,00.html (accessed in May 12, 2006).
[5]  For further information see: http://www.ilo.org/dyn/empent/empent.portal?p_prog=L (accessed in May, 12, 2006).
[6] For further information see: http://www.ilo.org/ciaris (accessed in May 12, 2006).

at the introduction: *"Millions of people around the world live in precarious conditions, excluded from employment, education, social and health services. To combat exclusion and poverty, an important number of initiatives are being carried out at the local level"*. The author of this work is co-author of CIARIS since the year 2000 when CIARIS began and is being now coordinating *'CIARIS Portugal Agency'* (www.ciarisportugal.org). The relation between anti-poverty action at local level and local development is being particularly stressed.

### *'Intentionality', agency and local development*

There is the need to discuss *'agency'* in local development for anti-poverty action (see 3.4.) and the *'conditions for this possibility'* have to be clarified by theory. This requires discussion of the nature of the *'manoeuvring space'* for Municipal action and clarification concerning the *substantive content* of action aiming at local development for anti-poverty action. The emergence of the *'local'* and the emergence of *'agency'* in explaining possibilities for local contextual change for local development are central aspects to be dealt with.

*'Intentionality'* of agency aiming at change requires an understanding of context, of historical-geographical conditions of *'pre-existing' dynamics of change*. The *point of departure* is not static. There is always a pre-existing dynamic of change. The detailed analysis of this pre-existing dynamic of change is crucial for the analysis of the possibility of achieving a desired outcome of intentional action of the 'planning agent'. Thus, it becomes central to discuss how the *local-global* interplay is conceptualised. Local *change* cannot be explained without clarifying the nature of local-global interdependencies in contemporary conditions. Anti-poverty oriented development action at local level requires an adequate understanding of this local-global *link*. It requires careful examination of the relation between the nature of the possibilities associated with *pro-active-intentionality* and *material constraint* associated to contemporary political-economic change.

That is the reason why the role of the *'local'* in the context of contemporary political-economic changing conditions required analysis. The nature of contemporary *'transition'* and the nature of the *'emergence of the local'* in this context is a pre-condition for the correct identification of possibilities for local development and anti-poverty action at local level. As introduced above, understanding this dynamic at local level requires an understanding of the *context-dependent* and *concept-dependent* concreteness of the local-global mediation. The *concept-dependent*

interpretation of possibilities of action underlying the interpretation of local social agents (lord mayors, planners, etc.), plays a role in the concreteness of the local manifestation of global processes. They are also at the basis of the possibility of *'locality effects'* (see 4.2.5) to occur. *The need of pro-active agency* at locality level for anti-poverty action can be considered to be a response to the concreteness of experienced problems. 'Global restructuring', is *not* likely to have any automatic anti-poverty effect (Santos 2001). Pro-active agency is required. In addition, the *intentional* promotion of local contextual change for anti-poverty is not independent from the nature of the structure-agency *duality* (see 3.3.).

As they are understood as 'localities', the territorial units for Municipal action *have their material basis on social relations*. They are not confined to any form of territorial *physical* border (see 3.4.). Therefore, as *'agency matters'*, the possibility of achieving intentionally desired 'locality effects' becomes a central issue of concern and the substantive nature of action requires analysis given the concept-dependency of action.

### *'Distressed urban areas, 'urban social development' and local development*

In the introduction to the Report *'Integrating Distressed Urban Areas'* (OECD, 1998), the OECD recognises: *"The issue of distressed urban areas is one of the most intractable in the developed countries of the OECD, and if anything it has become more aggravated in the 1980's and 1990's, both in countries with strong employment growth and in those where unemployment remains high. Areas of concentrated deprivation in cities impede economic development, weaken social cohesion and engender high environment costs. No country is immune from the emergence or spread of distressed urban areas; and none can be confident that such problems can be contained"*. But as the OECD further recognises, the problem of distressed urban areas is not poverty as such. Many poor people live outside those areas and many people living in these areas are not poor. The problem of these areas is the interlocking mix of environmental, social and economic circumstances, sometimes exacerbated by public policies, that discourages investment and job creation and encourages alienation and exclusion. Finally, the OECD emphasis that policies for urban distressed areas should be conceived as part of urban policy, because the problems of these areas cannot be treated in isolation from the rest of the city.

The relevance of a Community Initiative aiming at *'revitalizing neighbourhoods in crisis'* emerged in Europe in the late 1980's. The problem of neighbourhoods in crisis was seen as growing threat to the future of large cities. It was recognised that public policies required deep revision. Away from traditional social action and highly sectoral social policies they were presented as favouring targeting specific populations and based on general, area-based policies aiming at the elimination of the causes of exclusion. *'Urban social development'* emerged as the concept which best qualifies these kind of attempts. Integrated approaches favoured by territorial concepts, partnership-based action, new forms of know how, the emergence of new professionals ('development strategists', etc.) and the involvement of local inhabitants as actors in development are some of the issues being meant. (Jacquier and Sachs, 1990, p.68).

Given the high spatial concentration of poverty and social exclusion in these areas, the initial concerns with this spreading problem arose from the dissatisfaction with both conventional urban policy (housing, accessibility, etc.) and social policy. The limits of compensatory social policy in dealing with poverty and social exclusion led some countries to experiment with active social policies. This led them to the increasing need of territorialized approaches and to reconstitute public action around localised social policies. It is how *'urban social development'* in the framework of the *"Politique de la Ville"* developed in France aimed at action in their *"banlieux"* (Behar 1995; Denieuil and Laroussi 2005).

As this kind of formulation emerged from developments within social policy, and as active social policies were increasingly forced to deal with employment issues, the interdependency between social and economic issues became increasingly relevant. But the 'economic' dimension of the needed change lay far beyond employment issues. Income-earning activities cannot be reduced to working for a wage in the formal employment system and wealth creation at household level cannot be restricted to exchange value creation. Market-dependency and use value production had to be equally incorporated (see 3.5.).

But the economic dimension of local change lies also beyond those aspects. The economic dimension of physical degradation cannot be seen as independent from the place being more or less attractive to the location of firms or housing investments. Land use issues cannot be dissociated from the overall mechanisms underlying the formation of urban rent and the social conditions for their appropriation in the whole urban agglomeration.

Their interdependency from changes in the urban context at the level of the 'distressed urban areas', as well as at the level of the whole urban agglomeration within which 'distressed urban areas' emerged, also became increasingly relevant. In fact, the lasting change in the poverty situation of poor households in these areas became increasingly dependent on economic aspects well beyond employment issues, and the change in the urban context became increasingly dependent on physical aspects beyond local degradation and functional interdependency with the whole agglomeration.

This idea of a required change in physical, social and economic dimensions of the local context of 'distressed urban areas' became increasingly clear and emerged in the Community Initiative Urban as the principle of *'territorial integration'*.

But as was seen, 'local development' understood as whole contextual change requires theoretical development. The specific nature of the *local-global* interplay in the context of *'distressed urban areas'* as *'parts'* of urban localities has to be clarified in order to discuss the nature of anti-poverty action, local development and planning in these areas. The definition of the *substantive* nature of action requires conceptual and theoretical development.

### 4.2.1. *'Endogenous' regional development policies and strategies and local development: the emergence of local initiative*

At the end of the 70's, *'endogenous'* regional development strategies started to receive more public attention within the regional development debate. Since the identification of the poor results of regional policy in the late 70's (Stöhr and Tödtling 1977; Stöhr and Tödtling 1978) several contributions emerged to reformulate the sense of regional development and policy (Friedmann and Weaver 1979; Stöhr 1981a) and to propose alternative regional development strategies and policies (Stöhr 1981b).

Relevant research in this field has been undertaken since then (Stöhr 1990). The cases of the Mondragon Cooperative Federation in Spain (Stöhr 1985; Thomas and Logan 1982), of the Irish Community Cooperatives and the experiences of the Western Scottish Island and Highland Areas (Storey 1979) and of the territorial systems of Small and Medium Sized Firms (SME's) in Italy are often cited (Camagni and Capello 1990; Garofoli 1992; Stöhr 1986a).

Literature about other European cases can also be found. That is the case of self-reliant local development in Scandinavian countries (Johannisson 1990), indigenous local development initiatives in Italy (Camagni and Capello 1990), in Germany (Hennings and Kunzmann 1990), in France (Maillat 1990), in Austria (Scheer and Zobl 1990; Baumhöfer 1982), in Spain (Barquero 1990) or in Portugal (Henriques 1990a; Reis 1992). The notion of 'endogenous potential' has been the object of specific analysis (Brugger 1984).

The specific contribution of *'endogenous'* regional development policies and strategies to local development and anti-poverty action is relevant though not always made clear and explicit. That is what will be attempted below.

**a) Evaluation of traditional regional development policies and strategies**

Evaluation results showed that traditional regional policy instruments have accentuated existing market trends but *not* attacked the basic parameters underlying spatial inequalities in living levels. The very moderate success of regional development policies seemed to have been facilitated by the relative high rates of economic growth and expansion of demand in the 50's and 60's which, due to factor bottlenecks in the highly developed and congested core regions have, via the market mechanism, created 'spill-over' of development to peripheral regions. If a reduced rate of overall economic growth and of demand expansion was assumed for the years to come, these 'spill-over effects' were assumed likely to decrease and reduce still further the effectiveness of traditional regional policy instruments (Stöhr and Tödtling, 1978, pp. 86-110). As a consequence of these conclusions, the *causes* of regional problems started to receive more detailed attention.

**b) 'Changing external conditions' and the nature of the contemporary challenges to regional policies and strategies**

'Global restructuring' started to be incorporated in the analysis closely linked to the identification of the shortcomings of current regional policy. First designated as *'changes in the international division of labour'*, they were incorporated as *'changing external conditions'* of regional policy (Stöhr 1984) and their impact on regional and local communities was explicitly formulated (Stöhr 1990).

Among these *'changing external conditions'* some were explicitly mentioned: the reduced aggregate economic growth, the increased, and at best stabilizing, cost of energy, transport and mobility, over-all reduction in the availability of public funds, disappearance of 'free' spaces in ecological, economic and political terms, increased public consciousness of energy and environmental issues, availability of new technology applicable in decentralized patterns, changes in the understanding of development, increasing pressure for local and regional participation, increased 'turbulence' of worldwide economic structural change, relatively high stability of small and medium size enterprise and the reduced 'predictability' and reduced 'manageability' of regional development with *traditional* methods (Stöhr, 1984, p. 468).

But before this, qualitative and structural changes, associated to the 'changes of the international division of labour', had already been addressed. *Qualitative* dimensions (relation between qualification of human resources and job creation, innovation content of products, etc.) and *structural* dimensions (organizational and institutional relations between firms and territories, unilateral dependency, etc.) were already taken into consideration (Stöhr and Tödtling 1982).

As a result of *'changing external conditions'* and the poor results of current regional policy, the integrated mobilization of 'endogenous' regional resources and the promotion of regional innovation became increasingly relevant issues in the search for alternative regional development strategies and policies. This aspect is even more relevant as, given the relatively high cost and risk of new product development, product innovation is only undertaken when growth and profit opportunities based on these strategies decline, because wages cannot be reduced further, or because accessible markets become fully penetrated with 'old' products. Especially product innovation will be prompted by external bottleneck situations (Stöhr, 1987b, p. 41). Stöhr saw a *potential* for innovation as a result of the very threats associated with *'changing external conditions'*.

**c) Conceptual reformulation: 'regions', 'regional problem' and 'problem-regions'**

The notion of *'region'* started to be defined in a less conventional way (Stöhr, 1981, p. 43): *'By 'region' here we mean the smallest territorial unit above the rural village where such activities (full development of a region's natural resources and human skills, initially for the satisfaction, in equal measure, of the basic needs of all strata of the regional or national*

*population and, subsequently, for developmental objectives beyond these) are still feasible, and which comprise commuting and service provision areas of acceptable internal accessibility'.*

The *'scaling down'* regarding territorial units relevant for regional development was also followed by changes in defining the *'regional problem'* and identifying *'problem-regions'*. The definition of the nature of the regional *'problem'* saw a relevant change. It started to be seen that, in a context of unfavourable external conditions, if the development of peripheral regions occurs without positive external inputs it must be assumed that their development is to a great extent endogenously determined (Stöhr, 1984, p. 475): *'In the present context this seems of particular interest for most regions, including the traditional 'centres' and old industrial areas which recently have been equally subjected to crisis situations'.*

Therefore, the understanding of a *'problem situation'* in regional development *changed*. This change was the result of the shift of focus from quantitative to qualitative, with structural disparities of development between regions and these differences started being primarily associated with spatial differences in innovation potential (Stöhr, 1987a, p. 189). Thus, the *'regional problem'* ceased to be restricted to an identifiable number of 'problem-regions'. From a problem concerning only peripheral regions, a shift enabled the possibility to enlarge the scope of 'problem situation' to include traditional 'centres' and old industrial regions suffering from the impact of changing international division of labour. Finally, this shift enabled the understanding of a 'problem situation' as potentially touching *all* regions concerning their need for innovation, flexibility and the capacity for initiative and organization.

But, accordingly, the *lack* of capacity for initiative and organization required specific attention. This lack of capacity for initiative and organization was first associated to *'regional disintegration'* (Stöhr, 1981b). Development was understood as a complex phenomenon requiring the *interaction* between natural, economic, social, and political factors and their *interrelation* through self-sustaining organizational structures. And *'regional disintegration'* was seen as the result of the *erosion of factors* and the *'disintegration' of their interaction* (Stöhr, 1984a, p.14). It was initially presented seen as an *effect* of traditional regional policy (Stöhr, 1981b, p. 222).

In later developments, Walter Stöhr suggested the analogy with AIDS. Many territorial communities affected by the effects of worldwide economic restructuring were showing *no* resistance to them (Stöhr, 1990a, p. 3): *'It is almost as though entire local and regional communities have succumbed to a societal 'acquired immune deficiency syndrome' as a result of the 'virus' of international economic restructuring'.* As if the monocentric reliance on traditional large-scale, market-driven, large-organization and central government initiated development, processes had weakened the capability of territorial communities to confront the challenges of worldwide economic restructuring by indigenous innovation and flexibility.

Following this line of reasoning, changes in the international division of labour were supposed to have put local communities into a state of *instability* (Stöhr, 1986a, p.29). How regional policy and action could contribute to putting communities in a better position to cope with the impact of changes in the international division of labour became increasingly the central focus of the analysis. Accordingly, the status of problem-regions was enlarged to cover not only 'peripheral' regions, traditional 'centres' and old industrial areas but also local communities. *All* local communities (the *totality* of local communities at national level) gradually became understood as deserving attention. *All* localities should be the object of policy in order to cope with the new challenges of *'changing external conditions'*. Therefore, local communities started being explicitly addressed concerning both regional policy (central state action) and regional action (policy measures *'from below'*).

### d) 'Selective 'self-reliance'' and regional development

Since early developments, the sense of an alternative regional policy was related with the idea of promoting *'selective spatial closure'* in the peripheral regions later reformulated as *'selective 'self-reliance''* (Stöhr, 1983, p. 125). *'Endogenous'* controlled development was not to be understood as *'closure'* or *'dissociation'*, namely, it was *not* to be understood as dissociation from national and international markets of goods. It was to be understood as *'selective 'self-reliance''* (Stöhr, 1984a, p. 25): *'Wirtschaftlich vor allem im Hinblick auf die Produktionsfaktoren Kapital und Arbeit, darüber hinaus jedoch insbesondere im Hinblick auf die Endogenisierung von Entscheidungsbefügnissen in wichtigen Bereichen wie etwa Technologiewahl und –entwicklung, Mobiliesirung regionaler Ressourcen, endogener politisch-administrativer Prozesse, regionaler kultureller identität und der Forderung und intraregionalen Vernetzung wichtiger Schlüsselfunktionen für die Entwicklung'.*

Initial formulations of *'selective spatial closure'* were supposed to occur from the *demand* side as well as from the *supply* side. The basic idea was related with the possibility that peripheral regions could increase their *capacity to control* '*backwash* effects' and '*polarization* effects' which have been identified as playing a more relevant role than the assumed *'trickling down* effects' and *'spread* effects'. The development of peripheral regions was assumed to depend on the *regional capacity* to control those negative effects. The development of specific regions was assumed to depend more on the *initiative and organizational capacity* of the region in controlling its own resources than on the effects of processes of 'spatial diffusion' of development impulses of available theoretical assumptions.

Examples of measures of 'selective spatial closure' from the *supply side* (regional resources) and from the *demand side* (guidance of regional preference patterns) were presented. 'Selective spatial closure' from the demand side is based on the fact that regionally *differentiated* preference patterns increases the competitive position of peripheral, less developed, or small regions and contributes non-material needs as regional identity. Given a different weighting of *non-material* objectives, these are promoted by a higher degree of regional closure given the *contextual dependence* of *small-scale* human relations.  Finally, the regional *decentralisation* of the administrative and decision-making system is a condition for the articulation of differentiated preference patterns, as well as a high degree of *intra-regional* interaction and communications and transport integration. 'Selective spatial closure' from the supply side may include dimensions such as a *biased increase of accessibility* for less developed areas, or a *compensation* for spatially differentiated external and potential scale economies (subsidies, negative income tax, etc.).

*'Selective spatial closure'* or *'selective regional closure'* (Stöhr and Tödtling 1977; Stöhr and Tödtling 1978; Friedmann and Weaver 1979) were the ways proposed to achieve this aim. They would be associated to a range of alternative criteria to the mobilization of regional resources. Policies were suggested which would favour the channelling of today's widely uncontrolled economic, social and political 'backwash effects' to facilitate greater spatial equity of living conditions as defined above (Stöhr and Tödtling, 1977, p. 47).

As 'spatial equity' is understood as *equality in options* of group development and human self-realization, it is not only about spatial equality of living levels. Criteria such as the *right* of individuals and small groups to *determine* their immediate natural and human environment

and to exert adequate *control* on the influence of external economic, technological, cultural and other factors, which affect their well-being, are included, besides criteria such as regional product, regional income or regional employment. So, *equity* is considered not only in terms of *equal socio-economic levels* but also in terms of *equal chances* of individuals and groups for diversity and for being different. Given a *diversity* of individual (and group) aspirations and dispositions, this is the only way of facilitating opportunities for a maximum degree of human self-realization (Matzner, 1976, cited in Stöhr and Tödtling, 1977, p. 34).

In order to reach these opportunities changes have to occur (Stöhr and Tödtling, 1977, p. 35): *'Therefore, satisfactory solutions of existing problems at intermediate and small social scales will only be possible if, along with the presently dominating strategies for system-wide spatial integration (and regional openness), explicit instruments for selective spatial closure at various levels are applied. Essentially this would imply devolving some of the decision-making powers which have become vested in functionally organized (vertical) units back to territorially organized (horizontal) units at different spatial scales'.*

Measures of *'selective spatial closure'*, already been taken in some countries, are presented as examples of policy possibilities aiming at changing the parameters underlying the above-mentioned 'leakages' of developmental effects. Pre-conditions were introduced such as the broadening of explicit *spatial development* policies beyond economic to a more explicit consideration of social and political processes, the reformulation of *distance friction* from a negative concept to a positive one for the structuring of a spatially desegregated interaction and decision system, greater attention to be paid to *non-market* and *non-institution* based activities and to the requirements of *small-scale human* and *man-environment* relations, a shift of decision-making powers from functional to *territorial units* at various levels (Stöhr and Tödtling, 1977, p. 47-50).

If *development* is understood as a multi-dimensional process, the interrelation between economic, socio-cultural, and political-administrative variables is of central relevance. If, as it seems, the world will be characterized by rapid and possibly *accelerating systems change*, local communities must be characterized as open subsystems that by *innovation* and *adaptation* will need to optimise their performance in this context (Stöhr, 1982a, p. 9). In addition, systems analysis shows that the direct interaction between economic, socio-cultural, political-administrative and ecological variables at major territorial scales (local, regional,

national, etc.) is an important prerequisite for the *self-regulating* capability of communities, via negative feedback effects, as regards their innovative and adaptive capacity towards changing external conditions (Stöhr, 1982b, p. 4). If feedback mechanisms between these different dimensions of development are disturbed it may cause that the system 'flips out' (over- or under-employment of resources, irreversible pollution, radical political conditions, escalating poverty, escalating agglomeration tendencies or cumulative processes as a result of a lack of negative feedback effects (Stöhr, 1982a, p. 10).

Therefore, *territorially integrated development* is the equivalent to the idea that open spatial systems (local, regional, national communities) need internal interaction networks which facilitate closed-loop feedbacks at each scale in order to remain innovative and adaptive (Stöhr, 1982a, p. 11). The crucial importance of the *local community* derives from the fact that the direct feed-back effects between environmental, social, economic, and political factors at this level represent vital *regulatory* and *innovative* elements for overall development (Stöhr, 1982a, p. 9): *'This refers to the functioning of self-sustaining control mechanisms against over-exploitation and pollution of environmental resources, against escalating disparities in access to economic or socio-political power, etc. These self-sustaining territorially organized control mechanisms cannot be effectively replaced by large-scale functional control mechanisms'.*

**e) Regional innovation and the integrated mobilization of endogenous regional resources**

*Innovation* gradually became a central issue in regional policy and the intra-regional conditions facilitating innovation started to receive explicit attention. *Innovation* was seen as a complex phenomenon requiring technological, institutional, and social change, and which can take place in peripheral areas or structurally weak areas as well as in core regions. It *cannot* be expected to occur as an automatic outcome of single factors to promote innovation and to become a self-sustaining process. It requires specific *intra-regional synergetic* processes and structures (Stöhr 1986).

That is the reason why the *context-dependency* of innovation possibilities in regions became a central object of analysis. It was seen that s*ustained technological* and *societal innovation* are more dependent on *intra-regional* characteristics like availability and interrelation of specific functions than on extra-regional characteristics such as worldwide accessibility. Innovation is

not dependent on worldwide *accessibility*, but knowledge-creating and transmitting activities are dependent on the intra-regional accessibility of related activities. Important intra-regional relations in this perspective are those between training and research, technological development, consulting and advisory services, financing, and production activities as well as between regional economic activities, regional decision-making processes and broad representative participatory structures in the context of a territorial identity (Stöhr, 1987c, p. 176).

When the disruption of such synergetic interaction can be observed, namely, as a consequence of spatial functional specialization, the *(re)creation* of these regional synergetic interaction structures seems to be a needed prerequisite for innovation. That is the case of components of regional networks of synergetic interaction such as educational and training institutions, R&D, technological and management consulting, risk financing, production, and locally rooted decision-making functions (Stöhr, 1986a, p. 42).

Given the *systemic* character of 'new' technologies, the success of technological innovation depends largely on whether the required technological, organizational and social transformations can actually take place in the *entire system* of economic and human activities (Stöhr, 1988a, p. 205). That may be the case of the Japanese Technopolis concept according to which specific characteristics of the Japanese society have to be kept in mind. That is the case of openness to technological change and experimentation, willingness of individuals to work together, preparedness of the Japanese to subordinate to new national or group objectives, strong social relations 'within' local areas, decentralized university system, etc.. Without preconditions such as those identified above for Japan, single measures (increased allocation of resources to R&D, an increase in the number of university graduates, the decentralized location of technology and science parks, substantial public incentives for technological innovation) may hardly have any spatial innovation effect (Kwashima and Stöhr, 1988, p. 439).

Having the above-mentioned Japanese context in mind, the evaluation of the Japanese Technopolis policy showed a very positive record of Technopolis development concerning high-tech development also in peripheral Prefectures, of upgrading productivity there, and of reducing, and in part inverting, the initially existing interregional disparities in technology-based economic development (Stöhr and Pönighaus, 1991, p. 16).

Away from an assumption of additivity of universally discrete factors, it was shown that innovation seems to be created by the *mutual*, and occasionally quite *unique*, interaction (synergy) of various factors such as availability of universities, public research institutes, venture capital, a highly skilled labour force, urban facilities, a diversified urban base, a high entrepreneurial density, consulting and information services and rapid transport facilities, and other factors within rather different local or regional environments (Stöhr, 1986a, p. 30).

Therefore, *not* only the presence of specific agents and institutions within a region, but also their mutual *dynamic interaction*, is a prerequisite for optimising regional creativity and innovation under conditions of structural instability. That is the sense of the concept of *'synergism'* in regional development (Stöhr, 1986a, p. 34). This is also related to the sense of 'integrated regional development' (Stöhr, 1981b), and with the suggestion that the likelihood of local innovation is related to the intensity of interaction and information exchange (Friedmann 1972, cited in Stöhr, 1986a, p. 34). As innovation was understood above as a complex phenomenon, the notion of *'regional innovation complexes'* was then proposed to emphasize this complex character of innovation as well as of the societal conditions that favour it (Stöhr, 1986). Therefore, innovation (product innovation, process innovation, etc.) *can* emerge on a sustained basis in central and semi-peripheral *as well as* in peripheral regions.

**f) Towards a theory of development 'from below'**

*'Changing external conditions'* at world level created conditions for regional flexibility and increasing innovation, adaptation and structural adjustment. As it is difficult to increase the magnitude of public funds in the case of reduced economic growth one has to admit that interregional leakages may increase, at least at the same rate, and in part as a function of, increases in the magnitude of traditional policy inputs. In fact, traditional policy instruments have a built-in self-defeating mechanism (Stöhr and Tödtling, 1978, p. 111): *'The unsatisfactory results of regional development policies in some countries are not so much due to the insufficient resources allocated to regional development efforts as to an inadequate conceptual structure for regional development policies'*. The shortcomings of traditional regional development seem to stem from its conceptual and theoretical basis, namely, the reliance on neo-classical economics, the concentration on large scale vertically organized institutions, the heavy reliance on market and institution based processes neglecting non-

market and informal processes, and the strong emphasis on (Stöhr and Tödtling, 1978, pp. 36-42).

Alternative policies might have to be oriented towards changing the basic parameters underlying the 'leakages' of developmental effects, counteracting the negative phenomena and moving in the direction of what, in international development policy, is called more *'self-reliant'* development. This means greater emphasis on mobilizing and utilizing *regional resources* and serving *regional basic-needs,* utilizing and transforming existing (or creating new) *institutions* to promote peripheral development in line with self-defined objectives, *qualitative* and *structural* aspects of development, *accessibility* within and between peripheral areas, *devolution* of decision-making powers from large-scale functional units to territorial units at different scales*, equity* in the satisfaction of concrete basic-needs, selection of technologies which serve the above regional objectives and *reduction* in large-scale interactions with a view to more energy-saving interaction patterns (Stöhr and Tödtling, 1978, p. 111-113).

A deeper theoretical development in support of an alternative regional development strategy was considered to be lacking. This was the aim of the proposal of a 'development *'from below''*: *'But there is still a pressing need for a coherent and systematic framework for an alternative approach. One reason for the lack of such a coherent framework may be that it would need to be supported by a variety of disciplines and not primarily by economics (…)'* (Stöhr, 1981, p. 40).

The contemporary *search for legitimacy* for development strategies alternative to unidimensional economic growth orientation at the international, national and sub-national levels associated to a shift towards more *small-scale* oriented territorial integration, was found by Stöhr in the actual efforts to reformulate the self-same concept of development. In parallel with efforts being developed at international level, Stöhr labeled the search for an alternative regional policy as the search for ''*another'* regional development' (Stöhr, 1981b, p. 215): *'(…) Also at the regional scale within countries ''Another' Regional Development' needs to be defined, which should put the relations between highly developed and developing regions within countries on a new basis in order to create a self-sustaining mechanism for the reduction of interregional disparities of living levels within countries.'*

Walter Stöhr started to observe that over the past 2500 years the scale of societal interaction in specific cultural areas has changed at various times from periods dominated by small-scale societal interaction to others dominated by large-scale interaction (Stöhr, 1981, pp. 45-67).

The following periods were analysed: Greek Polis, Roman Empire, Middle Ages, Mercantilism, Physiocrats, Classical Free-trade Era and First Kondratieff Up-swing, Romanticism and the first Kondratieff down-swing, Kondratieff's second long wave, Neoclassical era and Kondratieff's third long wave and Post-World II Expansion. Stöhr found a historic association between periods predominantly rationally guided, with rapid technological innovation, large-scale societal interaction patterns, large-scale formal organizations, emphasis on urban activities, a neglect of man-environment relations, a sub- or over-utilization of natural resources and the decline of rural activities (development *'from above'*). On the other hand, Stöhr found periods predominantly metaphysically guided, associated with social control of technological innovation, a narrowing of societal interaction scales, a preference for informal organization, an emphasis on rural activities, love of landscape and nature, and a general emphasis on man-environment relations (development *'from below'*).

Development *'from below'* would require the *control* of backwash effects of development 'from above' and the generation of *impulses* within less developed areas. This requires changes in the interaction between different regions and countries and the second requires the creation of endogenous factors of change for increased equity and development dynamics. Development 'from below' may require a certain degree of *'selective spatial closure'* to inhibit transfers to and from regions or countries that reduce their potential for *self-reliant* development. This could be achieved by *control* of raw materials or commodity transfers which contribute to negative terms of trade and/or by control of factor transfers (capital, technology), and by the *retention* of decision-making powers on commodity and factor transfers in order to avoid the underemployment or idleness of other regional production factors, or major external dependence.

Stöhr identifies several components that he sees as fundamental in development strategies *'from below'*. That is the case of provision of broad *access to land* and other territorially available natural resources, the introduction of new, or revival of the old, *territorialized organized structures* for equitable communal decision-making; granting a higher degree of

*self-determination* to rural and other peripheral areas in the utilization of peripheral institutions for self-determined objectives, the choice of *regionally adequate technology*; assignment of priority to projects which serve the satisfaction of *basic needs,* the introduction of national *pricing policies*, the provision of *external assistance* when needed, the development of *productive activities* exceeding regional demand; restructuring of *urban and transport systems*, improvement of rural-to-rural and rural-to-village *transport and communications*; *egalitarian* societal structures and a collective consciousness.

## g) A shift in regional policy and regional development strategies and the emergence of local development

A *shift* in regional policy and the search for alternative regional policy is increasingly receiving more attention. But, according to the initial proposals of a development *'from below'*, it was not clear, but depended on which conditions local and regional initiative could be expected to bring into being (Stöhr, 1981a). The complex nature of *'regional disintegration'* had to be made clear and had to be incorporated in the theoretical development in order to explore the possibilities for a regional *control* of backwash effects. The qualitative and structural disintegration of regional socioeconomic systems remains with negative consequences for the *long-term* overall development and for the long-term economic growth potential of these regions. As was seen before, if development is understood as a complex phenomenon, it requires the *interaction* between natural, economic, social, and political factors and their *interrelation* through self-sustaining organizational structures (Stöhr, 1981b, pp. 221-222).

It is in this sense that the notion of *'regional disintegration'* was initially proposed (Stöhr, 1981b, pp. 222-223). Walter Stöhr mentioned withdrawal of selected regional production factors which can more profitably be employed in large-scale factor markets: idleness or underemployment of the remaining regional resources, environmental disruption and disequilibria in man-environment relations due to the frequent over-utilization and withdrawal of selected resources in high worldwide demand and the idleness of the remaining ones, displacement of local/regional economic and environmental circuits, introduction of externally dominated production factors, disintegration of small and medium-scale social and political structures, and the withdrawal of economic resources, the debilitation of regional economics and of socio-political structures making peripheral regions increasingly dependent upon economic and organizational support from central governments.

In order to *avoid* this disintegration of regional development potentials caused by large-scale functional integration and the policies that favour it, the objective of *'another'* regional development strategy would be to increase the *overall efficiency* of all production factors of the respective region in a *territorially integrated* form. This integration of territorially available resources, together with the mobilization of territorially organized social and political structures should become the basis for more endogenously initiated development *impulses 'from below'*. Such a regional development strategy would have to aim at reintegrating to a maximum possible regionally available economic, environmental, social, and political resources and it may have to contain certain elements of *'selective spatial closure'* in order to counteract the effects of large-scale functional integration (Stöhr, 1981b, pp. 222-223).

*'Selective spatial closure'* would be needed to counteract the autonomous operation of large-scale functionally organized markets, which *reduce* the development potential of less developed areas. This would mean the retention of production factors and reducing transfers from outside which debilitate the regions' medium or long-term development potential. The *reintegration* of regional resources would involve the reintegration of the natural and human resources of the region, the reintegration of regional supply and demand by promoting the development of local and regional economic circuits, the reintegration of local and regional decision-making functions on the use of regional resources, application of regionally adapted technology facilitating the full employment of regional human, economic, and institutional resources. It would also affect retention or re-establishment of man-environment balances in the region, reintegration of the regional transport and communications network, motivation of local and regional communities to give priority to the mobilization of their own resources, and increase the negotiating capability of local and regional communities vis-à-vis multiregional and multinational enterprises and vis-à-vis the central government (Stöhr, 1981b, p. 227).

The implementation of such alternative regional development strategies would require *institutional changes* (strengthening of territorially defined organizations) and a different type of *training of regional planners* emphasizing methods for integrated resources mobilization (rather than present emphasis on optimization techniques) (Stöhr, 1981b, p. 227).

Thus, a *shift* from economic dimensions to territorial *non-economic* dimensions was gaining increasing attention. The development of peripheral regions was understood as being dependent on the potential role of *local agents* and local development became an explicit

central focus in approaching regional development (Stöhr 1990). Furthermore, emphasizing the potential role of local agents leads to a wider analysis of *agency* issues, which in itself implies a wider understanding of the complex relationship between *agency*, *power* and *resources* (Birner et al, 1995). On the other hand, this shift of emphasis to local agency leads to a reformulation of the very notion of *periphery,* which played a central role since the early developments. Accordingly, the notion of *'periphery'* saw a significant evolution. Initially understood in *geographical* terms (distance from markets and material inputs), it incorporated later *political* and *institutional* perspectives, the situation of *dependent* regions, and *segregated* social groups and ethnic minorities (Stöhr, 1984a, p. 13).

## h) Conclusions: 'endogenous' regional development policies and strategies, anti-poverty action and local development

The results of research developed on the basis of case studies of *'endogenous'* regional development action contributed to the identification of a number of key aspects. Initiatives seem to start by a *key individual* (conventional, unconventional, or informal initiator), working through *local networks* restructured or created for that purpose, playing a role of *'local development agent'* interrelating different local actors and institutions motivated often by a *common awareness* of an *external threat*. Local mobility of *relevant information* (local newspapers, intensive social interaction) is considered to be a further prerequisite. The main actors *identify* with the local community (even if they are not local residents) and expect *more benefit from local* than from external cooperation or interaction. Local initiatives considered successful were mainly *indigenously triggered* and oriented towards *mobilization* of local entrepreneurial resources, economic diversification, the introduction of new products, the upgrading of skills and the introduction of new organizational forms for economic, cultural and training activities. These results do not find an easy translation in terms of policy. This was already recognized by Walter Stöhr. Given the results of this kind of research, the key question for policy, whether self-sustaining local initiatives can be induced, remains *without* a fully satisfying answer by existing research in the field (Stöhr, 1990c, p. 7).

However, *'endogenous'* regional development policies and strategies contributed to a relevant *shift* in public policy and regional strategies along the 80´s. With its emphasis on *reconceptualizing development*, on *territorially-based pro-active agency* and on *small-scale*

*local initiative in regional developmen*t, this shift represented a major *impulse* to the theoretical bases of local development.

Induced social and economic change in poverty situations of poor households, cannot be dissociated from the possibility of inducing lasting contextual changes concerning the *mobilization, valorisation and control of local resources*. Anti-poverty action becomes 'non-independent' on regional development and assumes the need of *organizational structures* aiming at developing *animation* activities as well the mobilization of formal *competencies and capacities* to increase the *control* of the use of *local resources*.

According to these assumptions, local development can be promoted, or blockaded, by central *as well as* by local authorities. It may be understood as a *method* to promote *'another'* regional development, this meaning a territorial approach to 'another' development, and as such it involves *centralization* as well as *decentralization*. Local initiative and local availability of resources are not sufficient conditions for local development. Also 'passive' reliance on 'spatial diffusion effects' or 'active' attraction of exogenous capital and entrepreneurial initiative may *not* to be a guarantee of local development.

But the relation between *'endogenous'* regional development strategies and anti-poverty action is not a direct one. In his initial formulations, Walter Stöhr (Stöhr, 1981b) explicitly linked his efforts towards an *'integrated regional development'* to the international debate on *alternative* development strategies. He chose as a title to his paper *'Towards 'another' regional development? In search of a strategy of truly 'integrated' regional development'* the explicit aim being to link his approach to the contribution of the Dag Hammarskjöld Foundation to the international debate with the well-known document *'What now? 'Another' Development'* (Dag Hammarskjöld Foundation, 1975).

In fact, Stöhr starts his paper writing (1981b, p. 215): *'Discussion is currently under way in search of 'Another Development' at the international scale to put relations between highly developed and developing nations on a new basis in the frame of a 'New International Order', with the aim of creating a self-sustaining mechanism for the reduction of international disparities in living levels'*. And he follows: *'The present paper maintains that also at the regional scale within countries 'Another Regional Development' needs to be defined which should put the relations between highly developed and developing regions within countries on a*

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*new basis in order to create a self-sustaining mechanism for the reduction of interregional disparities of living levels within countries.* Moreover, he synthesizes: *'The essence of this proposal is a call for the provision of a greater collective self-reliance in regional development strategies at the subnational scale.'*

As it is known, *'Another Development'* starts explicitly with the statement that *anti-poverty action* should be placed at the centre of any development strategy. But Walter Stöhr does *not* explicitly develop the links between his proposal and anti-poverty action. His approach is *implicit* and *indirect* in the way he attempts to link *'another'* regional development strategy to the *integrated mobilization* of regional resources with priority to meeting *basic needs* of the regional population (Stöhr, 1981b, p. 225): *'(…) The integration of territorially available resources, together with the mobilization of territorially organized social and political structures should become the basis for more endogenously initiated development impulses 'from below'. Such endogenously initiated development would need to be oriented at first towards the equal satisfaction of the basic-needs of all strata of the population of less developed areas and subsequently for developmental objectives beyond this'.* However, these links cannot be found in the later developments of his work. Regional *innovation* and *formal* economic issues remained the focus of his attention.

### 4.2.2. The sources of regional wealth and local development: 'retreat to subsistence'

Clyde Weaver suggests a *'retreat to subsistence'* (Weaver, 1984, pp. 149-153). He starts with a historical synthesis and analyses the libertarian contributions to regional planning origins and to the very notion of regional development. He aims at contributing with a rationale for grass-roots reconstruction of the social economy in Western industrialized countries, establishing direct links between regional development and local community action and arguing for the appropriateness of grass-roots approaches to recreating local well-being in contemporaneous globalizing conditions (op. cit., pp. ix-x).

The limits of economism are explored and it is argued that both the regional economy itself and participation in the global marketplace offer unrealised opportunities for regional development. Clyde Weaver writes (Weaver, 1984, p. 14): *'As in the beginning of urban-industrialization, the health and well-being of a local community are seen within the context of the broader political economy, but, to succeed, regional reconstruction must be accepted*

*as fundamentally a local task, based on democratic consciousness, solidarity, cooperation, and struggle'.*

The production of *use values* had already been the object of some attention by Clyde Weaver (Friedmann and Weaver, 1979, pp. 191-207) recognizing that ' *most of the world's population are engaged in the production of use values, i.e. in the production of material goods and services that satisfy specific human needs and are available for use without the intermediary role of money'* (op. cit., p. 191). It was recognized that in industrially advanced economies, the most prevalent form of use value production is in the home and is predominantly women's work. Nevertheless, in agrarian societies, use values are additionally produced in subsistence activities, primarily in fishing and farming, and as a rule both men's and women's work.

Production for use is production for what is life sustaining, it is not valued in terms of the market but for its ability to satisfy human needs. The relation between the production of use values and meeting human needs is developed. As the production of exchange values does not necessarily occur to satisfy human needs, Friedmann and Weaver conclude that the volume of production unrelated to human needs is probably very large and, especially under capitalism, would appear to be rising. On the other hand, the size of the use value economy, expressed in terms of hours of work performed is unlimited: *'Whether the relevant environment is the home, a rural district, or an urban neighbourhood, the amount of work that can, in principle, be done to improve the sense of individual and collective well-being depends on nothing more than the necessary energy and time. This ability of the use-value economy to absorb unlimited quantities of labour is critically important where unused labour time can be employed in a community for common benefit'* (Friedmann and Weaver, 1979, pp. 192).

**a) The sources of economic wealth and the regions**

Clyde Weaver shows how *use value* has been long forgotten in regional development theory. He suggests that to achieve substantial change under contemporary conditions broad definitions of economic value creation in a regional economy may be necessary.

However, to develop further his argument, the analysis of the origins of regional wealth has to be addressed. Labour power, physical resources and capital represent the primary factors of production and use value and exchange values are the outcomes of that process. A region may

employ its own labour, resources and capital or these can be brought in from outside the area. Potential exchange value (commodities produced for sale) is an attribute of economic activities that occur at specific geographic locations. When its value is realized through sale (realized exchange value), within either the region of origin or somewhere else, it enters the capital circuit.

Weaver's argument develops with the recognition that the implication of these well-known concepts within the regional setting has seldom been really explored. Classical economists tried to identify the origins of wealth in a national economy analysing the mechanisms determining the 'natural' price of commodities and formulated the labour theory of value. The benefits of comparative advantage through the division of labour and economic specialization and the creation of commodity relations (development of needs to be met by trade) created the basis for the realization of surplus value. Free trade was an attempt to push market boundaries beyond the frontiers of the nation-state, and Protectionism was an attempt to limit the realization of surplus value to entrepreneurs within the national economy if local accumulation was to occur. Realized exchange value was recognized to be the source of capitalist accumulation. Profit gained through selling commodities in the market was the major circuit of such accumulation and the amount accumulated was a determination of market size and selling price. Price was related with potential exchange value and to labour power. Market size rested upon the geographic area opened to trade depending on political boundaries and on the sphere of economic life, directed away from the use value and simple commodity production and refocused around market transactions (Weaver, 1984, pp. 142-148).

It was generally recognized that the first widespread division of labour probably took place between the town and the countryside, but the local geography of production was a matter of minor concern. It was only recognized that within the nation-state, productive forces became highly mobile, concentrating in specific industrial centres. People, resources and capital could be brought together from the various regions according to the capitalists' ability to realize exchange value. A monopoly over techniques, a headstart in accumulation and direct access to political power gave ascendant metropolitan entrepreneurs an advantage. Capital circuits were redirected to centre on the metropolis.

Trade theory and economics of location were the foundation stones of regional science. A consequence of that was the fact that economic base theory became the *"idée fixe"* of regional science. Regional growth models rested upon arguments concerning comparative advantage, specialization, interregional factor flows and eventual diversification. Input-output analysis and industrial complex analysis all remained dependent on this view of economic value creation.

Underdevelopment and dependency theory was adapted to the explanation of regional problems in industrialized countries. Direct investment by the multinational corporation gives corporate decision-makers the capability of organizing other regional production inputs to suit their own specialized purposes, controlling the region's potential exchange value and internalising the exchange value, which can be produced by existing capital. Local capital accumulation is short-circuited and specialized production for export imposes significant opportunity costs on the regional economy. Without the attributes of sovereignty, peripheral regions are unable to promote local accumulation.

Marxist economic theory provides a generalized analysis of uneven development under monopoly capitalism. The economic situation of a particular regional economy can be explained by an understanding of capital circuits and the contemporary geographic organization of production. Today, in the context of transnational corporations, capital self-expansion occurs on a world scale and the predominant capital circuit is the sphere of production itself. Transnational corporations increase their holdings by monopoly control of globalized markets and auto-financing, but new export platforms scattered across the world periphery increases their internalised stock of productive capital and potential exchange value. Regional populations gain few rewards in terms of economic rent from export sales, interest and equity shares from finance, or increased productive capacity and inventories.

As was seen, trade theory and economics of location were the foundation stones of regional science, exchange value realized through exports became almost the only acknowledged source of wealth. However, critical analysis (underdevelopment, dependency theory, Marxist regional science) also remained caught by a focus on commodity relations, exchange value and capital circuits. An alternative perspective is suggested, drawn from the arguments of economists in the classical tradition and based on the observation that the *sources of wealth* in a territorial economy are not limited to exchange value realized through exports.

The paradigm shift from classical to neo-classical economics is of central importance to regional theory. Shifting attention away from searching for absolute economic value to micro-economic considerations (supply and demand, marginal utility, market price, etc.) was the equivalent from shifting attention from political economy to mathematics of stable equilibrium. The distinction between use value and exchange value collapsed, implicitly redefining the source of economic wealth from labour power to capital. Money became value-in-itself. Nothing can be known about processes of economic production or the qualitative aspects of human needs (Weaver, 1984, p. 149).

## b) 'Retreat to subsistence'

The regional development problem can be said to be one of improving a regional community's material 'standard of living'. However, a low standard of living can be better understood as *'specific use-expectations, which are not being fulfilled'*. They can be enunciated and match concrete use-needs.

Weaver starts with a redefinition of the regional development *problem* as being one of identifying the skills and resources available to create the *use values* people feel are lacking and thus meeting individual and collective needs. This approach does not begin with concepts such as 'standard of living', 'money' or the 'market'. It starts with an assessment of *concrete use needs* and the identification of the ways in which they might be met starting from 'do-it-yourself' and working outwards. If the need in question lies within the realm of some form of use value production or simple commodity exchange, then the problem shifts to a matter of politically organizing the necessary labour power. This can range from organizing a household to mobilizing an entire regional population (Weaver, 1984, pp. 149-155).

For Weaver, the forms of use value and simple commodity production can be found in simple use value production (production for one's self and production within the living group referring to the 'household economy'), extended use value production (communal production for individuals and for the collective) and simple commodity production (direct exchange between individuals and money exchange of cost plus). Weaver sees the production *within* the living group as the key to regional economy: *'The ability of people living together to provide for their own daily needs sets the parameters within which the market economy will affect their lives. It is at the level of the household unit that cyclical problems and structural dislocations in the*

*regional economy are ultimately experienced, and it is here, as well, that the incentives and potential for increased self-reliance can be more effectively encouraged'* (Weaver, 1984, p. 151). But, three aspects have to be stressed: the home must be looked upon not only as a place of residence but also as a workplace; the means of production (home, lands, tools, etc.) must be controlled by those who live and work there; and household members must have the necessary inspiration, knowledge and skills to fulfil many of their own reproductive and productive needs.

Concerning the four components of use value production, one should notice: their creation depends on the motivation and organization of skilled human labour around explicit agreed-upon tasks; it requires access to the necessary tools and resources; and the distribution of use value within the concerned groups is done on an ascriptive basis. Everyone involved in the productive process has both rights and responsibilities that are determined through political consensus and action. Technical competence and resource availability are the most important limitations of use value production for satisfying human needs. Specialized labour and access to tools and resources can be incorporated in the regional economy through simple commodity production. Direct exchange between individuals (local 'resource directories', cooperative producer / consumer groups, etc.) and money exchange at cost plus (cooperative production and distribution, etc.) can serve regional needs and contribute to production for export).

Clyde Weaver (1984, p. 155) sees the potential for regional reconstruction in the articulation of local entrepreneurship with the use value and simple commodity production. Local firms would require what he calls three 'uncommon advantages': substantial venture capital, specialization with diversity, and interregional linkages. The efficiency of small-scale factories within broadly defined spatial limits, the possibility of creating 'regional corporations' (citing Hymer 1972) (cooperative development banks, special regional development funds, etc.), and interregional social contracts between regional corporations and other production entities gaining access to international markets are possibilities not out of reach.

This echoes very much the perspective developed before with John Friedmann: *'The production of exchange valued is also important, especially for use. Much of this production will initially be earmarked for export and so become a major link between regional and national economies and the rest of the world. At the same time, the expansion of the exchange economy must be strictly controlled so as not to impede the maximum number of workers who transfer from use-value to*

*the exchange economy. We may call this effort at expanding production in the exchange economy, the creation of a parallel economy'* ((Friedmann and Weaver, 1979, pp. 193).

It is here that Weaver sees the role of regional planning in contemporaneous conditions (Weaver, 1984, p. 156): *'The tasks of regional planning in this scenario are to help identify the concrete possibilities for regional production and bring these to popular attention. Political organization and mobilization around these jobs come next, and then the creation and articulation of regional institutions to accomplish them'.*

**c) Conclusions: 'retreat to subsistence', anti-poverty action and local development**

Theoretical developments stemming from this perspective enable a point of entry in analysing the potential role of avoiding market-dependency and widen the scope for income-earning activities.

As Clyde Weaver emphasis, use value, meaning goods and services created for the benefit of their producers, is currently site-specific, being utilized *in situ* (Weaver, 1984, p. 141). It directly relates to the discussion introduced with the concept of 'economic integration' and the implication of the *transition* to 'flexible accumulation' to poverty and anti-poverty action possibilities.

*4.2.3. Restructuring theory and 'locality studies': global change, agency and 'locality effects'*

With 'global restructuring' the speeding up of industrial restructuring processes in Europe have shown a remarkable demonstration since the late 1970's and early 1980's. 'Global restructuring' was one of the expressions used to designate all the *shifting* taking place.

And 'restructuring theory' emerged as the confluence of theoretical contributions which attempted to contribute to the explanation of the change taking place. These contributions have in common the recognition that the basic rules of a capitalist mode of production continue to operate as the invariant shaping forces in historical-geographical development. Therefore, ´global restructuring' could also be understood as a transition in the regime of accumulation, and

its associated mode of social and political regulation, according to the contributions of the French regulation school.

'Global restructuring' was explained as resulting from the effort to supersede the economic crisis that affected the capitalist world since the early 1970s and which is redefining capital-labour relationships and the role of the state.

**a) Global restructuring, spatial differentiation and 'locality effects'**

The concrete manifestations of 'global restructuring' were early recognised to be highly context-dependent. Spatial diversity and local specificity seemed to be playing a relevant role in the concrete manifestations of restructuring. 'Global restructuring' is associated with profound social and spatial transformations that result from the interaction between the historically concrete restructuring policies and the attributes of each society. On the other hand, differently from previous crises, contemporary 'global restructuring' *internal* to the territorial units is being combined with spatial (intra- and inter-national) shifts in investment and a massive expansion of the radii of organizational control taking advantage of the dramatic innovation in information technologies. It was assumed that, in order to understand much of the current social and spatial change in capitalist countries, one has to start with the analysis of the process of global restructuring in its specific manifestations (Castells and Henderson, 1987, pp. 1-2). Therefore, the theoretical contributions of 'restructuring theory' were first oriented to explain the relations between 'global restructuring' and 'decline' in old industrial regions.

'Critical realist' epistemology in the social sciences and restructuring theory *both* contributed to a growing interest in *'locality studies'* as a method of analysis considered to be best suited to understanding contemporary restructuring processes (Giddens 1984; Gregory and Urry 1985; Sayer 1984; Sayer 2000). 'Locality studies' were understood as a particularly useful *method* to address the complexity of spatially intersecting causal processes, paying attention to the spatial ranges of causal elements. The issue was progressively defined as that of the analysis of extent to which *'local pro-activity'* can modify the effects of major social and economic forces and achieve 'locality effects' resulting from the combination of spatially variable phenomena.

The specificity of the relationship between 'society' and 'space' in each territorial and historical context was combined with a global theoretical approach emphasising spatial tendencies that may appear as general trends. Theoretical development has assumed it necessary to be combined with concrete empirical analysis (Castells and Henderson, 1987, p. 2). This corresponds with the methodological implications of the realist position adopted for this work (see 2.1.).

Thus, the analysis of the process of global restructuring constitutes the starting point of 'locality studies'. Radical changes are taking place in labour processes, consumer habits, geographical and geopolitical configurations and in the practices of state powers. The question concerning how deep and fundamental this change might be remains always open to empiric enquiry.

**b) 'Locality studies' and 'locality effects'**

Thus, 'Locality studies' and action at locality level correspond to a basic concern with the importance made by *space* and *place* in the concrete outcomes of the relations between human activity and spatial configurations. Given the spatial variability of social phenomena, namely, the spatial variability of the concrete manifestations of 'global restructuring', local specificity can be linked to the possibility that *'locality effects'* may occur. Therefore, contextual conditions may offer a distinctive possibility of analysis and action.

As was introduced above (see 3.4.), emerging from 'critical realist' and structuration theory, 'localities' may be understood as territorial units that provide the *setting for social interaction*. Such units can be conceived at *different scales* depending on the central issue in question, varying from neighbourhoods to local employment systems (cities or sub areas within cities) (Leitner, 1989, pp. 552-553).

'Locality studies' have been a major fruit of development in restructuring theory. Among several impulses to locality studies the fact that spatial processes must find some kind of spatial expression leads to the analysis of localities as 'case studies' aiming at the identification of variations of key dimensions. In addition, the emphasis on 'agency' (local pro-activity) supposes some arena enabling the analysis, whether particular social environments can modify the distribution and effects of major economic and social forces. This leads to a central theoretical question whether spatially variable phenomena generate *specific* localized causal entities with their own distinctive causal powers, whether

combinations of spatially variable phenomena joint together to create *'locality effects'* (Bagguley et al., 1990, p. 8).

Actually, conclusions of locality research undertaken in the United Kingdom, suggest that locality specific conditions and practices are important in accounting for *place to place* variations in local restructuring, as it is people, as relatively passive or active agents, not physical space, that constitute localities. This should be the case even if physical space (socio-spatial structure of a city, architectural design, etc.) may have relevant effects on both the capacity of people to organize and the creation of identities (Leitner, 1989, p. 553; Bagguley, et al. 1990; Cook 1985).

There are systematic processes occurring at a locality that mean that outcome at the sub-national level are principally the result of those *locality processes,* rather than of how certain national phenomena are sub-nationally distributed. Localities are important entities as there can be found conditions internal to such localities that in themselves produce a distinctive set of outcomes. Localities cannot be reduced to the forms in which they are economically reorganized. Political locality-specific processes can be found in the way local 'core' classes and other social groups 'distort' people's electoral choices or in the way anti-market forces mobilize fighting for the local against the central state, or new forms of political organization emerge (community groups, women's groups, environmental groups, etc.) (Urry, 1986, pp. 239). Actually, there are political changes taking place in the localities, which seem to be explicable in terms of a *'locality-effect'* rather than some more general process, such as 'de-alignment' from traditional class-based voting patterns. Many localities show signs of vigorous local politics cantered upon new social movements (Cook, 1985, p.250).

However, as already seen above (see 3.4.), the concept of locality is still far from any form of consensual understanding. It is one whose time came explicitly in the mid-eighties (Sayer, 1988, p.5) but was already implicitly developing in different fields. *'Locales'* are not just places but *settings of interaction* (Giddens, 1984, p. xxv). Local social structures, being somewhat spatially differentiated and having specific social characteristics, can generate local social movements. These movements are not to be seen as simply produced by the organization of space, but by the potential 'causal powers' of the particular social objects in question (Urry, 1981, p. 470).

Therefore, a theory of the *'production of a locality'* is needed which avoids the shortcomings of approaches concerned with localities as *passive* recipients of global restructuring. More general statements about locality must inform locality studies. Larger scale restructuring processes that different localities share have to be considered. There is a crucial distinction to be made between *localized social processes* and *local-scale uneven development* of larger scale processes. A long theoretical development seems needed where the production of geographical *scale*, the very existence of local scale and assumptions about what constitutes the *local* must be explored (Cox and Mair, 1989, pp. 125-130).

In fact, in a context of 'global restructuring' and *'space-time compression',* the concept of locality has to be able to integrate the delinking of *'locale'* and *'milieu'*. *"Milieux"* may be defined as relatively stable and situated configurations of action and experience, in which individuals actively generate a distinctive degree of familiarity and practical competence. However, the individuals generate a "milieu" in an always-changing environment instead of just inhabiting a pre-given locale. The uprooting of people's field of action from a specific locale as ultimate reference point is a precondition for the extension of the individual's personal "milieu" beyond the immediate physical, geographical and social surroundings. This occurred with the increase of individual mobility because of time-space compression. The *delinking* of *locale* and *"milieu"* can be better understood in association with the contemporary context of *'time-space compression'* (Dürrschmidt, 1997, p. 61).

'Time-space compression' has its equivalence in the potential convergence of *'here'* and *'there'* in individual's "milieux". Extended "milieux" not only transcend the surroundings of specific locales but they inhabit space by meaningfully integrating distant *places* into a *biographical* situation. Therefore, the *steadiness* of *'personal milieu'* derives from the person's determination to hold together the different significant fragments of an extended field of action and experience, rather than from long-term settlement in a specific locale. The competence of a person to handle an extended milieu is a crucial individual attempt to create and maintain spatial and social order in an ephemeral world of 'time-space compression' (op. cit., p. 70).

That is the reason why localities have been understood in a precise way (see 3.4.). Their specificity is not given by some long *internalised* history but it is *constructed* out of a particular constellation of relations articulated together at a particular locus. The *uniqueness*

of a locality is constructed out of particular *interactions* and mutual articulations of social relations, social processes, experiences and understandings in a situation of co-presence. However, a large proportion of those relations, experiences and understandings are constructed in a far *larger scale* than we define as *place* itself. Instead of thinking of a locality as an *area* with boundaries around, it can be imagined as articulated *moments* in networks of social relations and understandings. This allows a sense of place, which is *extra-verted* and includes a *consciousness* about the *links* to the *wider world.* It in this sense that place integrates in a positive *both* global and the local. This understanding enables a global sense of the *local* and a *global* sense of place (Massey, 1993, pp. 66-67).

This understanding leads to a number of relevant implications. In fact, if localities can be conceptualised as social interactions which they tie together, and if interactions themselves are social processes, than localities *are* social processes too. *Boundaries* (counter position to the outside) are *not* necessary to the conceptualisation of locality, and definition can come through the particularity of linkages to that 'outside' which is itself *part* of what constitutes the locality. Localities do not have single *'identities'*; they are full of internal *differences* and *conflicts*. The *specificity* of a locality derives from the fact that each locality is the focus of a *distinct mixture* of wider and more local social relations, that the juxtaposition of these relations may produce effects that would not have happened otherwise and that these relations interact and take a further element of specificity from the accumulated history of a locality (Massey, 1993, pp. 66-67).

### c) 'Locality studies' as a method for the local analysis of global processes

Following a 'critical realist' perspective, as introduced above, 'locality studies' were understood as a *method* of analysis which emphasises the 'rectroductive' identification of structures and mechanisms which have causal relation to social phenomena whose experienced dimensions are under study. It contains implicitly an emphasis on the particularity of circumstances and their spatial and temporal variations. Events in specific places are understood *both* as the outcomes of developments in those places and as the impact of global forces (Leitner, 1989, p. 552).

The 'locality' is not to be viewed just as the realm of the concrete and the contingent (being the necessary equated with higher territorial scales). The adoption of a methodology incorporating different levels of abstraction can facilitate the rational abstraction of those socio-spatial structures that underlie the existence of locality *per se,* beyond which lies the capability to understand particular localities. Rational abstraction in combination with empirical studies makes it possible to derive the particular socio-spatial structure that may be considered to be necessarily local. Structures of relations tend to overlap geographically and may generate a shared local interest. It is based on such structures that locality is constructed. Localities thus have a *material* basis in structures of *social relations* (Cox and Mair, 1989, pp. 125-130).

As was seen above, 'locality studies' as a method have arisen from the attempt to address the complexity of spatially intersecting causal processes (Bagguley et al., 1990, p. 8). The sense of the local can be derived from a 'critical realist' perspective by paying attention to the spatial ranges of the many causal elements that impinge on any chosen area. Social reality is made up of the totality of significant relationships over space. A locality is simply a *'ring'* drawn around sets of intersections of elements and is therefore unavoidably *arbitrary.* Significant elements at different scales must be included depending on the *substantive* issues in question. A locality offers the possibility of examining a more rounded set of processes and interrelations of causal entities in different spheres (formal economy, civil society, state).

Therefore, its *size* remains unspecified and depends on the substantive issues in question. Since many civil struggles focus around the local state it seems adequate not to choose an area smaller than the smallest significant unit of the local state (Bagguley et al., 1990, p. 11). Following this line of reasoning, localities can also be seen as '*macroscopes'* (Rosnay 1977) used 'from below', helping to analyse the way structures and mechanisms act. By means of analysing the actual interaction among social agents, the agency-structure relation is analysed, the 'forces' and 'agents' in local change can be identified and 'retroducing' from 'experienced' problems of everyday life it becomes possible to establish a relation between those problems and 'global restructuring'.

The inderdependency between causal entities can be better understood, and causal powers can be identified, from whose activation desired 'locality effects' might be obtained. The basic question relates to the difference that specific structures, into spatial configurations,

institutions and agents within a particular place make and their relative autonomy in influencing the course of change in that place (Leitner, 1989, p. 561).

Though we may choose to focus on a *particular* geographical scale, all processes have *both* global and local effects. We cannot restrict the effectivity of processes to limited times and places. Human agents, as well as structures (relationships), all participate in over determining each other and the larger historical context in which they are embedded. Localities offer the *spatial coincidence* of the spatiality of intersecting and interdependent entities enabling the understanding of the constitution of this specific contingent form and its relation to its possibility of playing a distinctive role.

Thus, in this work, Municipalities are the relevant agents depending on whose 'causal powers' the possibility of anti-poverty action is analysed. As Municipalities have their formal competencies restricted to given administrative areas, the *'boundaries'* to adopt may correspond to *'distressed urban areas'* and whose scale cannot exceed the administrative territory of the individual Municipalities.

**d) Action at locality level as a method of facing global challenges**

Knowledge is *contextual* as much as the effects of knowledge are. Away from *'spatial separatism',* the action-oriented discussion of the concept of locality initiated above contributed towards exploring the conditions on the basis of which mechanisms related to Municipal 'causal powers' aiming at combating poverty can be enacted (given the theoretical possibility of achieving 'locality effects'). It is important to remind oneself of the role of abstraction as presented in a 'critical realist' epistemology (see 2.2.). Theory is a social process, which is different from non-theoretical social activities (practice) but just as actively implicated in constituting social (and natural) history. Knowledge is neither a representation of reality nor its passive effect. Different 'knowledges' have different effects and this gives us grounds to choose between them. We may struggle for the effects we want just as we may struggle for the truth (Graham and St. Martin, 1990, pp. 172-173).

As a *method* of intervention in the anti-poverty fight, local action relates further to paradigmatic *shifts* within regional policy as well as in employment and social policy. It relates to the *intentional* achievement of 'locality effects' given the local context-dependent

specificity of poverty and given the role of local conditions enabling possible lasting changes in the poverty situation of poor households.

Thus, pro-active agency can be linked to the *creation* of localities by means of the creation of *'interests communities'* (Worsley 1974) counter-acting 'organizational outflanking' (see 3.1.) among the poor. The *'socio-anthropological model'* built to show the possibility of linking community development to health promotion is a very useful conceptual and theoretical tool 'imported' from research undertaken in the field of social psychiatry and public health (Caldeira 1979; Caldeira 1982).

### e) Conclusions: 'locality studies', anti-poverty action and local development

'Locality studies' offer a *territorial* approach to the analysis of regional development issues and offer the possibility to examine processes and interactions of causal entities in different spheres (formal economy, civil society, state, etc.). They directly address issues linking 'structure' and 'agency' and enable an analysis of entrepreneurial strategies in the production or reproduction of the immaterial conditions leading to competitive advantage or disadvantage of firms in their local context.

Frank Moulaert (2000, p.32) sees the contributions of 'locality studies' as not innovative in respect to redevelopment and restructuring policies and based on the belief that adequate restructuring and industrial diversification could save the economy of regions whose history was based on coal mines, steel plants, shipyards, etc.. The relation between restructuring, decline and their consequences to the local populations was at the centre of their attention. In fact, in their initial developments, 'locality studies' did *not* have a policy perspective.

But, as was seen, the key contribution of 'locality studies' can be related with the identification of *'locality effects'*. This enables the understanding of the role local *agency* in potentially contributing to shape the concrete manifestations of 'global restructuring'. The discussion whether actual changes simply reflect national and international forces of economic restructuring and central state intervention, or also result from unique local processes which themselves produce a distinctive set of outcomes, becomes a central issue in Municipal anti-poverty action.

In fact, in the context of this work, it is a central issue to discuss the *manoeuvring* space of Municipalities in *intentionally* achieving lasting anti-poverty effects at local level. And 'locality studies' show that *agency* matters in the constitution of *'locality effects'*.

### *4.2.4. 'Winning regions' and local development: 'industrial districts', 'territorial competitiveness' and 'institutional thickness'*

The expression *'winning regions'* is 'inspired' by the title of a well known contribution by Georges Benko and Alain Lipietz *"Les Régions qui Gagnent – Districts et Réseaux: les Nouveaux Paradigmes de la Géographie Économique"* (1992). The theoretical contributions within this field represent a very wide variety of approaches that started their developments in the early 1980's and from different paradigmatic influences. They have in common the attempt to explain the 'success' of the economic performance of *'winning'* regions. This 'success' is mainly understood in terms of innovation and competitiveness of firms. In general they also share a particular concern with small and medium sized firms.

Examples of theoretical developments within this field include contributions such as *'industrial districts'* (Bagnasco 1985; Becattini 1979; Brusco 1986), *'flexible specialization'* (Piore and Sabel 1984), *'systems of small and medium sized firms'* (Garofoli 1992; Garofoli 1989), *'local productive systems'* (Courlet and Pecqeur 1992; Reis 1992), *'"milieux' innovateurs'* (Maillat 1990), *'learning regions'* (Morgan 1997), *'technological districts'* (Antonelli 2000), *'local productive configurations'* (Fauré and Hasenclever 2003), *'territorial competitiveness'* (Lopes 2001), *'regional innovation systems'* (Tödtling and Trippl 2005).

This kind of contributions represents a *shift* from the analytical focus initially introduced by *'endogenous'* regional development theories focusing on the prospects of *'peripheral'* regions and *'threatened'* regions and localities and by 'restructuring theory' focusing on *old industrial* regions. From *'threatened'* to *'winning'* regions attentions became focused on *'flexible production systems'* under the strong influence of the 'industrial districts' approach to the attempt to generalise it in association to the 'flexible specialisation' approach. Their policy implications were mainly oriented to innovation. Following this shift, the *'industrial district'* model became the most representative example of this kind of theoretical contributions to local development and was propagated as the example for local development and socio-economic renaissance (Moulaert, 2000, p. 33).

The concept of 'economic integration' introduced above (see 3.5.) emphasised the *territorial 'embedded'* character of the *'household survival strategies'* and the enlargement of opportunities to work for a wage as one possible dimension of gaining, or preserving, monetary resources. Either by direct job creation or by indirect job creation by means of sub-contracting relations, local firms play a role in anti-poverty action. The *'survival strategies'* of poor households are deeply dependent on territorially embedded social practices and therefore, lasting changes in the situation of individual poor households are also dependent on lasting changes in the local socio-economic context.

That is the reason why theoretical developments emerging from this field deserve specific attention. The analysis will *not* aim at an exhaustive analysis of all their diverse perspectives. Attention will be focused just on those *transversal* aspects that have a direct relevance in explaining the role of context in the local socio-economic change.

**a) Economic performance, 'territorial embeddedness' and the role of context**

In the *'industrial districts'*, the role of *non-economic* ties within local communities plays a central role (Becattini 1979, 1987, 1989; Bacattini and Rullani 1995). Becattini sees the *'industrial district'* as a territorial community where its members share a strong identity both as a result of geography and history. The existence of social relations associated with the interdependency among members of the community (family, neighbours, etc.), among local firms (managers belonging to the same families, localised division of labour, etc.), among local firms and exogenous suppliers and among local firms and customers (the role of non-price factors associated to the district's identity, qualitative information about the products, etc.) are particularly emphasised. In a very interesting way Becattini stresses the role of history in the behaviour of inhabitants. This leads him to see an economic role in the 'resistance' of inhabitants to new values as well as in privileging 'endogenous' social relations in opposition to outwards social relations. He also stresses the role of history in the way local firms became embedded in territory as well as in the way their localised divisions of labour developed. This embedded character of local firms restricts the possibility of seeing local firms just as small firms and compare them with small firms of other contexts just on the basis of size. It is also worth stressing the way Becattini values local banking based on a more precise knowledge about the real situation of firms. Finally, it is interesting how he sees the role of adequate social change (overcoming resistance to change given the constitution of human capital on the basis of

experience) previous to technological innovation in order to ensure that innovation becomes effective. New technologies have to be associated to awareness raising among the whole population as a condition of progress and a promise of a better future.

Regarding the creation of systems of small sized firms (Garofoli 1992), these *non-economic* aspects of the local context are further illustrated by a strong socio-cultural territorial identity, homogeneous social formations related to cultural patterns and aspirations, positive expectations concerning social mobility (from workers to self-employed or small scale entrepreneur), a cultural structure which favours social mobility and a positive social consensus that promotes and rewards social mobility. Furthermore, the acceptance of flexibility in the labour market combined with an ethics of work and sacrifice (including part-time work and work at the household level, long working hours and the acceptance of precarious employment, etc.) combine to create conditions for the observation of these kinds of patterns. Considering different spatial patterns of organisation, he distinguishes between *'areas of productive specialization'* (prevalence of a unique sector, small firms competing among them, etc.), *'local productive systems'* (higher structuration, intra-sectoral sub-contracting, higher relation with political bodies, etc.) and *'systems-areas'* (division of labour among firms, diversification, higher complexity, etc.). As factors that can be controlled 'inside' the local systems and that explain success in those situations, Garofoli emphasises factors such as technological and organisational innovation (incremental processes, etc.), quick and adequate circulation of information (markets, technology and inputs, etc.) control over the market (capacity to organise distribution and commercialisation, etc.) and conditions for social regulation working 'outside' the market (centres for quality control, technological centres, centres for business services, etc.).

Theoretical developments on the basis of the concept of *'territorial competitiveness'* (Lopes, 2001) also recognise the central role of *non-economic* dimensions associated to 'social consciousness' and to local agency in choosing between 'endogenous' and 'exogenous' factors and their potential interdependency in order to achieve sustained development. Human capital (education, adequate management of human resources, etc.), business services, entrepreneurship and strategic management skills, inter-firm territorial networking conditions, adequate management of local-global linkages, are some of the dimensions emphasised.

The theoretical developments related to the approaches to *'technological districts'* (Courlet and Pecqueur, 1992) and to *'"milieux inovateurs'* (Maillat, 1990) also keep on emphasising the role of contextual dimensions in explaining the 'success' of 'winning regions'. The first emphasises technological changes dependent on professional interpersonal relations based on common technological formations and the latter on socio-professional and institutional relations depending on which technological change may occur, not restricted anymore to the role of small firms.

But, as already introduced above (see 4.2.2.), *innovation* gradually became a central issue in regional policy and the *'intra-regional'* conditions facilitating innovation started to receive explicit attention in the early 1980's. That is the reason why Walter Stöhr sees i*nnovation* as a complex phenomenon requiring technological, institutional, and social change, and which can take place in peripheral areas or structurally weak areas as well as in core regions. As mentioned above, for Walter Stöhr, innovation *cannot* be expected to occur as an automatic outcome of single factors to promote innovation and to become a self-sustaining process. It requires specific *intra-regional synergetic* processes and structures and that is the reason why the *context-dependency* of the possibilities for innovation became a central object of analysis. It was seen that s*ustained technological* and *societal innovation* are more dependent on *intra-regional* characteristics like availability and interrelation of specific functions than on extra-regional characteristics such as worldwide accessibility. Away from an assumption of universally discrete factors being additive, it was shown that innovation seems to be created by the *mutual*, and occasionally quite *unique*, interaction (*'synergy'*) of various factors such as availability of universities, public research institutes, venture capital, a highly skilled labour force, urban facilities, a diversified urban base, a high entrepreneurial density, consulting and information services and rapid transport facilities, and other factors within rather different local or regional environments. Therefore, *not* only the presence of specific agents and institutions within a region, but also their mutual *dynamic interaction*, is a prerequisite for optimising regional creativity and innovation under conditions of structural instability. That is the sense of the concept of *'synergism'* in regional development which is related for Stöhr to the sense of *'integrated regional development'* and as innovation was understood as a complex phenomenon, the notion of *'regional innovation complexes'* was proposed to emphasize this complex character of innovation as well as of the societal conditions that favour it (Stöhr, 1986).

The theoretical contributions associated to the concept of *'learning region'* and *'network paradigm'* (Morgan 1997) are also worth being mentioned. These contributions see the success of 'winning regions' dependent on *'interactive innovation'* and *'social capital'*. From these contributions emerge also the centrality of agency and the role of organizations acting as *"animateurs"* of innovation. Innovation is understood as an interactive process (between firms and the science infrastructure, between producers and users at the inter-firm level, between firms and the wider institutional "milieu", etc.), innovation is understood as being shaped by a variety of institutional routines and social conventions ('social capital') and these basic understandings lead to an understanding of capitalism as a learning economy. Therefore, the social, institutional and commercial dimensions of innovation have to be adequately recognised in any innovation policy not remaining centred on the supply side and incorporating *receptivity* related issues. This means that the key regional actors (private firms, public agencies, intermediary institutions, etc.) have to be persuaded that the initial impetus for regional renewal must come from within the region and that this depends on the region's networking capacity. 'Winning regions' were identified as being those that put a strong emphasis on *consensus*, *collective success*, *long-term objectives* and *quasi-corporatist institutions*. Intermediate institutions (Regional or Local Development Agencies, etc.) together with social interaction, institutions and social conventions have a key role to play. Innovating by networking, exploring the potential of social capital (including trust and reciprocity), is a key domain of action for those intermediate institutions. As an alternative to infrastructure led regional policy, the approach inspired by theoretical developments in this field suggest that policy should primarily address processes of building a collective learning capacity in a bottom-up and interactive fashion. Building capacities for action meaning 'mutually coherent sets of expectations, built into conventions, which underlie technological-economic spaces permitting the actors involved to develop and coordinate necessary resources.

A final illustration comes from theoretical contributions on *'regional innovation systems'*. Franz Tödtling (1990) early analysed the spatial differentiation of innovation in firms (new products and new production processes). Later it was observed that regional differences in start-up activity were broadly in line with those differences analysed above (Tödtling and Wanzenböck 2003). The innovation networks of SME's, when compared to the larger firms are more confined to the region and the region is comparatively more important for smaller firms. The region is a highly relevant support space for the innovation process of firms because of the necessity to have face-to-face interaction to exchange tacit knowledge, because

of the limited mobility of the workforce and graduates from schools and because SME's are usually less capable of searching for and using codified knowledge forcing them to rely more on personal ways of transferring this knowledge and on learning-by-doing and learning-by-interacting. They require support structures that behave pro-actively and that rely less on co-funding and more on commercialization (Tödling and Kaufmann 2001).

As innovation moved to the foreground of regional policy in the last decade, concrete policies have been shaped by 'best-practice models' derived from high-tech areas and well performing regions (Tödtling and Trippl 2005; Tödtling and Trippl 2004). These led to clear shortcomings in their effectiveness given the diversity of preconditions for innovation, networking and innovation barriers and different policy options should be developed. In fact, while the regional dimension of national and sectoral innovation policies received increasing recognition their *diversity* has not always been correctly addressed. Regions differ with respect to their industrial specialisation patterns and their innovation performance, knowledge spillovers are often spatially bound the importance of tacit knowledge has to be remembered because its exchange requires intensive personal contacts of trust based character that are facilitated by geographical proximity and, finally, policy competences and institutions are partly bound to sub-national territories.  Meanwhile, key issues emerge in innovation policy. A shift towards a more *system-centred* approach, a shift towards organisational, financial, educational and commercial dimensions, a shift in government intervention from direct intervention towards stimulation, intermediation, brokering, promoting regional dialogue and building up social capital are examples of directions which increasingly put weight on the role of *context* in local socio-economic change.

### b) 'Institutional thickness', agency and the 'making' of the socio-economic context

As was seen above, economic processes are *embedded* in territory and its institutions. Economic processes are not only located in space. In fact, economic relations are deeply embedded in the matrix of social and cultural relations (Schumacher 1973). One has to look at institutions and at socio-cultural relations (Polanyi 1977). Economic life of firms and markets is territorially embedded in social and cultural relations and depend upon processes of cognition (different forms of rationality), culture (different forms of shared understanding or collective consciousness), social structure (networks of interpersonal relationships) and politics (the way in which Economic institutions are shaped by the state, class forces, etc.). That is the reason why

the concept of space implicitly or explicitly assumed in neo-classical location theory is potentially misleading in dealing with contemporaneous problems of poverty in particular localities. A relative concept of space seems to be more adequate to deal with the role played by social relations and institutions (Gore 1984).

Hence, *'embeddedness'* refers to the fact that economic should be seen as *social* action and as such it is affected by *actors' dyadic* relations and by the structure of *overall network* of relations. Networks, which function between markets and hierarchies, are understood on a semi-permanent basis and the processes of institution building have to be tracked. Common forms of understanding that are seldom explicitly articulated (classifications, routines, scripts, etc.) are equally stressed.

*'Territorial embeddedness'* can be linked to the *transition* to 'flexible accumulation' and offers a number of *non-economic* dimensions for place-centeredness. It offers face-to-face contact needed to generate and disseminate discourses, collective beliefs, stories, etc. It also enables social and cultural interaction acting as places of sociability and it creates the possibility of developing, testing and tracking innovation. Finally, it facilitates the provision of critical mass of knowledgeable people and structures and socio-institutional networks in order to reach rapid responses to changes in demand patterns (Amin and Thrift, 1994, pp. 12-13).

As seen above, the *'survival strategies'* of poor households are deeply dependent on territorially embedded social practices and lasting changes in the situation of individual poor households are assumed not to be independent of lasting changes in the local *socio-economic context*. Therefore the relation between *'institutional thickness'* and the conditions, facilitating or blocking, the constitution of locally based *agency* for the promotion of this kind of change becomes central.

The concept of 'economic integration' used in this work understands a *socio-economic context* as the every-day-surrounding in which individuals act. It represents constraints that promote and prevent, reward and punish. A *socio-economic context* was understood around four elements (see 3.6.): the worldview underlying individual acting; the institutions influencing individual acting (markets, laws, decrees, norms, habits, etc.); the reward that accrues to individual effort and is signalled in relative prices and incomes as well as reputation; political actions that attempt to influence the elements above. Only when individuals perceive these elements as a social context rewarding their own actions will the desired outcome result (Matzner, 1993, p. 61). The

distribution of power at the time in a given society influencing policy formulation may also be considered as an additional element of the socio-economic context (Blaas, 1994, p. 58). Individual actions and their aggregate interplay are embedded in the socio-economic context. The context relates both to opening up and limiting the set of possible actions and guiding or shaping the observable decisions and actions.

Therefore, the *socio-economic context* is *economic* as well as *social* and *political*. In fact, in attempting to specify the *'economic'* dimension of anti-poverty action, its dependence on the *'social'* becomes clearer. Action in the domain of 'economic integration' is *'economic'* as well as *'social'* (animation of entrepreneurship, rebuilding the social link by means of formal organizations, institutional support to adequate business strategies, etc.).

Also *'micro'* and *'macro'* can be replaced by reference to the *socio-economic context* (Blaas, 1994, pp.56-58). Micro-decisions, macro-performance and the socio-economic context are parts of an evolutionary feedback system. The notion of socio-economic context is used as a generalized institutional concept. Individual actions and their aggregate interplay are embedded in the socio-economic context. History has left us with a set of institutions or what is called above a 'socio-economic' context. The notion of evolution is here understood in the sense of the transformation of a system over time through endogenously generated change (Witt 1991 cited in Blaas, 1994, p. 56). The opposition between *'micro'* and *'macro'* is best conceptualised as concerning how interaction in contexts of co-presence is structurally implicated in systems of broad time-space distanciation (Giddens, 1984, p. xxvi). This position is complementary with an understanding of the 'micro-macro' relationship in terms of socio-economic evolutionary contexts. Bearing in mind the theme of this work, the advantages of this approach should be stressed. Neither macro-economic phenomena are reduced to the actions of micro-units nor does the aggregate level determine by itself the economic process.

The structural stability of the context guarantees periods of smooth development that do not lead to the infinite replication of existing institutions. Also cumulating small changes may build up enough pressure so that structures are bound to change. So, the context emerges as the central unit of analysis (Blaas, 1994, pp. 69-70). That is the reason why evolutionary socio-economic contexts correspond to the clear need of rupture with the conventional and artificial division between the 'economic' and the 'social'. Trying to overcome the micro foundation of macroeconomics, the notion of context is used as a generalized institutional concept showing that

micro-decisions and macro-decisions depend both on the context while the *context may change* as a result of tensions emerging on the aggregate level. Micro-decisions, macro-decisions and the context are seen as parts of an evolutionary feedback system. Thus, a socio-economic context can be *'made'*. Changes in the socio-economic context can be identified and understood as necessary in order to achieve a desired outcome (Matzner, 1993, p. 67).

On the other hand, a local *'institutional thickness'* can be defined as the combination of factors that include inter-institutional interaction and synergy, collective representation by many bodies, a common industrial purpose and shared cultural norms and values. This *thickness* is supposed to produce six kinds of outcomes: institutional persistence, construction of an archive of commonly held knowledge, institutional flexibility, high innovative capacity, ability to extend truth and reciprocity and consolidation of a sense of inclusiveness, that is, a widely held common project which serves to mobilize the region. The concept of *'institutional thickness'* emphasizes the role of social and cultural factors, namely, the salience of institutions, in economic success. This concept will be used in a broad way including formal organizations, but also informal conventions, habits and routines. Institutions act to stabilize a range of collective economic practices in a particular territory. A number of factors contribute to institutional thickness: strong institutional presence, high levels of interaction, development of structures of domination and patterns of coalition and development amongst the participants in the set of institutions, of a mutual awareness that they are involved in a common enterprise (Amin and Thrift, 1994, pp.14-16).

Thus, *'institutional thickness'* is a non-avoidable item in analysing the possibilities for local development and therefore to the kind of lasting local contextual change which may lead to lasting changes in the situation of poor households. Institutions play a relevant role as pro-active agency is constitutive of the possibility that specific anti-poverty action may be undertaken, that action can be linked to desired changes in the local context and so, for example, that new formal entrepreneurship or entrepreneurship from within the 'social economy' may be activated.

But, as introduced above, the concept of *'institutional thickness'* does not offer a totally satisfying definition of the content of the concept of *institution* itself. Actually, the increasing emphasis on the use of this concept can be understood as the result of an increasing awareness concerning the role of social, cultural and political factors related to economic aspects. But more precision is needed. Institutions were elsewhere classified as markets, laws, decrees, norms,

habits, etc., which influence decisions and actions in a positive or negative way (Matzner, 1993, p. 61). Institutions were also understood as rules and procedures, enabling and/or restricting individual economic behaviour, as accumulated knowledge in society (Blaas, 1994, p. 58).

This is what helps to clarify the role of institutions in economic processes. It has direct implications concerning the way the concept of 'economic integration' was introduced above (see 3.5.).

**c) Conclusions: 'winning regions', anti-poverty action and local development**

Contributions from this field do not have a direct concern with poverty and anti-poverty issues. However, given the *transition* to 'flexible accumulation', vertical disintegration and sub-contracting becomes more widespread, the relations between the formal and the informal become more porous and increased attention has to be paid to the particular ways both sectors relate with exchange and use value production *within* the household and *through* 'household survival strategies'. Also the role of small and medium size firms in job creation at local level and the economic relations they develop among them and with big firms and trans-national corporations become another relevance when analysing the conditions for the socio-economic change at local level, aimed at the lasting 'economic integration' of poor households. In fact, these interdependencies may combine to potentially enlarge opportunities for income-earning activities of poor people (self-employment, micro-firms, organisations of the 'social economy', 'pathways to integration' in linking the poor to new job creation and to the labour market, etc.).

As Kevin Morgan (1997, p. 497) reminds us new regional innovation strategies contribute *little* to anti-poverty action. It is the kind of policy that cannot solve poverty problems and is not designed to achieve this kind of objective. Even job creation is modest and the most that can be expected is the safeguarding of existing jobs. However, this may be linked to the wider problem of recognizing that conventional economic growth alone *no* longer offers a credible solution for the poor. Morgan sees potential contributions coming from more innovative labour market policies ('socially useful third sector', the 'sheltered economy', the 'intermediate labour market', etc.). Kevin Morgan sees the European challenge for *less* favoured regions in the following way: *'To raise the innovative capacity of their regional economies; and to marry idle hands with unmet social needs. Rather than dismissing regional*

*innovation policy for not addressing the problems of social exclusion, far better to think of a repertoire of policies which affords parity of esteem to economic renewal and social justice'.*

The contributions in the field emphasise the role of *context* in the economic performance of individual firms. Thus, they introduce the possibility of a further analysis of the role of social cohesion for *'territorial competitiveness'* given the interdependence between competitiveness and the level of the individual firm and the potential role played by context at territorial level. In fact, Ash Amin emphasis that a regional culture of social inclusion and social empowerment is likely to encourage economic creativity by allowing diverse social groups and individuals to realize their potential. He writes (1999, p. 374): *"This reinforces the view that policies to stimulate regional entrepreneurship should recognize, oblique thought it may appear, the centrality of policies to combat social exclusion in this process. This is specially relevant in the context of regions marked by problems of persistent structural unemployment and rudimentary entrepreneurship, both of which act as a severe constraint on economic renewal".*

As socio-economic context can be *'made'*, changes in the socio-economic context can be identified and understood as necessary in order to achieve a desired outcome. Thus, the 'economic integration' of poor households can be related to institutions and pro-active agency involved in *'making'* a socio-economic context to a lasting favourable possibility of change. And in *'making'* the socio-economic context, *'institutional thickness'* becomes a non-avoidable issue in analysing the possibilities for locally based *agency* in promoting these kinds of lasting changes in the situation of poor households.

### 4.2.5. *'Losing' regions, 'distressed urban areas' and local development: local disintegration and 'Integrated Area Development'*

The recognition of the limited and geographical applicability of the *'industrial district'* model (Amin and Robins,1994; Martinelli and Schönberger,1992) is creating the stimulus to recentre scientific interest on *'losing'* or *'disintegrated localities'*. Initial developments on 'old industrial regions', 'locality studies' or 'industrial districts' and 'winning regions' cannot all ensure relevant contributions to analysis and development strategies in 'losing' or 'disintegrated localities'.

As Frank Moulaert (2000. p. 33) reminds us, the reality of these localities calls for the need of *specific* strategies. Old industrial regions or specific urban neighbourhoods of large urban regions are capturing, once more, increasing scientific attention. There is a growing public awareness that the massive ecological and social problems of these areas represent a major challenge for research and policy.

Nowadays, the initiative of the OECD (1998), the European Community Initiative URBAN and the Communication from the European Commission on the Urban Agenda (1997) are clear examples of the increasing political awareness concerning the problems of urban areas and particularly of their *'distressed urban areas'*.

In line with earlier developments (Moulaert et al. 1994; Moulaert et al. 1993; Moulaert et al. 1990), Frank Moulaert (2000) explores in his proposal the interaction between the dynamics of globalization and local change in cities and tries to show that it is possible to cope with global trends on the basis of adequate strategies of local development. *"Integrated Area Development"* is the expression he chose to coin his proposal.

'Integrated Area Development' focuses on the local community. The other scales are not considered to be less relevant but they are approached from a local stance. What is at stake for Frank Moulaert concerns the possibility of clarifying whether globalisation leaves room for local development strategies and policies, whether local development can conciliate economic, social and ecological agendas and whether local governance systems may work in favour of local socio-economic development.

'Integrated Area Development' is introduced as an approach to local development which is presented as *"a solution to poverty and social exclusion at the local level which combines social policy and economic development perspectives"* (Moulaert et al., 1994, p.1).

'Integrated Area Development' corresponds to an ideological option in favour of contributing to informed action concerning the problems of *'urban distressed areas'* and recognises the limits of current theoretical contributions inspired by developments in 'winning regions'. It starts with an in depth discussion of the very notion of *'local disintegration'* as the adequate conceptual and theoretical framework for discussing the problems of 'urban distressed areas' and explores the potential contribution of the French regulation school, to ensure the

necessary theoretical development do place the role of agency in favour of local development in contemporary conditions.

**a) 'Losing' localities and 'local disintegration'**

Theoretical explanations for *'decline'* or *'local underdevelopment'* are seldom found in textbooks on regional development (Henriques 1990; Moulaert, 2000, p. 49). It is also the case for theoretical explanations concerning *'local disintegration'* or *'urban distress'*. Moulaert starts discussing the several dimensions involved in 'local disintegration' as well as their nature. A *'socio-economically disintegrated area'* was defined as being 'cut off' from the major economic development processes. He specifies this idea defining the sense of disintegration in three ways. First, in the sense of *'disconnection'* from the general processes of prosperity in the neighbouring or larger spaces that encompass them. Second, the mechanisms that nourished, or should have continued to nourish economic growth, may have come to a *stop*. Thirdly, the sense of *fragmentation* and *segmentation* among different groups of the local society. In this sense he recognizes that if social segmentation can be considered a basic feature of a competitive society, spatial disintegration forces due to economic failure reinforce it (Moulaert, 2000, p. 51). Frank Moulaert (2000, p. 70) sees the main problem of disintegrated areas facing (re) development as the disintegration and fragmentation among and within the various subsystems of the local society. This fragmentation affects not only socio-economic activity, but also the living environment, civil society and political life.

**b) The French regulation school refined**

Theoretical contributions within this approach clearly recognize the insufficiency of available theoretical contributions which emerged as attempts to explain the dynamics of 'winning' regions. Authors within this field have shown that regulation theory is a useful tool for local development analysis. Among others that is the case of Bob Jessop, Alain Lipietz and Erik Swingedouw. They start with the analysis of the potential of the French regulation school to enable a possible analysis of the relations between structural change and historical specificity, and developed efforts in the sense of adapting the potential analytical contribution of the approach to the relations between global restructuring and local specificity.

That is also the case of Frank Moulaert (2000, pp. 33-38). First, Moulaert states that regulation theory can be used at local level as societal dynamics takes different institutional forms at different spatial and social scales (2000, p. 2). Second, given the particular meaning of regulation theory to the application for local development analysis, Frank Moulaert discusses in detail some biases he considers as *echoing* the shortcomings that are usually attributed to orthodox economic analysis. He follows by proposing refining regulation theory in order to adapt it to this kind of task. Regulation theory helps to establish the link between global forces and local development strategies, connecting these forces with socio-economic dynamics and agency at local level. Regulation Theory enables the linking of the structural dynamics of capitalism to strategy and agency at the corporate and local level. It enables the possibility of applying structural and cyclical crisis analysis to the particular character of a locality (op. cit., p. 19).

But a full contribution of regulation theory requires specific theoretical development aiming at overcoming its shortcomings. Frank Moulaert suggests customizing the 'regulationist' approach by identifying types of problem areas. In short, Frank Moulaert (op. cit., pp. 34-38) discusses what he defines as biases: first, an exaggerated reference to economic rationality and  neglect of non-economic rationality and irrationality and of non-economic spheres of social reality; second, a functionalist view of forms of regulation and a lack of interest in social reproduction outside the economic and political sphere; third, a missing link of articulation between modes of production and between regimes of accumulation, leading to a neglect of production systems other than the dominant one when analysing a regime of accumulation; fourth, a lack of balanced dialectics between different spatial levels and spatial forms in socio-economic systems; fifth, an uncritical pluralism of micro-theories that are used to fill the regulationist framework, leading to a strong presence of orthodox concepts and theories; finally, a neglect of ecological dynamics.

Reformulating regulationism for local analysis and strategy attempts to establish a better balance between structural dynamics and historical specificity is achieved by integrating into the analysis the articulation between subsequent modes of development and their different concrete forms. All layers of the socio-economic development of a locality must be involved as historically articulated elements of a contemporary socio-economic structure. The impact of *non-economic* structural dynamics on regional and local economic development must receive more attention because economic targets and policy instruments may vary strongly

among types of territorial economic structure. The concept of regulatory dynamics must be broadened from 'pure economic regulation' and 'state agency' to different forms of formal and informal regulation; such as habit formation, behavioural rules, control practices, the building of constraints, and opportunities for individual and collective actions are also part of the world of regulation. The role of agency and behavioural codes must be redefined in correspondence with the broader definition of institutional dynamics. As the role of agents cannot be structurally forecast, a significant role has to be recognized of the proactive role of agents in changing institutions and structures, the role of the state can only be fully understood if the overall complexity of the state is taken into account. Social reproduction at the local level requires extensive study, where the focus must be on the reproduction of humans in all their existential dimensions; humans as agents in their local communities with a physical, biological and socio-cultural level of existence. There must be an integration of different spatial scales (neither accumulation nor regulation can be spatially isolated, but they adopt specific territorial forms that are produced in the midst of a local-global interplay). Power relationships are critical analytical categories in regulation theory and must be included in the analysis of different types of institutions and their regulatory dynamics at the local level, local governance, social capital, institutional thickness, etc. The integration of the dialectics between nature and society also plays a part (preservation and reproduction of nature, sustainable development, etc.).

**c) Refined regulation theory and the analysis of socio-economically disintegrated areas**

The analysis of socio-economically disintegrated areas constitutes a challenge to conventional theories aiming at explaining growth and prosperity. 'Bad fortune', is not the same as 'bad luck'. Explaining decline, socio-economic disintegration and poverty and social exclusion requires ambitious theoretical development.

Theories of local development based on high technology strategies and theories of industrial or technology districts, all contribute to explain how success was reached, but not how decline could occur, or how the need for alternative development strategies may emerge (op. cit., p. 51). Micro theories of the flexible organization of high technology and advanced producer services in successful regions must be replaced by theories of unequal sectoral development and the socio-economic disintegration of the locality. Theories of efficient allocation of labour in local labour markets will be overruled by theories of labour market segmentation and

disequilibrium. Theories stressing inertia and local governance will be preferred to theories of political decision-making. These kinds of theories are needed, as without the understanding of the downward spiral of the local community no positive action for strategy and policy directed at renaissance or development is possible. In a successful area, redevelopment strategies may be based on *trust,* referring back to previous successes. In a 'disintegrated locality', due to lack of successful experiences, trust must be replaced by *hope* (op. cit., p., 53).

**d) The 'Integrated Area Development' model**

The mechanisms of social-economic disintegration may vary among localities (op. cit., p. 53) and local development strategies will be always part of the development history of a locality. To understand the role of strategy and policy in development, it is essential to study the development trajectory. Development and development strategies are *'path dependent' (op. cit.,* p. 59). The development trajectory includes the history of institutional dynamics and of local regulation and governance.

*'Integrated Area Development'* assumes that local development strategies should follow the agendas of local authorities and local development agents. It should respond to the most fragile segments of the local communities privileging the neighbourhoods and social groups that are particularly damaged by restructuring dynamics. The focus should be on satisfaction of *basic needs*, the *integration* of different policy domains and the promotion of *proactive* democratic local initiatives. This kind of approach to local development is based on *institutional economics* and *alternative development* analysis. The relation between economic dynamics and institutional changes are based on institutional economics. The socio-cultural aspects of institutional dynamics and the role of the satisfaction of basic needs in alternative development are inspired in later developments (op. cit., p. 12).

'Integrated Area Development' calls for the integration of ecological self-production, training and minimum income strategies for excluded citizens, housing and physical environment renewal, as well as political participation on the basis of grass-roots mobilization. In the 'Integrated Area Development' model, the local development strategy understood as social dynamics is not only assumed as being socially embedded. The relations between agents, institutions, and society should become not only the empowering vehicle of the development

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strategy. As Frank Moulaert writes (op. cit., p. 13) *"social relations are part and parcel of the development strategy rather than simply embedding it. This is particularly visible in the central role that social innovation plays in this development approach"*.

The 'Integrated Area Development' model is based upon alternative development assumptions. It is based on the idea that development should in the first place satisfy the basic needs of the most disadvantaged groups in society (op. cit., p. 63). As understood by Moulaert, alternative development is based on the satisfaction of basic needs, on economic and social mobilization and on the political dynamics allowing the establishment of enabling institutions. On the other hand, the local level is seen as the tangible level of alternative development.

The understanding of basic needs which underlies this kind of assumption is *not* directly linked to minimum *consumption*. Following Frank Moulaert, he considers that it is based on a broader conception of needs, functions and rights of individuals and groups and that this understanding results in the possibility of a *renewal of actions* against poverty (op. cit., p. 65). Within this broader understanding *"individuals are recognized as agents seeking autonomy and self-determination in the construction of their existence"*. Moulaert associates this understanding with the *consciousness-raising* as an important dimension of 'empowerment'.

This approach to development based on the satisfaction of '*basic needs'* implies a change in the nature of action in favour of poor people. If the consumption level is not the only criterion of analysis and action, the access to the means enabling the satisfaction of basic needs becomes equally important. In this sense, local development becomes less a question of ensuring purchasing power and more one of promoting a structural change to improve the individual and collective potential to respond to the needs, and thus, to participate in a production process aimed at the satisfaction of basic needs of all. Following John Friedmann, Frank Moulaert sees from this viewpoint that the individual household should play an active and productive role, no longer exclusively that of a passive consumer. This productive role is understood not only in market terms but involves the recognition of the human potential to solve its own difficulties in relation with all those considered to be non-productive.

Besides being based on assumptions related with alternative development 'Integrated Area Development' claims for the need of an *integrated* approach. Actually, the analysis of European experiences in the field leads Frank Moulaert to stress eight key observations. He found a myriad of strategy domains and objectives, a dispersion of agency efforts, quite orthodox budgetary philosophies, antagonistic relationships between social and economic policy, powerlessness of the public sector and denial of local potential.

*Social innovation* is the key distinctive aspect in the proposal of Frank Moulaert. He considers the main problem of disintegrated areas facing (re)development, the disintegration and fragmentation among and within the various subsystems of the local society. This fragmentation affects not only the socio-economic activity, but also the living environment, civil society and political life.

According to the proposal of Frank Moulaert, disintegrating forces and incoherence among strategy approaches should be overcome, by putting the needs and the socio-political organization of the deprived and excluded at the heart of local development strategies. The satisfaction of basic needs is achieved, according to Moulaert, by the combination of the revealing of needs by the grass-roots movements and through institutional dynamics, and by the integration of deprived groups into the labour market and into local productive systems.

Frank Moulaert further emphasizes the *socially innovative* character of his approach. For him, this involves two distinct understandings. First, it is innovative in the *relations* between individuals and groups understood in terms of new modes of social organization. Second, it is innovative as it is based on the satisfaction of *basic needs* of groups of citizens facing poverty or social exclusion. Both readings of social innovation lead to the recognition of the importance of the creation of *bottom-up structures* for participation and the mobilization of political forces which enable integrated development, based on the *empowerment* of citizens facing poverty or social exclusion (op. cit., p. 73).

**e) Conclusions: 'integrated area development', anti-poverty action and local development**

The notion of *'local disintegration'* plays a central role in the attempt to link global restructuring to poverty and to discuss the 'manoeuvring space' and the substantive content of action of Municipal action aiming at contextual change and local development for anti-poverty action in 'distressed urban areas'.

As the point of departure is not static, the focus will be centered on those aspects of local change where 'local disintegration' can help to link global restructuring to poverty and anti-poverty action possibilities.

Selecting this aspect, one is 'abstracting from' other potential relevant relations (see 2.2.). The key challenge for Municipal local development and anti-poverty action is considered to rely on the clarification of possibilities for action beyond voluntarism and determinism, namely, concerning the possibility of promoting local contextual change, understood as local development, and the possibility of linking the emergence of the 'local' in global restructuring both as an opportunity and a threat.

The notion of *'disintegration'* associated to territorial units of sub national scale can be first related with the developments proposed by Walter Stöhr. The later developments of Frank Moulaert enable an additional contribution associated to the specific concern with the urban context.

Walter Stöhr proposed an understanding of *'regional disintegration'* on the basis of the following aspects (Stöhr, 1981 (b), pp. 222-223): withdrawal of selected regional production factors which can more profitably be employed in large-scale factor markets; idleness or underemployment of the remaining regional resources; environmental disruption and disequilibria in man-environment relations, due to the frequent over-utilization and withdrawal of selected resources in high worldwide demand and the idleness of the remaining ones; displacement of local/regional economic and environmental circuits; introduction of externally dominated production factors, disintegration of small and medium-scale social and political structures, and the withdrawal of economic resources; the debilitation of regional economic and

of socio-political structures making peripheral regions increasingly dependent upon economic and organizational support from central governments.

However, conceptualizing *'local disintegration'* requires specific conceptual and theoretical development. 'Local disintegration' can be analysed as occurring *in* a locality but it cannot be considered to be *from* this locality (see 3.4.).

The concept of 'local disintegration' is too easily defined as the destiny of a territorial unit being *'cut off'* or *'divorced'* from exogenous dynamics of capital accumulation. As if its very constitution should not be explained exactly as a direct or indirect product of capital accumulation and its spatial dynamics. The constitution of 'urban distressed areas' can be the result of decline or dynamics produced locally *as well as* elsewhere in the urban context from whose spatial and social dynamics it may depend on (spatial social segregation, spatial functional segregation, urban land rent, economic 'death' of buildings, etc.).

Even if conceptualized as fragmentation in social relations, the very links of this fragmentation to its spatial and temporal dimensions in contemporary conditions requires a deeper analysis given the changing role of space and time in *'extended social milieux'* (see 3.4.).

The concept of alternative development is defined in a rather superficial way. Many contributions to this theme can be identified. Also basic-needs satisfaction may require a deeper analysis in this context (see 3.2.). The concept of basic need is defined in a superficial way not enabling an action-oriented perspective which may lie beyond the provision of public services (housing, education and schools, health and medical care, etc.). It is not enough to say that it is not primarily related with purchasing power and that it also involves rights.

No reference is made to the fact that, from within the regional development debate, local development gained its sense from *'endogenous'* regional development strategies that based themselves exactly on the need to reconceptualize 'development'. It is in this sense that the notion of *'another'* regional development was once proposed by Walter Stöhr (see 4.2.1.).

As will be developed later (4.2.7.) the sense of initial analysis of *'local disintegration'* were basically oriented towards identifying the *structural* nature of the factors *inhibiting* local initiative, those factors leading to conditions that were *not* conducive to the collective capacity for initiative and organization. That has very much in common with what was analysed below as a critical factor in poverty and anti-poverty action given *'organizational outflanking'* (3.6.) among the poor themselves as an essential feature of poverty.

### 4.2.6. Community development and local development: critical thinking and the building of collective action

Theoretical developments in the field see socio-economic change as depending on changes in attitudes and behaviour. These changes involve changes at individual level as well as changes at collective level. In particular, concerning the possibility of collective action.

In the 60's working relevant contributions to 'community development' came from working with groups and organizations involved in a voluntary capacity, addressing individual's problems on a collective basis and seeking to understand and work on the external reasons for their existence.

Promoting participation, helping people to acquire confidence, skills, knowledge and greater awareness of their life, promoting empowerment and effective organization have been major community development contributions to the local development agenda of today.

These ideas found wider development around the research developed at European level by the European Foundation for the Improvement of Living and Working Conditions. Under the title *'Coping with Social and Economic Change at Neighbourhood Level'* the research has revealed the increasing interest in knowing about the role and contribution of local community action in responding to social and economic problems in disadvantaged urban areas  (Chanan 1992; Emmanuel 1993; Rees 1991).

**a) Community development, 'modernisation' and the 'acceleration' of development**

'Community development' emerged in the late 50's under the strong initiative of the United Nations. It was presented as a technique aiming at the 'acceleration' of a country's development. This 'acceleration' was considered not to be reduced to issues of economic policy but should also involve socio-economic development in dealing with backward regions. Identified as examples of clear advantages were the mobilisation of local resources, the transformation of 'peoples' mentality' and the creation of new organisational structures ensuring the self-sustaining of future action (Silva 1963; Silva 1965).

'Community development' was clearly differentiated from a development technique for small communities. It was basically concerned not with scale but with the changes in the *'people's mentality'* that were considered to be the basic elements for the whole development process to occur. It was assumed that global development could only happen if people were associated to the process of their own development. 'Community development' clearly differentiated the idea of being linked to the remedy for small local problems. It mustn't be associated to a given geographical space. Its aim is the promotion of a sense of cooperation as the basic condition for development. It is further based on the idea that the imposition of authority from above, without the people's cooperation will not be conducive to development.

In a 'community development' process several phases can be identified. It starts with disseminating information and animating the community. It follows with the identification of needs and resources and with the identification and training of local 'natural' leaders. Finally, it leads to the design of a plan and following evaluation procedures (Silva 1963).

That is the reason why *'participation'* is placed at the heart of 'community development'. Though hard to get, participation is considered to be not impossible to achieve if "adequate techniques" are used. Many reasons are recognised as not facilitating participation. Backwardness and structural atavism of certain social groups, scepticism towards any intervention from the public sector or factors connected with administrative authorities and public services, are considered to play a potentially negative role. In any case it is important to discover in each situation which are the main reasons leading to the inhibition of participation.

'Community development' was regarded as starting from the necessities *felt* by the people and stimulated the collaboration between the people and the public services. It was assumed to give place to a progressive social change taking place in every aspect of human life and be inserted in a political structure where principles such as freedom, association and knowledgement of the collectivity's worth are supposed to exist.

Different traditions of 'community development' can be found. On a geographical basis, distinctions can be found between an American, an African-Asiatic type and a Latin American type. On a conceptual basis, distinctions can be found between an integrated type, an adapted type and a pilot-project type.

**b) Paulo Freire, critical awareness and the building of collective action**

The building of *'critical awareness'* had a central impulse from the work of Paulo Freire ("conscientização"). His best known book *"Pedagogia do Oprimido"* (Freire 1972) had a major influence at international level.

Criticising the 'banking' and 'oppressing' role of conventional education, Paulo Freire develops an approach on the basis of his *'Dialogic Theory of Action'*. People meet together in their joint action to transform the world ('collaboration'), leadership aims at uniting the oppressed ('uniting for liberation'), the oppressed organise for their own action ('organisation') and dialogical cultural action aims at social transformation on the basis of the identification of 'generating subjects' ('cultural synthesis' starting from "temas geradores", those subjects that are relevant for people and that must be the starting point for any cultural action).

The work of Paulo Freire is being widely 'rediscovered' (Novy 2005 a); Novy 2005 b)). Involving issues such as popular education, building of critical awareness and acting for freedom and empowerment in development work, the work of Paulo Freire is gaining again a wider interest concerning acting beyond 'discourses' about 'globalisation'. To learn *'how to read the world'* is back on the agenda. Andreas Novy writes about 'dialogue from below'. In development studies, this means to reach beyond wanting to 'understand' the poor and engaging *with* the poor in transforming reality (Novy, 2005., p. 11): *"Forschen heißt dann zuhören, einfühlen und verstehen lernen"*.

**c) Conclusions: community development, anti-poverty action and local development**

The building of *'critical awareness'* and the building of *collective action* play a central role in the theoretical contributions coming from this field. Notions such as *'participation'*, *'capacity building'* or *'empowerment'* in local development clearly find their origins in these kind of theoretical contributions.

In a context of 'global restructuring' and *transition* to 'flexible accumulation', 'critical awareness' is not favoured, given the tendency to subjective interpretation of need as consumption and collective action is not favoured, given the 'fragmentation' of collective identities and the role of individualism as ideology. As was seen above (see 3.5., 4.1.4.), these kind of aspects do not contribute to favour 'economic integration' among poor people as they favour dependency on consumption and do not contribute to counter-act *'organisational outflanking'* among the poor.

Therefore, *'strategically placed agents'* (see 3.3.) informed by theoretical developments coming from the field of community development, may act towards the promotion of 'critical awareness' and the building of collective action. Given the *'duality of structure'* (see 3.3.) this may represent possibilities for system *transformation*, rather than reproduction, as well as the building of *agency* for locally based action towards lasting 'economic integration' of poor households.

*4.2.7. Local development, the 'non-emergence' of local initiative and the economic integration of poor households: towards an action-oriented theory of 'local underdevelopment' for anti-poverty action in 'distressed urban areas'*

As was seen above (see 3.4.), the concreteness of poverty is context-dependent. So are the lasting changes in the poverty situation of poor households. The kind of contextual change required for lasting changes to occur has been understood as *'local development'*. Thus, in this work, *local development* is understood as the kind of change in local context that may lead to lasting prevention in poverty as well as lasting 'economic integration' of poor households.

As a theoretical and policy issue, local development cannot be restricted to the observation of *'spontaneous'* processes. It is precisely the *non-emergence* of local development that is understood in this work as the central policy issue to solve. Nor should it be expected to be exclusively *'endogenously'* promoted *'from below'*. The creation of development 'visions', objectives and strategies, the mobilisation of local resources and the construction of solidarity may well be *'exogenously'* promoted. The key question is to know whether it is possible to identify *'conditions of possibility'* for the creation of *locally supported* development *'impulses'* leading to the *prevention of poverty* and to the *'economic integration'* of poor households based on local initiative and local organisational capacity.

As the required research is mainly oriented towards the identification of *'conditions of possibility'*, it may not be possible to get all the necessary empiric evidence. It can rely *less* on empiric evidence and more on the identification of *'causal powers'*. It has also to be remembered that, due to the *concept-dependent* character of human action, conceptual issues exhibit *'causal powers'* (see 2.2.). Thus, they have to be paid close attention if departure from current practices is to be favoured and more efficacious anti-poverty action is aimed at. The *critical* identification of *possibilities* for action becomes constitutive of potential *material* outcomes. Political will, legal powers or financial resources have an obvious role to play.

*Local development* is an increasingly relevant policy issue in Europe. Some write about a broad locally or regionally initiated development policy that emerged recently based on the recognition that only more comprehensive actions by local communities can be effective in changing the respective *'milieu'* and in using their *'manoeuvering space'* by improving conditions for entrepreneurial and innovative activities. In fact,, 'global restructuring' and contemporary challenges to competitiveness also call for new strategies for local development. The requirement for innovation and flexibility deriving from these conditions have made conventional regional policies widely ineffective and have necessitated new approaches to stimulating development with increasing emphasis on the local level (Stöhr, 1990, pp. 39-43).

However, very diverse, and even contradictory, theoretical contributions deal with local development related issues. A remarkable amount of contributions can be found in contemporary literature. The theoretical contributions introduced above must be understood just as examples of possible developments respecting the epistemological, conceptual and theoretical development undertaken before this work. They were chosen according to their ability to offer a coherent

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*'framework of meaning'* for the analysis of the *kind of local change* one can aim at in anti-poverty action. They were also chosen according to their adequacy in the search for 'conditions for possibility' and 'causal powers' from whose activation they might depend on. It was admitted this would be the best way to identify structures and their *ways of acting* (mechanisms) potentially leading to lasting changes in poverty situations as was introduced above (see 3.6.).

**a) Theoretical developments: a brief overview**

Concrete anti-poverty action and concrete planning tasks cover a wide variety of dimensions. Planners are supposed to develop several roles and find the right approach to promote the 'economic integration' of poor households in the framework of territorial planning for local development. The complexity of this challenge is seldom recognised. Conceptualising and implementing an adequate local development strategy requires some effort of *'reconstruction'* on the basis of the examples of theoretical development introduced above. That is what will be done below in order to propose an action-oriented theory of local underdevelopment that may play this role. A brief overview will follow.

***'Endogenous' regional development policies and strategies and local development***

Theoretical contributions from this field see the possibility of change of the local socio-economic context as dependent on the role of local initiative and organisational capacity (*'agency'*). They emphasise the role of territorial pro-active agency in mobilising the *'endogenous potential'* aimed at *'selective reliance'* for an *'alternative'* development. As recalled above (see 4.2.1.), at the end of the 70's, *'endogenous'* regional development strategies started to receive more public attention within the regional development debate following the poor results of regional policy in the late 70's. Several contributions emerged to reformulate the meaning of regional development and to propose *alternative* regional development strategies and policies. These *'endogenous'* regional development policies and strategies contributed to a relevant *shift* in public policy and regional strategies over the 80´s. With its emphasis on *conceptual reformulation of development issues*, on *territorially-based pro-active agency* and on *small-scale local initiative in regional developmen*t, this shift represented a major *impetus* to the theoretical bases of local development.

According to these assumptions, local development can be promoted, or blocked, by central *as well as* by local authorities. It may be understood as a *method* to promote *'another'* regional development, i.e. a territorial approach to 'another' development, and as such it involves *centralisation* as well as *decentralisation*. Local initiative and local availability of resources are not sufficient conditions for local development. Also, *'passive'* reliance on 'spatial diffusion effects' or *'active'* attraction of exogenous capital and entrepreneurial initiative may *not* to be a guarantee of local development.

Induced social and economic change in poverty situations of poor households cannot be dissociated from the possibility of inducing lasting contextual changes in the *mobilisation, valorisation and control of local resources*. Anti-poverty action becomes 'non-independent' on regional development and assumes the need of *organisational structures* aimed at developing *animation* activities as well the mobilisation of formal *competencies and capacities* to increase the *control* of the use of *local resources*.

But the relation between *'endogenous'* regional development strategies and anti-poverty action is not a direct one. In his initial formulations, Walter Stöhr explicitly linked his own theoretical efforts for *'integrated regional development'* to the international debate on *alternative* development strategies. However, these links cannot be found in the later developments of his work. Regional *innovation* and *formal* economic issues remained the main focus of his attention.

Nevertheless, the results of research developed on the basis of case studies of *'endogenous'* regional development action helped identify a number of key aspects. Initiatives seem to start by a *key individual* (conventional, unconventional, or informal initiator), working through *local networks* restructured or created for that purpose, playing a role of *'local development agent'* interrelating different local actors and institutions often motivated by a *common awareness* of an *external threat*. Local mobility of *relevant information* (local newspapers, intensive social interaction) is considered to be a further prerequisite. The main actors *identify* with the local community (even if they are not local residents) and expect *more benefit from local* than from external cooperation or interaction. Local initiatives considered successful were mainly *indigenously triggered* and oriented towards *mobilisation* of local entrepreneurial resources, economic diversification, the introduction of new products, the upgrading of skills and the introduction of new organisational forms for economic, cultural and training activities. This

kind of result is not easily translated in terms of policy. This was already recognized by Walter Stöhr. Given the results of this kind of research, there continues to be no fully satisfying answer to the key question for policy: can self-sustaining local initiatives be induced.

### *The sources of regional wealth and local development: 'retreat to subsistence'*

Theoretical contributions from this field see the possibility of changing the local socio-economic context as depending on the mobilisation of local communities towards a *'retreat to subsistence'* (see 4.2.2.). A critical role is assigned to the individual and collective production of use value in meeting needs as defined by the local communities. Clyde Weaver showed the contribution of libertarian contributions to the origins of regional planning and to the very notion of regional development. He wanted to provide a rationale for grass-roots reconstruction of the social economy in Western industrialised countries establishing direct links between regional development and local community action and arguing for the appropriateness of grass-roots approaches to recreating local well-being in the contemporary context of 'global restructuring.

Theoretical developments stemming from this perspective provide an entry point in linking unmet basic needs to the satisfaction of intermediate needs and in analysing the potential role of *avoiding* market-dependency and *widening* the scope for income-earning activities in anti-poverty action. Use value created for the benefit of their producers is currently site-specific, being utilised *in situ*. It can be directly related to the discussion introduced about the concept of 'economic integration' and the implication of the *transition* to 'flexible accumulation' to poverty and anti-poverty possibilities for action.

### *Restructuring theory and 'locality studies': global change, agency and 'locality effects'*

Theoretical contributions from this field see the possibility of change in the local socio-economic context as highly dependent on *pro-active agency*. They emphasize the fact that agency matters in shaping the concreteness of the implications of the transition to 'flexible accumulation'. They also stress the potential of 'locality studies' to identify structures and mechanisms leading to problems that are the focus for change. They see localities as 'real contexts of social interaction' and as such they recognise their adequacy for analysing the agency-structure duality. This methodological perspective permits the analysis of both local and non-local factors of local change: local and non-local factors underlying locally

experienced problems as well as local and non-local conditions on which lasting change may depend.

With 'global restructuring', Europe has experienced a remarkable speeding up of industrial restructuring processes since the late 1970's and early 1980's. 'Global restructuring' was one of the expressions used to designate the many *shifts* taking place and 'restructuring theory' emerged as the confluence of theories trying to contribute to an explanation for these changes (see 4.2.3.). These contributions all recognise that the basic rules of a capitalist mode of production continue to operate as the invariant shaping force in historical-geographical development. Therefore, ´global restructuring' could also be understood as a *transition* in the 'regime of accumulation' and its associated mode of social and political regulation according to the contributions of the French regulation school. 'Global restructuring' was explained as resulting from the effort to supersede the economic crisis that affected the capitalist world after the early 1970s and which is redefining capital-labour relationships and the role of the state.

With 'restructuring theory, 'locality studies' correspond to a basic concern with the importance of *space* and *place* in the concrete outcomes of the relations between human activity and spatial configurations. Given the spatial variability of social phenomena, namely, the spatial variability of the concrete manifestations of 'global restructuring', local specificity can be linked to the possibility of *'locality effects'* occurring. Therefore, contextual conditions may offer a clear possibility of analysis and action. This leads to the central theoretical question of whether spatially variable phenomena generate *specific* localised causal entities with their own distinctive causal powers. Thus, *'agency matters'* when combinations of spatially variable phenomena are added to creating *'locality effects'*.

### *'Winning regions' and local development: 'industrial districts', 'territorial competitiveness' and 'institutional thickness'*

The theoretical approaches in this field are very varied and started being developed in the early 1980's from different paradigmatic influences (see 4.2.4.). They all attempt to explain the 'successes of the economic performance of *'winning'* regions. This 'success' is understood mainly in terms of firms innovation and competitiveness. In general, they also share a particular concern with small and medium sized firms. The critical aspect of their consensus lies in the way the role of *context* is stressed in explaining the 'success' of

'winning' regions. Nevertheless, they introduce the possibility of a further analysis of the role of social cohesion for *'territorial competitiveness'* as a regional culture of social inclusion and social empowerment is likely to encourage economic creativity by allowing diverse social groups and individuals to realize their potential. Amin emphasizes (1999, p. 374) how policies to stimulate regional entrepreneurship should recognize the centrality of policies to combat *social exclusion* in this process especially in the context of regions marked by problems of persistent structural unemployment and rudimentary entrepreneurship.

Contributions from this field are not directly concerned with poverty and anti-poverty issues. However, given the *transition* to 'flexible accumulation', vertical disintegration and sub-contracting become more widespread, the relations between the formal and the informal sectors become more porous and more attention must be paid to the particular ways *both* sectors relate with exchange and use value production *within* the household and *through* 'household survival strategies'. Also, when analysing the conditions for local socio-economic change aimed at the lasting 'economic integration' of poor households, there is more relevance in the role of local small and medium size firms in job creation and the economic relations they develop among them and with big and trans-national corporations . In fact, these *interdependencies* may combine to potentially enlarge opportunities for income-earning activities of poor people (self-employment, micro-firms, organisations of the 'social economy', 'pathways to integration' in linking the poor to new job creation and to the labour market, etc.). That is why the *'economic thickness'* of the local 'whole economy' requires specific attention.

Furthermore, as the socio-economic context can be *'made'*, changes in the socio-economic context can be identified and considered necessary in order to achieve a desired outcome. Thus, the 'economic integration' of poor households can be related to institutions and pro-active agency involved in *'making'* a socio-economic context for a lasting favourable possibility of change. And in *'making'* the socio-economic context, institutional and organisation *'thickness'* or *'thinness'* become *unavoidable* issues in analysing the possibilities for locally based *agency* in promoting lasting changes in the situation of poor households.

*'Losing' regions, 'distressed urban areas' and local development: 'local disintegration' and 'Integrated Area Development'*

Theoretical contributions from this field see the possibility of change in the local socio-economic context as highly dependent on pro-active agency aimed at counteracting 'local disintegration'. The recognition of the limited and geographically applicability of the *'industrial district'* model stimulated some scientific interest in *'losing'* or *'disintegrated localities'* (see 4.2.5.). Theoretical developments on 'old industrial regions', 'locality studies', 'industrial districts' and 'winning regions' cannot offer relevant contributions to the analysis and the development strategies for 'losing' or 'disintegrated localities'.

The concept of 'local disintegration' plays a central role in the attempt to link 'global restructuring' to poverty and to discuss the 'manoeuvring space' and the substantive content of action of Municipal action aimed at contextual change and local development for anti-poverty action in *'distressed urban areas'*. As the point of departure is *not* static, the focus will be centred on those aspects of local change where 'local disintegration' can help link 'global restructuring' to poverty and anti-poverty action possibilities. The role of history and local specificity is recognised in accepting the *path-dependent* character of any possibility of local change.

However, conceptualising *'local disintegration'* requires specific conceptual and theoretical development. 'Local disintegration' can be analysed as occurring *in* a locality but it cannot be considered to be *from* this locality. It can be easily reduced to the destiny of a territorial unit being *'cut off'* or *'divorced'* from exogenous dynamics of capital accumulation. But as is the case of 'distressed urban areas', they may emerge from decline or dynamics produced locally *as well as* elsewhere in the urban context whose spatial and social dynamics may depend on (spatial social segregation, spatial functional segregation, urban land rent, economic 'death' of buildings, etc.). Even the possible fragmentation of social relations in these areas cannot be dissociated from spatial and temporal dimensions in contemporary conditions given the changing role of space and time in *'extended social milieux'*.

'Integrated Area Development' proposes linking *alternative* development and basic-needs satisfaction to an action-oriented perspective which may lie beyond the provision of public services (housing, education and schools, health and medical care, etc.). But it is not enough

to say that it is not primarily related with purchasing power and that it also involves rights. No reference is made to the fact that from within the regional development debate local development gained its sense from *'endogenous'* regional development strategies that based themselves precisely on the reformulation of the concept of 'development'. It is in this sense that the notion of *'another'* regional development was once proposed by Walter Stöhr (see 4.2.1.).

*Community development and local development: critical thinking and the building of collective action*

Theoretical developments in the field see socio-economic change as depending on changes in attitudes and behaviour. Building 'critical' awareness and collective action are seen as key factors for possible change. Changes in attitudes and behaviour involve changes at individual and collective levels namely regarding the possibility of collective action (see 4.2.6.). In the 60's working relevant contributions to 'community development' came from working with voluntary groups and organisations, addressing individual's problems on a collective basis and seeking to understand and work on the external reasons for their existence. Promoting participation, helping people to acquire confidence, skills, knowledge and greater awareness of their life, promoting empowerment and effective organisation have been major community development contributions to the local development agenda of today.

As recalled above, '*critical awareness'* and *collective action* play a central role in the theoretical contributions coming from this field. Notions such as *'participation'*, *'capacity building'* or *'empowerment'* in local development clearly find their origins here.

'Critical awareness' is not favoured in a context of 'global restructuring' and *transition* to 'flexible accumulation', given the tendency to subjective interpretation of need as consumption; collective action is not favoured in this context given the 'fragmentation' of collective identities and the role of individualism as ideology. As was seen above (see 3.5., 4.1.4.), this kind of aspect does not help foster 'economic integration' among poor people as it favours dependency on consumption and does not help counter-act *'organisational outflanking'* among the poor.

Therefore, *'strategically placed agents'* (see 3.3.) informed by theoretical developments from the field of community development may act towards the promotion of 'critical awareness' and the building of collective action. Given the *'duality of structure'* this may represent possibilities for system *transformation*, rather than reproduction, as well as the building of *'agency'* for locally based action towards lasting 'economic integration' of poor households.

**b) Towards an action-oriented theory of 'local underdevelopment' for anti-poverty action**

As already introduced elsewhere (Henriques 1990b) an action-oriented theory of *'local underdevelopment'* is needed so as to relate *'local disintegration'* and the *'non-emergence'* of local initiative to local (Municipal and formal) pro-active *agency* in promoting local development for the 'economic integration' of poor households. Such a theory of 'local underdevelopment' may provide an explanation of how Municipalities can act in order to counteract the role of structures and mechanisms leading to the erosion, underutilisation or over-utilisation of local resources. It also involves the complex *interdependency* among ecological, economic, political, socio-cultural and psychological factors related to the *'inhibition'* of local initiative.

The analysis of *'local disintegration'* mentioned above (op. cit.) was basically oriented towards identifying the *structural* nature of the factors *inhibiting* local initiative, namely those factors leading to conditions that are *not* conducive to the collective capacity for initiative and organisation. This is closely linked to the above analysis of *'organisational outflanking'* among the poor which was identified as an essential feature in poverty and anti-poverty action (see 3.1; see 3.6.). Following this proposal, the point of departure has to be found in the process leading to 'local underdevelopment', i.e., the 'context-dependent' manifestation of the 'non-emergence' of local initiative aiming at counteracting 'local disintegration'.

The theoretical developments introduced above are conducive to an understanding of local development which relates locally sustained *'impulses'* with *'another'* development aimed at the prevention of poverty and the 'economic integration' of poor households. Initially, local development finds its conceptual and theoretical conceptual roots in *'endogenous'* regional development strategies. Local initiative and organisational capacity linking the mobilisation of an *'endogenous potential'* to 'selective spatial closure' or 'selective self-reliance' were emphasized. This also means that it is understood as a *territorial* approach to *'another'*

development. Local development was understood as involving ecological, economic, social and political aspects of the mobilisation of local resources when the satisfaction of basic-needs of poor households is given priority. That is why the concept of local development itself finds its logical *'raison d'être'* in the efforts related to the conceptual restructuring of the traditional concept of *development* It is enough to remember the explicit reference *to human needs*, to *scale,* to *'delineation' and participation,* to *conflictuous social change* or to *poverty, unemployment and social disequilibria (*see 3.6.). Therefore, locally sustained 'impulses' for local development may not be *'mobilisation oriented'*. They may also be *'control oriented'*. Local initiative to stop the erosion of local resources can be an example. Power relations will always be involved.

Restructuring theory and 'locality studies' see the 'locale' as a 'context of real interaction' enabling the analysis of the 'agency-structure duality' and they also stress the role of agency in shaping *'locality effects'*. According to these kind of contributions *'agency matters'* in the concreteness of the effects of 'global restructuring'. Also, in *'winning'* regions new firm creation and innovation in individual firms was explained by *contextual* change and pro-active agency is recognized as having a role to play in favouring start-ups and innovation in existing firms. However, especially in *'disintegrated localities'*, pro-active agency and 'Integrated Area Development' were explained to be playing a key role in change as a pre-condition for the reversal in the 'downward spiral' in 'disintegrated localities'.

However, agency *cannot* be expected to emerge 'spontaneously' as a result of 'local disintegration'. Neither public authorities nor social movements play a role in 'integrated action' (as assumed in 'Integrated Area Development') or in revealing unmet basic-needs among the poor. The poor themselves experience mixed situations of 'organisational outflanking' at individual or household level.

Thus, *'building agency'* becomes a starting point. The development of *'critical'* awareness and the building of *collective* action have to be achieved in order of ensure conditions for local development. Theoretical contributions since the early developments of 'community development' offer this kind of perspective. *'Strategically placed agents'* as labelled by Giddens (see 3.3.) may be crucial to building *agency*.

In line with this rationale, the proposed contribution to develop an *action-oriented* theory of 'local underdevelopment' will focus on three key dimensions: 'pro-active agency, strategic vision and local development project', 'local communities, participation and the development of active solidarity' and 'resources management, institutions and human agency (the possibility of *'non-standardised'* individual human behaviour and collective action)'. As assumed above, local pro-active agency and local initiative are central to this undertaking. Three dimensions of local initiative are assumed: local initiative from public authorities, local initiative from the *'autonomous sector'* (non-traditional entrepreneurship, organisations from the 'social economy', etc.) and local entrepreneurial initiative.

### *'Global restructuring' and 'local underdevelopment'*

In anti-poverty action, the point of departure is *not* static. The context-dependency of poverty requires an understanding of the causes of its emergence and persistence. The theoretical contributions discussed above in relation to 'losing' regions and the concept of 'local disintegration' are useful (see 4.2.7.) to understand the particular aspects of poverty in 'distressed urban areas' as a particular form of 'local disintegrated' areas. Also, the theoretical contributions stemming from 'locality studies' help to understand the locality as a social context of 'real interaction' permitting the identification of the *non-local causes* of poverty as well as the *non-local conditions* on the basis of which local development may be sustained (see 4.2.5).

### *'Global restructuring' and 'local disintegration'*

The concept of 'regional disintegration', as proposed by Walter Stöhr (see 4.2.1.), has been used to approach 'local disintegration'. *'Regional disintegration'* concerns several dimensions in regional change: the withdrawal of selected regional production factors which can more profitably be employed in large-scale factor markets; idleness or underemployment of the remaining regional resources; environmental disruption and disequilibria in man-environment relations due to the frequent over utilisation and withdrawal of selected resources in high worldwide demand and the idleness of the remaining ones; displacement of local-regional economic and environmental circuits; introduction of externally dominated production factors into less developed peripheral areas; disintegration of small and medium scale social and political structures; the withdrawal of economic resources, the debilitation of regional economic and socio-political structures making peripheral regional increasingly dependent on economic

and organisational support from central governments. 'Regional disintegration' is supposed to occur as a result of the role played by the local community in the national and international spatial division of labour and due to increasing 'functional' regional integration in this context.

Theoretical developments dealing with 'losing' (see 4.2.5.) regions focus on the notion of 'local disintegration'. A *'socio-economically disintegrated area'* was defined as being *'cut off'* from the major economic development processes in the sense of *'disconnection'* from the general processes of prosperity in the neighbouring or larger spaces that encompass them or in the sense that the mechanisms that nourished or should have continued nourishing economic growth may have come to a *stop*. The notion of 'disintegration' was also defined in the sense of *fragmentation* and *segmentation* among different groups of the local society.

But conceptualising 'local disintegration' requires further specific conceptual and theoretical development. 'Local disintegration' can be analysed as occurring *in* a locality but it cannot be considered to be *from* this locality (see 3.4.). It is not enough to define it as the destiny of a territorial unit being *'cut off'* or *'divorced'* from exogenous dynamics of capital accumulation. Its constitution must be understood as the direct or indirect product of capital accumulation and its spatial dynamics. This may occur precisely because these areas are not 'cut off' or 'divorced'. First, long-term social transformation processes contribute to weakening the 'social fabric' (Elias 1981; Fromm 1982). Second, the constitution of *'urban distressed areas'* can be the result of decline or dynamics produced locally *as well as* elsewhere in the urban context whose spatial and social dynamics it may depend on (spatial social segregation, spatial functional segregation, urban land rent, economic 'death' of buildings, etc.). Finally, in contemporary conditions the *transition* to 'flexible accumulation' contributes to weakening some of the most powerful mechanism to cope with poverty (competition, mutual predation and mutual aid). The rise of the informal sector (illegal as well as legal practices), the role of entrepreneurs within the poor households' communities taking advantage of the vast reserve of labour power (sweatshops, etc.) and the *commodification* of traditional mutual aid within these communities lead to the emergence of unregulated urban spaces within which such practices are combined and tolerated. Even if *place-bound* collective identity is reinforced it does not necessarily lead to facilitated collective action (*'agency'*) (see 4.1.4). A defensive shared collective isolation may well be the outcome.

*'Global restructuring', institutions and human agency*

Anti-poverty action requires the linking of pro-active agency and local initiative to *'positive discrimination'* in favour of poor households. The kind of change in local context that is aimed at is not likely to occur either *'spontaneously'* or on the basis of automatic *'exogenous'* impulses linked to economic processes alone. Contributions of 'endogenous' regional development theories assume this possibility (see 4.2.1.).

Local development also admits that local resources could be mobilised with priority to *unmet intermediate needs* of poor households (see 3.2.). Implicitly, it is assumed that the use of local resources can be constrained by locally defined priorities: scarce resources controlled according to locally defined 'strategic advantages' and underutilised resources mobilised to solve unmet intermediate needs. It is further assumed that local production may partially be related to local consumption structure and that local consumption patterns, as locally defined, are the most adequate to meet basic-needs in the local community. But, in contemporary capitalist societies, the *condition*s for the *avoidance* of serious harm become increasingly *market-dependent*. The satisfaction of the material basis of instrumental needs like food and water, housing or medical care, are increasingly dependent on *money*, and therefore, on employment for a wage or welfare-dependent transfers.

This involves the assumption that the specificity of locally defined solutions for local problems relies on the possibility of *'non-standardised'* expressions of human behaviour. First, value oriented attitudes and behaviour may create the possibility for collective solutions in 'local communities' even if those solutions do *not* represent a *'utility maximising'* individual behaviour. Thus, alternatives to economic rationality are assumed to be possible as cognitive, emotional and affective aspects of human behaviour are understood as interdependent. Second, this means that it is assumed that 'critical' awareness may favour changes in attitudes and behaviour against current assumptions in conventional thinking in economics. It also has the implication that human reactions to material stimuli have to be considered as *unpredictable*. Human beings are *knowledgeable* agents. 'Critical' awareness and collective action are assumed as *possible*. Finally, in contemporary conditions the *transition* to 'flexible accumulation' reinforces a subjective interpretation of need as lack of consumption. The speeding up of 'turnover time' in production, in organisational forms and in consumption became increasingly dependent on actively promoted quick-changing fashions

and the mobilisation of all the artifices of need inducement and cultural transformation. *Avoiding* poverty may require departure from hegemonic values, attitudes and behaviour as favoured in contemporary changing political-economic conditions. Given 'time-space compression' and the pressure to accelerate turnover time, a less critical understanding is favoured about the subjective interpretation of need as lack of consumption.

### *'Non-emergence' of local initiative and 'local underdevelopment'*

Therefore the *non-emergence* of local initiative aimed at local development stops local communities reinforcing their capacity to control the use of local resources and defend themselves from 'local disintegration'.

Different types of local initiative are assumed to be possible. Local authorities or other agencies may act as *formal* leaders animating the local community around *'visions'* of desirable futures. Groups and individuals may act as *natural* leaders trying tomobilise the local community around those 'visions' in search of solutions to experienced problems. Initiatives from the *'autonomous sector'* may help reduce *'market-dependency'* and increase opportunities to *income-earning* activities in meeting intermediate needs. Individual *entrepreneurial* initiative may contribute to *job creation* and to the mobilisation and valorisation of local resources. Local authorities and 'local development agencies' can halp 'make' a favourable context and promote the *'thickness'* of the local *'whole'* economy.

### *Non-emergence of initiatives from public authorities*

Poverty and anti-poverty action are fields where *prejudice* and the risk of *oversimplification* may easily combine to inhibit political initiative. That is a societal domain where the *'discursive field'* may play a central role (see 3.1.).

The *non-existence* of a major concern in relation to poverty and development issues among the elected members, the non-existence of political conditions for clear leadership among different elected parties and the priority given to national rather than to local questions, may all contribute to the 'non-emergence' of initiatives in the domain of development promotion and anti-poverty action. The dominant influence of 'functionalist' regional development assumptions, based on 'spatial diffusion' processes, do not contribute to a clear understanding of the role 'local

authorities' can play in 'local development'. The *'passive'*, or *'active'*, adaptation to 'exogenously' determined restructuring processes, aimed at 'attracting' exogenous capital is the most usual interpretation of the possibilities of action. It often leads to blocking the emergence of local initiative and organisational capacity pushing on 'local disintegration'.

In anti-poverty action, pro-active agency and local initiative in specific anti-poverty action is required in the *'totality of localities'*. State restructuring and institutional conditions may favour, or not, this possibility. But given the spatial diversity and the local specificity of the concreteness of the manifestations of poverty and given the critical role to be played by Municipalities in potentially representing and engaging in anti-poverty related development issues, they have a very relevant potential role to play. This is a perspective already developed elsewhere (Henriques 1987, 1990) and which is directly related with the aim of this work.

In local development processes, local authorities are supposed to play an important role in defending 'territorial interests'. All their formal political and planning competencies can be oriented to the necessary ways of social regulation in order to reinforce their potential for *'agency'*.

Local authorities have a major task regarding the 'animation' of local initiative both among local firms and organisations from the 'autonomous sector: it is to understand the position of the local communities in the context of the increasing relevance of 'territory' and 'local' specificity in the *transition* to 'flexible accumulation' and the proposal of strategic 'visions' and objectives in order to reinforce their position. The promotion of innovation in product and process, the reinforcement of marketing capacities, the development of local information systems and the promotion of professional and vocational training are examples of possibilities of intervention. The support for the initiatives from the autonomous sector may occur, facilitating access to land, creating a legal framework for community based organisations, encouraging 'self-reliance' and 'self-provisioning' in the poorest areas (communal gardening, water infrastructures, etc.), stimulating small scale entrepreneurial initiative, supporting commercialisation and stimulating distributional channels, decentralising local administrative services and assisting in the organisation of nurseries.

***Non-emergence of pro-active agency and local development 'visions'***

Absence of political will, destruction of community life and individual egocentric rationality favoured by dominant values do not contribute to collective solutions of common or individual problems. Dominant values do not contribute to a *critical* consciousness of the reasons for unmet basic-needs as they stimulate an interpretation of needs exclusively based on individual consumption according to the structural needs of capital accumulation. Individual depressive and anxious feelings remove the individual's capacity to *'imagine'* a desired future. Material and existential problems raised by unemployment and an *alienated* consciousness about the reasons for the problems experienced by those in poverty *inhibit* the possibility of action. Loss of *hope* and loss of *trust* in others and fear for the future contribute to an *inhibition* of individual and collective initiatives.

In anti-poverty action, facilitating 'critical' awareness and changes in individual attitudes and behaviour (given the interdependency among affective, emotional and cognitive dimensions in human life) and building collective action (overcoming 'organisational outflanking') are central aspects of theoretical contributions with their origin in 'community development' (see 4.2.6.). These are central contributions to the theoretical developments of local development undertaken here.

Local development implicitly assumes the possibility of the *previous* existence of a 'project of hope'. It is supposed to be the result of the full commitment of the local population as a consequence of the transformation of a space of physical contiguity into a space of active solidarity. This would mean creating new social relations, expressing the will of the inhabitants of a local community to mobilise and control local resources. This would also mean that the existence of a project might be dependent on the previous very creation of the locality (see 3.4.).

Local development impulses suggest the capacity to create *'images'* about desirable futures. In 'distressed urban areas' of 'disintegrated localities' desirable futures presuppose hope. But the possibility of *'hope'* emerges from *'trust'* in the context of continuous personal *interaction*. This means that the specificity of 'endogenous' mobilisation in regional and local development issues cannot be reduced to the question of the 'availability' of resources. Resources themselves are not independent of the purposes of human agency (see 3.1.). It refers mainly to the possibility that 'endogenous potential' may be mobilised to meet locally defined unmet needs of poor

households according to locally defined *priorities*. Therefore, the concept of local development cannot be strictly reduced to 'locally induced economic growth'.

Local development assumes the priority of *'territorial interest'*. This is understood as 'collective interest' at the level of local communities. *'Territorial identity'* may be vital in determining the mobilisation of local communities. This issue relates further to the possibility of *'place-bound'* collective identities (see 4.1.4).

### Non-emergence of local initiative from the 'autonomous sector'

In anti-poverty action, decreasing *market-dependence* and widening *income-earning* opportunities by means other than working for a wage are central aspects requiring in-depth theoretical development.

Use value production and alternative organisational forms for individual and collective entrepreneurship require theoretical development in contemporary European conditions. It is a field deserving much more consistent attention given the rise of unemployment, decreasing social protection and increasing complexity of anti-poverty challenges. It is a domain where 'discourse' and reality may easily conflict, where *'false'* expectations can be easily presented (the confusion about *'entreprises d'insertion'* as if they were designed to offer permanent job creation, etc.) and *'ambiguous'* perspectives may help favour cutbacks in state response before the creation of possible alternatives ('Third sector', 'social economy', etc.).

The notion of *'autonomous sector'* as suggested by Egon Matzner (1982) allows the 'whole economy model' as introduced above (see 3.5.) to be linked to a wide range of theoretical perspectives that will not be developed here with detail. The debate on the 'social economy' (Defourny et al., 2000), on the "Economie Solidaire" (Laville 1994), on the history of cooperatives and their contemporary relevance (Gubitzer 1989) and on non-capitalist production possibilities (Santos 2003a) are just a few examples to mention.

The theoretical perspective underlying the proposed *'retreat to subsistence'* can make a useful contribution (see 4.2.2.) on decreasing market-dependency. Public services combined with individual and collective use value production are called to play a central role. Alternative organisational forms may include 'popular productive organisations', 'social enterprises'

(Berney and Estivill 1993; Estivill et al. 1997) or 'Local Employment Initiatives' (Novy 1990; Pellegrin 1992). This kind of organisations may provide a job alternative to all those who have no other. They may contribute to the valorisation of *informal skills* and vocational abilities, to the diffusion of *democratic procedures*, to the generation of *'social learning'* and to the reinforcement of the basis for *local 'empowerment'*.

However, the initiative of the 'autonomous sector' in contemporary conditions cannot be appreciated in an isolated way. In fact, the *emergence* of this kind of initiative is highly dependent on pro-active *agency*. They can hardly be expected to emerge *spontaneously*. Poor people particularly are not favoured by 'organisational outflanking' together with material and cultural obstacles.

This has been clearly seen by the evaluation of programmes aimed at the stimulation of 'Local Employment Initiatives' among the unemployed. The evaluations of these programmes intended to stimulate entrepreneurship showed that the access to capital alone was *not* a sufficient condition for success (IHS 1985; Henriques et al. 1991). *'Animation'*, *innovation* and *adequate* management strategies, former *professional* experience of the entrepreneurs and territorial *embeddedness* were vital to success. 'Animation' plays a central role. In fact, small-scale entrepreneurial activity linked to initiatives from the 'autonomous' sector ('Local Employment Initiatives', co-operatives, self-employment, etc.), rarely if ever emerge 'spontaneously'.

But active 'animation' depends on *previously* existing pro-active agency aimed at *intentionally* inducing changes in the local context. 'Animation' efforts are more successful in the framework of a development 'project', i.e., in the framework of a coherent project for the mobilisation and valorisation of local resources and stimulating 'synergy' between all local agents ('endogenous' social innovation, product and process innovation, input-output relations, sub-contracting, co-operation in export promotion, etc.). Decentralised small-scale opportunities for production and job creation are heavily dependent on the existence of *local agencies*, building on 'place-bound' collective identities, defending 'territorial interests', centralising commercialisation and promoting innovation and flexible management strategies.

These programmes did *not* target the most disadvantaged in the labour market. This *'creaming'* effect was a general characteristic of the schemes. However, one can find several recommendations emphasising that these dimension should be worked out better in the future. In fact, in a context of growing structural unemployment this may be the *only* possible alternative (either as entrepreneurs or as workers) for a significant proportion of the unemployed. In the current European context, reinforcing individual capacity to compete in the labour market may merely displace unemployment onto others. The quantitative contribution of 'Local Employment Initiatives' to the reduction of overall unemployment may be very small (3%-5%). But, among other aspects, they may offer some of the unemployed the *only* job opportunity for all those that find themselves excluded from the 'labour market'. On the other hand, the stimulation of their entrepreneurial *potential* may help create additional jobs for other unemployed.

Naturally, this raises a number of complex issues. The organisations participating in the schemes evaluated have shown how the 'economic integration' of poor households, in fact lies *beyond* the field of economics as conventionally understood. Entrepreneurship cannot be seen simply as a drive for pecuniary gain. Financial and economic aspects are no less important than sociological, psychological and cultural ones (Coffey and Polese 1985).

Much more has to be known about *'entrepreneurship'* itself concerning the shift from *individual* characteristics to *contextual* dimensions. The relation between *entrepreneurial* initiative and *household* divisions of labour and the role of *interpersonal* relationships given the high proportion of *'team starters'* in successful 'Local Employment Initiatives' (Henriques et al. 1991) and Small or Medium-Sized Enterprises (EFER 1995) are examples of the challenges the very notion of 'entrepreneurship' is facing.

The involvement in *informal* activities or the experience of *migration* can both be understood as *latent* potential for formal entrepreneurship. The interdependence found in 'Local Employment Initiatives' in some of the schemes evaluated between entrepreneurial initiative and 'household survival strategies' (husbands or spouses engaged simultaneously in formal income earning activities, etc.) stress the need to shift from an *individual-oriented* stimulation of an entrepreneurial culture to a global *household-oriented* approach. This entail a combination of measures that might help fulfil a latent potential for entrepreneurship (income support, risk protection, child and health care, training, housing and access to space for

developing an activity, etc.). That is a field which can potentially *link* economic and employment policy (access to capital, loans and grants, etc.) to active social policy (training and income support, etc.) and to urban and regional policy (housing, child care, access to space, etc.).

Furthermore, very little is known about the multidimensional *barriers* encountered by disadvantaged people when attempting to create an enterprise. Difficult access to capital and information and internalised social segregation make small-scale entrepreneurial initiative very difficult. Research is needed to ascertain more precisely the needs of potential poor entrepreneurs and the kind of public support that may be required.

On the other hand, given the complexity of 'entrepreneurship' among the poor, also the 'animation' of entrepreneurship becomes very complex and more relevant research is needed on this . The contemporary discourse on the possibilities of 'micro-finance' does not help to clarify the complexity of the issues to be solved before financing plays a role in entrepreneurship. The very notion of 'animation' requires analysis and the nature of the *skills* required to develop this task should be a matter of concern.

These kinds of skills involved in adequate *management strategies* are a good example of the complexity.  Job creation by means of small-scale initiatives needs clear and appropriate management strategies, which should ideally combine a small amount of available capital with abundant human resources (the quality of labour) (Bundeskanzleramt 1981). The competitiveness of those activities depends to a very large extent on systematic *innovation* in *quality* and products, adoption of *appropriate* technologies*, non-price* factors in their commercialisation strategies and *organisational innovation* aimed at strategic flexibility.

In fact, the programmes evaluated in Austria and Portugal confirmed this perspective. The most successful 'Local Employment Initiatives' clearly showed openness to innovation and flexibility. A specific analysis of the management strategies developed by the Portuguese Local Employment Initiatives revealed their openness to product innovation, differentiation and quality and revealed their openness to valorise informal skills in the adopted technologies. They also revealed explicit attention to the role of '*non-price'* factors in commercialisation especially those factors more directly related to socio-community ties (personal trust, informal

and personal commercial promotion, informal socio-communitarian commercialisation networks, etc.).

Rising to this kind of challenge means linking *technical* know-how to *informal* skills (valorising hobbies, previous professional experience, migration experience in contacts with other languages, etc.), cognitive 'critical' and functional knowledge and personal development. But it may *not be* enough to train the entrepreneurs. Research is needed to understand the best combination of training for entrepreneurs, planners and private sector consultants *not* familiar with this kind of firm. The very organisation of the best support structures may have to combine several measures of support shifting from *assistance* packages to the possibility of *dialogue* with the entrepreneurs themselves. Dialogue may be the only means of working out the particular and specific forms of support needed.

### *Non-emergence of initiative and small-scale traditional entrepreneurship*

In anti-poverty action, the role of increased opportunities for *income-earning* activities including *access to a job* working for a *wage* is naturally very relevant. But as has been shown in contemporary conditions, access to a job depends increasingly on new job creation and new job creation depends increasingly on new small-scale entrepreneurship (Henriques and Madruga 1996). In spite of spatial variations, relevant job creation in existing firms only can be expected to occur in a relatively small number of firms. Therefore, theoretical contributions enabling a better understanding of the role of *institutions* and *local context* in entrepreneurship and competitiveness are very important Even if these kind of theoretical developments do not help confront problems in *'losing'* regions, theoretical developments to explain economic performance in *'winning'* regions have their role to play.

The local entrepreneurial initiative is considered important in employment and valorisation of natural resources especially within the framework of '*local productive systems'* contributing to 'export-oriented' endogenous growth (Garofoli 1988; Barquero 1988). An increasing diversity of firms, transforming local resources and developing intensive input-output relations among them (favouring cooperation), combined with efficient systems of information-transmission among them and a good capacity to permanently introduce product and process innovation as well as innovation in commercialisation processes, should allow 'local productive systems' to improve the position of local communities in the regional, national and international division of labour.

This process is expected to contribute to the mobilisation of local resources (entrepreneurship, labour, accumulated financial resources, natural resources, etc.), to the *increase* and *retention* of added value in the local community and to the achievement of a possible *self-centred* process (see 4.2.4.).

The *'survival'* of 'local productive systems' is considered to be dependent on their capacity to *'control'* their own development processes. This means that there capacity to implement strategies of *'change'* and *'innovation'* depends on a perfect understanding of their relative position in regional, national and international markets. *'Endogenous'* key variables seem to be *technical-organisational* innovation, *information* systems, ability to *control* markets (reinforcement of commercialisation capacity, new products) and ways of *social regulation*. That role *cannot* be played by individual firms alone and it is assumed that public authorities or associative solutions should develop this kind of function.

This leads to a *contextual* understanding of the conditions that enhance 'competitiveness' of local firms as well as to the creation of new firms. Thus, 'territorial embeddedness' and 'institutional thickness' are linked to the *'immaterial'* conditions which facilitate or block the contingent response to the threats and opportunities offered by the transition to 'flexible accumulation' (see 3.5.; see 4.1.; see 4.2.4.).

### d) Municipal initiative, 'local underdevelopment' and anti-poverty action

The development approach developed so far contributing to the identification of concrete action possibilities. The central research problem to solve was stated as follows: **how can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in territorial planning for local development?** Below, we will introduce how action possibilities can be identified. This will then allow the *'retroduction' of* the planning implications in *linking* scientific knowledge to this kind of action (see 4.3.).

'Economic integration' was understood as being context-dependent and the lasting change in the situation of poor households was also understood as depending on changes in the local socio-economic context ('local development'). Given that the central problem to solve was the *non-emergence* of initiative aimed at combating 'local disintegration', a tentative action-

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oriented theory of 'local underdevelopment' was explored. This leads to the identification of possible action for Municipalities involved in anti-poverty action.

Summarising:

- local development can be promoted, or blocked, by central as well as by local authorities; it is understood as a *method* to promote *'another'* regional development, i.e. a territorial approach to 'another' development, and as such it involves the *centralisation* as well as *decentralisation* of the role of the state;
- local initiative and local availability of resources are *not* sufficient conditions for local development; 'passive' reliance on 'spatial diffusion effects' or 'active' attraction of exogenous capital and entrepreneurial initiative are *not* a guarantee of local development;
- induced social and economic change in poverty situations of poor households, cannot be dissociated from the possibility of inducing lasting contextual changes in the valorisation and control of local *'resources'*. As 'resources' are constituted by 'purposeful agency' (see 3.1.), the key resources to be the object of mobilisation and control depend on 'agency' and its associated 'vision' for anti-poverty action and local socio-economic change. Therefore, anti-poverty action becomes related to regional development and assumes the need of organisational structures acting towards increased mobilisation and control of those resources.

An introduction to the possibility of Municipal anti-poverty action intervention has been already discussed elsewhere (Henriques, 1990*b*, pp. 99-117): the need to promote local development 'projects' aimed at *'willing community action'*, the need to increase *'selective regional closure'* and the need to face *socio-communitarian destruction* and reinforce local solidarity were discussed. This perspective will be further developed below on the basis of identifying seven domains of action: reinforcing conditions for effective *'agency'*, building a strategic *'vision'* for change, *organising* poor households for the creation of 'localities', decreasing *market-dependency* in meeting intermediate needs, stimulating *non-conventional* possibilities for *income-earning* alternatives, promoting *'pathways to integration'* taking advantage of *job creation* and *competitiveness* of local firms and stimulating the *'thickness'* of the local *'whole'* economy.

*Action aimed at reinforced 'agency', counteracting 'local disintegration' and organising for 'selective self-reliance' ("selektive Abkoppelung")*

Concrete ways of specific local action to face 'local underdevelopment' require local capacity to *control* the use of local resources and the local capacity to *animate* the emergence of initiatives from the autonomous sector and from entrepreneurs. When Municipalities take the initiative to promote local development, how should the structural factors underlying the persistence of *avoidable* non-satisfaction of basic-needs, the *erosion* of local resources or the *non-emergence* of initiatives from the 'autonomous sector' or business be faced ?

Induced 'social change' and control of local available resources seem to be the specificity of the Municipal role. It relies basically on animation issues. Basic changes in attitudes and behaviour of individuals and groups are the aim. This is a complex task and much has to be done to prepare adequate intervention methodologies. Each situation is particular. Equally, each solution is specific.

Municipalities need to activate their 'causal powers'. This concerns an adequate understanding of 'power'. The 'discursive field' of power and the 'organisational field' of power *both* offer opportunities to situate the possibility of activating Municipal 'causal powers'. The relation between the 'world view' and the priority of anti-poverty action may be directly addressed (see 3.6.6.). The *'discursive field'* on poverty (understanding *poverty as distinct from deprivation*), the recognition of the *structural causes* of poverty and the recognition of the *responsibility of society* (civil society and the state) on its emergence and persistence or on its mitigation and eradication, the understanding of *claims of poor people as rights* and of anti-poverty action as an *imperative of social justice and solidarity* are relevant here. The 'discursive field' of power may also be directly related to how the 'non-poor' become more, or less, responsible for the problems of poor people. That is the case of the existential problems society leads poor people to experience as *'poverty problems'*. Alternatively, it is within the 'discursive field' that poor people may, or not, develop a perception of a right to a society's response to 'poverty problems' as a dimension of citizenship.

With regard the 'organisational field' of power, other relevant aspects can be mentioned: the *realisation of created new rights and new legislation*, the *enlivenment and support to organisations of the civil society* aimed at the collective empowerment of poor people and

counter-acting *'organisational outflanking'* of poor people and the *political commitment at central and local level to facilitate the access of poor people to resources* in the context of *both* a discursive and organisational field that can be influenced by political action in favour of poor people.

In fact, formal political and planning legal competences may be a point of departure but they do *not* exhaust the key issues concerning the relevance of power (see 3.1.5.). Also the actual control over relevant local resources depends basically on the understanding of the 'web' of power relations in the context of which the *"manoeuvring space"* is to be 'conquered'. Building alliances, animating the creation of partnerships and networking on a trans-local national and international basis or taking advantage of opportunities offered by international organisations are examples of initiatives that may help the achievement of objectives ('strategic' tradition of power).

The control of local resources can even signify that in the context of anti-poverty action, Municipal initiative has to be directed *against* initiatives from *both* the central government or from business. Legal competences of Municipalities may have to be used for the *defence* of poor people's rights or of the 'territorial interest' and to preserve the possibility of subordinating the use of local resources to locally defined strategic priorities (to stop initiatives from firms aimed at avoidable collective dismissals, to support initiatives from the 'autonomous sector' aimed at and protecting natural resources, etc.).

*Action to build strategic 'visions' of possible and desirable futures*

At local community level, Municipalities must identify the global structural constraints to local action and establish a frame for local alternative strategies. In anti-poverty action, the point of departure is *not* static. The context-dependency of poverty requires an understanding of the causes of its emergence and persistence. The theoretical contributions discussed above in relation to 'losing' regions and the concept of 'local disintegration' are useful here (see 4.2.7.) to understand the particular aspects of poverty in 'distressed urban areas' as a specific form of 'local disintegrated' areas. The theoretical contributions stemming from 'locality studies' help understand the locality as a social context of 'real interaction' allowing the *non-local causes* of poverty as well as *non-local conditions* to be identified on the basis of which local development may be sustained (see 4.2.5).

In fact, local development implicitly assumes the possibility of the *previous* existence of a 'project of hope' associated with a 'search for meaning' in life (Frankl, 1946). This would also mean that the existence of a project might depend on the previous 'creation' of the locality (see 3.4.).

Local development impulses suggest the capacity to create *'images'* about desirable futures. In 'distressed urban areas' of 'disintegrated localities' desirable futures presuppose hope and the possibility of *'hope'* emerges from *'trust'* in the context of personal *interaction*. This means that the specificity of 'endogenous' mobilisation in regional and local development issues cannot be reduced to the question of the 'availability' of resources. Resources themselves are not independent of the purposes of human agency (see 3.1.). It refers mainly to the possibility that 'endogenous potentials' may be mobilised to meet locally defined unmet needs of poor households according to locally defined *priorities*. That is why the concept of local development cannot be strictly reduced to 'locally induced economic growth' and is linked to a concept of *'another'* development.

Priorities for the use of local resources can be established. But if local initiative to face 'local disintegration' is needed, community mobilisation around a local development 'vision' will be necessary and a 'vision' linked to a 'desirable future' requires 'hope'. However, hope is difficult to find among poor people in 'disintegrated localities'.

This raises two different kinds of problem. First, it raises an epistemological problem on the identification of the conditions which may be the basis of a *non-observable* reality (a desirable future) and of anti-poverty action (see 2.). Second, it raises the difficulty of building *hope* and *trust* among poor people caught in a 'disintegrated locality'. Even if their *place-bound* identity offers some form of collective identity it is associated to places where it is difficult to imagine spontaneous ways out of vicious circles, cumulative causation and negative identities.

That is why 'fiction' is increasingly relevant in development promotion. Video and film are being used increasingly as tools to offer positive identities, 'images' of possible 'realities' and the 'illustration' of ways out of despair. This is the essential basis of the methodology being followed by Leão Lopes, former Minister of Culture of Cabo Verde. Leão Lopes is film

maker and creator of "Atelier Mar" an NGO involved in development action in the islands of Santo Antão and São Vicente.[7]

Nevertheless, 'images' of desirable futures must involve *both* the poor and the non-poor. This aspect touches a central domain of the 'discursive field' introduced above and how it can become a central domain of Municipal action. Understanding poverty issues not as a social *division* of groups but as *processes* that may touch all the community may be very relevant. The poor of today may become non-poor as a result of anti-poverty action. And the non-poor of today may become poor tomorrow in the absence of anti-poverty action today. Values concerning *solidarity* and the respect for *human rights* or issues involving *social cohesion* and *competitiveness* may be the object of explicit debate in relation to the priority of anti-poverty action.

But the role of community action on the challenges of the contemporary *transition* to 'flexible accumulation' has to be clearly shaped. They have to be clearly seen *beyond* any ambiguous debates on 'globalisation'. Action is *always* possible 'here' and 'now'.

### Action to create 'localities' organising poor people for empowerment

Municipalities may play an important role in animating the whole community for development. Helping poor people to self-help is a privileged domain. Giving 'voice' and reinforcing existing associative forms (immigrants associations, sports associations, etc.) may be an initial form of counteracting 'organisational outflanking' (see 3.1.) (Benington 1996). Given the 'collective isolation' small steps are needed. Rebuilding social relations and bridging the 'social void' may become easier by building small-scale organisational forms in the form of 'communities of interests'.

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[7] For more information see: "*O envolvimento da população na redução e na extensão da protecção social. Desenvolvimento Comunitário de Lajedos, Cabo Verde*", International Labour Office / STEP, 2005, http://www3.ilo.org/public/portugue/protection/socsec/step/reslib/publ.php?idpubl=869&lang=PT (viewed in May 13, 2006).

First, 'felt' problems have to receive concrete answers. Afterwards, the action oriented to the solution of the various problems can be globally linked to strategic objectives of a local development project. Following the 'inspiration' offered by 'community development' (see 4.2.6.) and by 'socio-anthropological model' (Caldeira 1979; Caldeira 1982), several steps seem possible:

- *'community centred approaches'* allow the identification of problems that the poor identify as *'felt'* problems and understand them in their experienced *existential* context; they offer a starting point to the identification of *unmet* basic-needs and their relation with *intermediate* needs (see 3.2.); 'felt' problems may always be symptoms of 'alienated' dissatisfaction and be analysed in the way the 'non-poor' represent poverty problems as *experienced* by the poor;

- 'interest communities' can be 'animated' and poor people directly involved in the organisation of solution to those 'felt' problems;

- the experience gained with acting to solve these problems leads to a broader consciousness of the relationships between them and 'local underdevelopment'; the need of a global 'local development' *'project of hope'* may become clear and the 'interest communities' can be involved in its construction;

- this process may contribute to a *'reconstruction'* of a sense of community life and to the rediscovery of *hope* as the collective self-empowerment process develops;

- 'exogenous' constraints may be better 'critically' understood; local action in a context of 'global restructuring' will become possible, within a clearer understanding of its own limits.

The rebuilding of social relations becomes possible. According to this way of acting, local development may help bring together individuals sharing problems, wishes or projects and help them build 'interest communities'. These communities can undertake the *defence* of their interest and act as catalysts for the mobilisation of the whole community in local development processes (Caldeira 1982). This approach shows how 'localities' can be *created* given the fact that social relations are their material basis.

*Action to decrease 'market-dependency' in meeting intermediate needs*

The animation of the 'autonomous sector' is a 'social space' to promote decreasing 'market-dependency'. If spontaneous forms of organisation do not appear, the promotion of small-scale organisation to solve very real problems of everyday life may be a starting point. Public services and individual and collective use-value production may combine to create new forms of self-organisation (micro-insurance organisations, patient associations, associative nurseries, etc.) where small-scale solidarity may find a material expression. Self-provision and self-sufficiency in food production (Berry 2001; Schuman 2000) or local currencies (Walker and Goldsmith 2001; Douthwaite 1996) are examples of diverse domains of contemporary experience leading to decreasing market-dependency.

This kind solutions may well be promoted by Municipal initiative (associative alternatives to institutionalised elderly care, the access to land and technical support to self-provisioning of housing, etc.). The support to the initiatives from the 'autonomous sector' facilitating access to land, creating legal frameworks for community based organisations, encouraging 'self-reliance' and 'self-provisioning' in the poorest areas (communal gardening, water infrastructures, etc.) are examples of action possibilities.

However, the *transition* to 'flexible accumulation' reinforces a subjective interpretation of need as lack of consumption and in contemporary capitalist societies, the *condition*s for the *avoidance* of serious harm become increasingly *market-dependent* in meeting *intermediate needs*. The relevance of decreasing 'market-dependency' and the opportunities of the 'autonomous sector' in this field are *not* independent of 'critical' awareness that might be raised among the poor themselves.

*Action to widen possibilities for 'income-earning' activities*

Municipalities can also act in order to widen possibilities for 'income-earning'. Stimulating 'non-traditional' small scale entrepreneurial initiative among the poor, supporting commercialisation and stimulating distributional channels or decentralising local administrative services are examples of action possibilities.

In anti-poverty action, widening *income-earning* opportunities by ways other than working for a wage are central aspects requiring social innovation for the reinforcement of action. As introduced above, organisational innovation may include conventional micro-firms, cooperatives, popular productive organisations' or 'social enterprises'. This kind of organisation may offer a possible job alternative to all those who have no other. They may contribute to the valorisation of *informal skills* and vocational abilities, to the diffusion of *democratic procedures*, to the generation of *'social learning'* and to the reinforcement of the basis for *local 'empowerment'*.

However, the *emergence* of this kind of initiative is highly dependent on pro-active *agency*. Specific organisational forms have to be created to ensure the adequate 'animation' activities, the counselling on appropriate technologies and 'management strategies' and the necessary organisation of 'marketing', distribution and commercialisation. 'Decentralisation' in production requires 'centralisation' in commercialisation (Bundeskanzleramt 1981).

Municipalities can facilitate the creation of 'local development agencies' for this specific purpose. 'Animation', information, and funding may become easier. The possibility of face-to-face human relations makes this kind of support possible and efficient. Local development agencies can also play an important role in developing new attitudes towards entrepreneurship.

### Action to take advantage of new formal job creation promoting 'pathways to integration'

In anti-poverty action the widening of opportunities for *income-earning* activities including *access to a job* working for a *wage* is obviously very relevant. But as has been shown in contemporary conditions, access to a job depends increasingly on new job creation and new job creation depends increasingly on new small-scale entrepreneurship (Henriques and Madruga 1996). In spite of spatial variations, relevant job creation in existing firms only can occur in a relatively small number of firms. Helping poor people to accede to existing jobs is in itself a challenge requiring personalised efforts. Approaches based on 'pathways to integration' offers possibilities for action in this domain. It requires the precise identification of job opportunities and developing efforts to ensure these opportunities 'match' appropriately with the characteristics offered by the poor in this locality.

But the *'survival'* of the 'local productive systems' is considered to be dependent on the capacity to *'control'* its own development process. This means that its capacity to implement strategies of *'change'* and *'innovation'* depends on a perfect understanding of the relative position of the locality given the territorial and sectoral implications of the transition to 'flexible accumulation'. *'Endogenous'* key variables seem to be *technical-organisational* innovation*, information* systems, ability to *control* markets (reinforcement of commercialisation capacity, new products) and ways of *social regulation*.

However, this role *cannot* be played by individual firms alone and it is assumed that public authorities or associative solutions should develop this kind of function. Municipalities and local development agencies potentially play a key role which may always involve the development of 'critical' awareness of entrepreneurs. More precise understandings of 'competitiveness' and 'competitive advantage' by firms are needed given the challenges of the *transition* to 'flexible accumulation'. For example, the tendency to reproduce the understanding that the key-factor is still to be found exclusively in reducing production costs may be totally erroneous given the increasing role played by China in world trade.

In fact, 'mythical' individual entrepreneurs, process oriented innovation aimed just at cost reductions in production, precariousness in labour relations and decreasing investment due to high real interest rates are *not* found among the more successful European job creating SME's. The majority of Europe's 500 Dynamic Entrepreneurial Companies (the 500 Small or Medium-Sized Enterprises that grew fastest and created jobs in a context of deteriorating competitiveness and increasing unemployment in Europe) developed offensive strategies emphasising product *differentiation* rather than costs (EFER 1995). They differentiate principally on the basis of the *quality* of the product they offer and in the superior *service* they provide to their customers. More than 60% of growth occurred by entering *new markets* and through *new products*. People are considered to be the key in these firms, and enterprises are concerned with maintaining *highly-motivated* and *well qualified* staff. Most of the finance for growth was *'self-generated'*.

*Action reinforce the 'thickness' of the local 'whole' economy*

The *'whole economy model'* introduced above (see 3.5.) helped show the increasing relevance of approaches based on the *'household economy'* as a conceptual basis to understand the growing contemporary relations between the 'autonomous sector' and the formal economy. The household strategies of 'division of labour' establish these kinds of relations.

As already seen before, given the *transition* to 'flexible accumulation', vertical disintegration and sub-contracting become more widespread, the relations between the formal and the informal sectors become more porous and increased attention has to be paid to the particular ways *both* sectors relate with exchange and use value production *within* the household and *through* 'household survival strategies'. Also, the role of local small and medium size firms in job creation and the economic relations they develop among them and with big and trans-national corporations become more relevant when analysing the conditions for local socio-economic change aimed at the lasting 'economic integration' of poor households. In fact, these *interdependencies* may combine to potentially enlarge opportunities for income-earning activities of poor people (self-employment, micro-firms, organisations of the 'social economy', 'pathways to integration' in linking the poor to new job creation and to the labour market, etc.). The *'economic thickness'* of the local 'whole economy' requires specific attention.

It was also seen that the socio-economic context can be *'made'* and that changes in the socio-economic context can be identified and understood as necessary in order to achieve a desired outcome. Thus, the 'economic integration' of poor households can be related to institutions and pro-active agency involved in *'making'* a socio-economic context to a lasting favourable possibility of change.

Municipalities may play a central role in *'making'* the socio-economic context, creating the institutional and organisation conditions for *'thickness'* linking the diverse dimensions of the local 'whole' economy. Municipalities may also play an important role in identifying *'invisible'* underutilised resources. Community affective and emotional bonds may be determinant factors of success in development processes. Informal skills (as revealed in hobbies) may sometimes play a significant role in innovation and small-scale organisation. The knowledge of retired people may be strategically relevant information for collective self-empowerment, for small-

scale production or social reproduction oriented initiatives. There is a wide of examples: full mobilisation of local available resources, mobilisation of renewable energy resources, recycling solid waste, preserving local natural ecosystems, protecting threatened species, adapting local productive restructuring to 'exogenous' constraints, mobilisation of local savings, support to productive initiatives from traditional entrepreneurs and non-traditional entrepreneurs from the 'autonomous sector', etc.

Municipalities can also contribute to the *'thickness'* of the local 'whole' economy reinforcing local and intraregional communication (local radio stations, local newspapers, etc.), stimulating the involvement of schools and pedagogical innovation or creating 'local observatories'.

## 4.3. Planning for anti-poverty action and local development in 'distressed urban areas': *contemporary challenges to planning theory*

In this chapter, contemporary poverty in *'distressed urban areas'* is discussed as a territorial planning problem and planning theory is revised and assessed in relation to this specific planning problem. The chapter analyses the relations between the 'crisis of the theory *of* planning and the role of theory *in* planning, and presents a proposal of theoretical development aiming at the possibility of linking theoretical development in procedural planning theory to the challenges of anti-poverty action.

According to the conceptual framework defined above (see 3.6.), the achievement of anti-poverty 'locality effects' is linked to the creation of the adequate socio-economic context and, therefore, to issues currently related to local development promotion. Current efforts in territorial planning, when explicitly oriented towards development promotion, tend to reproduce the assumptions of conventional regional development theory, given their weight as hegemonic substantive theory *in* regional planning. These assumptions have to be made clear and assessed in the framework of the 'paradigmatic transition' which is occurring in the field, and that cannot be dissociated from the 'paradigmatic transition' that territorial planning issues are undergoing themselves. In fact, the 'crisis' of territorial planning has to be understood in this framework in order to ensure the possibility of redefining the relations between substantive and procedural planning theory.

In this chapter, poverty is discussed as a territorial planning problem and planning theory is revised and assessed in relation to this specific planning problem. The chapter introduces the need to reinforce the role of theory *in* planning as a way out of the 'crisis' of the theory *of* planning. The following chapters will deal with contributions to a possible solution to this problem.

Territorial planning corresponds to a *'visible'* hand of the state and implicitly a project (Indovina, 1989). It is future oriented action, needing a prospective effort and aiming at *'changing the future'* itself in order to achieve *'contrasted scenarios'* (Godet, 1985). It deals currently with statutory practices oriented to parts of a national territory in order to interfere and influence the *'spatiality'* of development processes so as to support or counteract these processes.

As will be further discussed below, Municipal anti-poverty strategies raise central issues in planning theory. This can be seen when analyzing the theoretical frameworks being used by planners and how it is being currently understood that Municipalities can interfere locally with the 'space-time' constitution of development.

Given the epistemological framework defined above, the achievement of the above-mentioned 'contrasted scenarios' depends on the activation of 'causal powers' which, potentially, may counteract structures and mechanisms leading to poverty, or its persistency, and leading to the economic and social integration of poor households.

To link territorial planning to Municipal anti-poverty action requires conceptual reformulation and theoretical development regarding the relation between poverty, socio-economic processes and space in territorial planning. The *'paradigmatic transition'* in regional development theory and in planning theory, as well as the ongoing 'paradigmatic transition' in the social sciences themselves, offer opportunities for the solution of this kind of problem. Emerging alternatives to the hegemonic paradigm in Economics also open promising perspectives to the analysis of the relations between socio-economic processes, poverty and anti-poverty action.

As discussed above, conceptual and theoretical contributions to the creation of a *'framework of meaning'* for anti-poverty action in the context of 'distressed urban areas' are not widespread. There seems to be a real need for conceptual reformulation and theoretical development, in order to facilitate an adequate understanding of the complexity of contemporary poverty

situations and in order to find a basis for the effort of linking local development and territorial planning to the challenges of anti-poverty action.

These issues deserve explicit attention. Territorial planning plays a potential central role in the context of the promotion of *intentional* change aiming at anti-poverty action. Furthermore, current planning remains strongly dependent on 'the production of *the* plan'. This aspect has relevant implications. For example, access to land may play a central role in anti-poverty action and land use control plays a central role in intentional contextual change. However, territorial planning theory remains strongly influenced by *'spatial separatism'* reflecting the effects of the 'crises of theory *in* planning.

Therefore, the implicit assumptions in conventional territorial planning concerning the separation between socio-economic phenomena and physical phenomena ('spatial separatism'), the relation between planning and regional development and the relation between the role of the state and the 'production' and 'resolution' of problems require some explicit attention. This is particularly acute in a country like Portugal, where the relations between the state and the society have to be analysed in the framework of a semi-peripheral society, where the state plays a central role in social regulation. In Portugal, there are no political regions and there is not a tradition of regional policy.

Therefore, theoretical contributions focused on the spatiality of the social phenomena are approaches that require explicit theoretical development. Overcoming the shortcomings of *'spatial separatism'* requires that local socio-economic and physical processes have to be approached in an integrated way if anti-poverty effects are expected to occur. Land use control, the *animation* of entrepreneurship, the enhancement of competitiveness of local firms, or an acceptable supply of public facilities are examples of issues requiring that kind of integration. The contemporary challenges to planning theory place a clear emphasis on the need of theoretical development in *substantive* theory. *Process* theory is almost not dependent on developments in this field.

Hence, in this work, the object of analysis is constituted by *statutory practices* explicitly dealing with anti-poverty action and development promotion. As knowledge is context-dependent and action is concept-dependent, the theoretical development that follows will try to contribute to making explicit how the *substantive* content of anti-poverty action is linked to development

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promotion at locality level. In addition, it will contribute to making explicit how departure from conventional regional development theory is required in order to achieve anti-poverty 'locality effects'.

As a contextual integration of physical, social and economic aspects of development is required, the built environment becomes a constitutive part of the 'spatiality' of development in the urban-metropolitan periphery, and poverty and anti-poverty action become possible dimensions in a redefinition of the specificity of development promotion in the context of a *'developed'* region. Land use and urban form become constitutive of a territorial planning aiming at the achievement of anti-poverty 'locality effects', which finally lead to a redefinition of the relations between urban and regional planning.

The nature of the 'crisis' of planning will be analyzed below. If one may talk about 'paradigmatic transition' in this domain, it involves a redefinition of the relation between substantive and procedural theory in territorial planning. If conventional planning theory has stressed up to now the role of procedural theory, it will be made clear how a response to contemporary problems cannot be found any more without a reassessment of the role of substantive theory. On the other hand, the 'paradigmatic transition' that this field is experiencing cannot be dissociated from the scientific 'paradigmatic transition' itself.

The theoretical outcome of this effort should be the achievement of a coherent conceptual and theoretical *'framework of meaning'* for territorial planning as a tool in municipal anti-poverty action. This 'framework of meaning' would ensure adequate practices in order to prevent poverty (locally induced 'preventive strategies', counteracting structures and mechanisms leading to poverty) and in order to create conditions for the 'survival possibility' to all those made redundant by contemporary implications of the *transition* to 'flexible accumulation'.

### 4.3.1. The nature of poverty as a planning problem: 'wicked' problems and pro-active agency

As a planning problem, poverty is a *'wicked'* problem (Rittel and Webber 1973). It cannot be solved, it can only be *'(re)solved'*. Given the structural nature of poverty, the very nature of *'local anti-poverty action',* and the nature of planning processes in this context, require careful examination (reproducing impoverishing structures involving poor people in participatory processes, changing societal structures by action at local level, etc.).

In addition, the nature of the planning agent undertaking anti-poverty action requires analysis. Its relations with other agents at local and non-local levels in the context of which planning activities are undertaken (planning rationality and diverse rationalities of social agents represented at partnership level, the power of the planning agent and the powers of other agents whose reaction has to be overcome in the course of action aiming at structural change, etc.) has to be explicitly analysed.

Therefore, definitions about the substantive content of action cannot be independent from the definition of the nature and the content of concrete anti-poverty action. Furthermore, local action concerns action at a *sub-national* level, and action at a sub-national level is necessarily linked to different paradigms (regional, local, etc.). In fact, the *'local'* character of local anti-poverty action does not necessarily relate with the *small-scale* of territorial units. As a shift in the regional development paradigm is occurring, this becomes a matter deserving attention when one accepts that lasting changes in the poverty situation of poor people requires lasting changes in the context they directly depend on.

The nature of intentional contextual change, currently labelled as *local development* (see 4.2.) would require some analysis for itself. The definition of the nature of the activity to be developed requires examination. First, the nature of the problem to be (re)solved, the nature of its local specificity and the nature of the problem 'solution' that is aimed at have to be addressed. Second, the nature of the institutional and organizational conditions (planning agent and its powers) on the basis of which action can be developed has to be analysed in relation to the problem 'solution'. Finally, the role of planners and the nature of planner's activity have to be analysed.

Given the *'wicked'* nature of the problems to be (re)solved, the specific content of the action to be developed is not independent from the nature of the social agent, which can be identified as the initiator of action, and the nature of planning *agent's purposes* in the context of which action is initiated. Therefore, the identification of the key agent, and the context of action (including the time involved in action) require examination. Different situations can be observed and differentiated: current action of central governments, given their legal competences in the totality of localities; current action of the totality of local governments, given their legal competences; specific action of local governments, given their involvement in statutory initiatives and the  particular criteria of territorial selectivity (experimental

programmes and a recognized potential for initiative, crisis regions and lack of capacity for initiative and organization, etc.); specific action of NGO's given their involvement in experimental programmes, their relation with organized local communities, with social movements, or political initiatives; or specific action of international organizations.

In this framework, the nature of poverty as a planning problem has to be directly addressed. Poverty can be considered to be a *'wicked'* problem: a 'wicked' problem in relation to which the very understanding of possible solutions requires examination. The distinction between *'tame'* problems and 'wicked' problems is crucial when discussing planning problems. The very *'usefulness'* of different planning paradigms, when dealing with contemporaneous poverty problems, requires this clear distinction. First, the key dimensions of 'wicked' problems are analysed. Second, the 'wicked' character of poverty as a planning problem is shown.

The nature of 'wicked' problems has been explicitly addressed by Horst Rittel and Melvin Webber (1973). The perspective developed below is based on their work. Rittel and Webber write (op. cit., p. 159): *'By now we are all beginning to realize that one of the most intractable problems is that of defining problems (of knowing what distinguishes an observed condition from a desired condition) and of locating problems (finding where in the complex causal networks the trouble really lies). In turn, and equally intractable, is the problem of identifying the actions that might effectively narrow the gap between what-is and what-ought-to-be. As we seek to improve the effectiveness of actions in pursuit of valued outcomes, as system boundaries get stretched, and as we become more sophisticated about the complex workings of open societal systems, it becomes even more difficult to make the planning idea operational'.*

Problems planners deal with are social problems, societal problems, that are inherently 'wicked'. 'Tame' problems are definable, separable and may have solutions that are findable. Societal problems are ill-defined; they rely upon elusive political judgement for resolution. Social problems are never 'solved', at best, they may be (re)solved, repeatedly.

In contrast, Rittel and Webber show how problems that scientists and engineers usually focused upon are mostly 'tame'. Such as the case of a problem in Mathematics like solving an equation, the task of an organic chemist in analysing the structure of some unknown compound, or the problem of a chess player attempting to accomplish checkmate in a previous defined set of moves. The mission is clear and it is clear whether or not the problems have been solved.

'Wicked' problems are *different*. Moreover, it is crucial *not* to treat a 'wicked' problem as though it were a 'tame' one. Avoiding recognition of the inherent wickedness of social problems is a central issue. 'Wicked' problems exhibit a number of relevant properties. First, there is no definitive formulation of a 'wicked' problem. Unlike dealing with 'tame' problems it is not possible to give an exhaustive formulation containing all the information the problem-solver needs for understanding and solving the problem. The information needed to understand the problem depends upon *one's idea* for *solving* it. The formulation of a wicked problem *is* the problem. The process of formulating the problem and of conceiving a solution (or re-solution) is identical since every specification of the problem is a specification of the direction in which a treatment is considered.

Second, 'wicked' problems have *no* stopping rule. Because the process of solving the problem is identical with the process of understanding its nature, because there are no criteria for sufficient understanding and because there are no ends to causal chains that link open systems, there is no stopping rule that can be defined in advance. The planner terminates work on a 'wicked' problem not for reasons inherent in the 'logic' of the problem but for other reasons such as running out of time, etc.

Third, solutions to 'wicked' problems are not true-or-false, but good-or-bad. Judgement of others may differ according to personal interests, special value-set or ideological predilections. Assessment are made as good-bad, better-or-worse, or satisfying-good enough.

Fourth, there is no immediate and no ultimate test of a solution to a 'wicked' problem. Any solution, after being implemented, will generate waves of consequences. The full consequences cannot be appraised until the waves of repercussions have completely run out. There is no way of tracing all the waves, through all the affected lives, ahead of time or within a limited time span.

Fifth, every solution to a 'wicked' problem is a 'one-shot operation'. As there is no opportunity to learn by trial-and-error, every attempt counts significantly. Unlike 'tame' problems (mathematics, chess, puzzle solving, mechanical engineering design, etc.), with 'wicked' problems, every implemented solution is consequential. It leaves traces that cannot be undone. Many people's lives will have been irreversibly influenced.

Sixth, 'wicked' problems do not have an enumerable (or an exhaustively describable) set of potential solutions, nor is there a well described set of permissible operations that may be incorporated into the plan. There are no criteria which enable one to prove that all solutions to a 'wicked' problem have been identified and considered. Potential solutions may rise and other potential solutions may never have been thought up. It is a matter of judgement which of these solutions should be pursued and implemented. In such fields of ill-defined problems (poverty, street crime, etc.) and hence ill-definable solutions, the set of feasible possibilities of action relies on realistic judgement, the capacity to appraise inadequate ideas and on the amount of trust and credibility between planner and clientele that will lead to the conclusion that action in a precise direction should be undertaken ('OK let's try that').

Seventh, every 'wicked' problem is essentially unique. Despite long lists of similarities between a current problem and a previous one, there may always be an additional distinguishing property that is of overriding importance. Dealing with 'wicked' problems requires that one should avoid assuming knowing too early which type of solution to apply. Every situation is likely to be one-of-a-kind.

Eighth, every 'wicked' problem can be considered to be a symptom of *another* problem. The process of resolving a problem starts with the search for causal explanation of the discrepancy between the state of affairs as it is and the state as it ought to be. Removal of the cause poses another problem of which the original problem is a 'symptom'. The level at which a problem is settled depends upon the self-confidence of the analyst and cannot be decided on logical grounds. There is nothing like a natural level of a 'wicked' problem. The higher the level of formulation the broader and more general it becomes, and the more difficult it becomes to do something about it. On the other hand, one should not try to cure symptoms and one should try to settle problems on as high a level as possible. That is the reason for the difficulties of incrementalism. Marginal improvement does not guarantee overall improvement.

Ninth, the existence of a discrepancy representing a 'wicked' problem can be explained in numerous ways. The choice of explanation determines the nature of the problem's solution. The choice of explanation is arbitrary in the logical sense. In actuality, attitudinal criteria guide the choice. Planners choose the explanations that are more plausible to them, namely, those that fit their intentions best and which conform to the action-prospects that are available

to them. The planner's 'world view' is the strongest determining factor in explaining and resolving a 'wicked' problem.

Tenth, the planner has no right to be wrong. Unlike conventional scientific work, in the world of planning and 'wicked' problems the aim is not to find the truth, but to improve some characteristics of the world where people live. Planners are liable for the consequences of the actions they generate. The effects can matter a great deal to those people that are touched by those actions.

Understanding planning problems as 'wicked' problems has a central relevance for planning theory. 'Wicked' problems defy efforts to delineate their boundaries and to identify their causes, and thus to expose their problematic nature. Rittel and Webber (1977, p. 167) write: *'The planner who works with open systems is caught up in the ambiguity of their causal webs. Moreover, his would-be solutions are confounded by a still further set of dilemmas posed by the growing pluralism of the contemporary publics, whose valuations of his proposals are judged against an array of different and contradicting scales.'*

Understanding planning problems as 'wicked' has further relevant implications for planning theory. First, 'wicked' problems reinforce the *subjective role* of planners in the planning process. The information needed to solve the problem depends on one's idea for solving it; having no stopping rule defined in advance, it depends on *planner's reasons* where to stop (not for reasons inherent in the 'logic' of the problem), the identification of *potential solutions* (as well as the non identification of potential solutions). It depends on the *planner's role* and the choice of explanation for a 'wicked' problem is arbitrary, depending on the *planner's judgement*. The assumptions concerning the 'objectivity' of scientific knowledge are challenged. Neither can problems be formulated nor (re)solutions designed independently from the subjective role of planners which, given the *concept-dependency* of human action, places a central focus on the social constitution of the role of planners and represents a major challenge for the process of linking scientific action to action in the public domain. The relevance of the role of conceptual definitions and theoretical perspectives becomes clearer when understanding better the role to be played by planners when dealing with planning 'wicked' problems.

Second, 'wicked' problems challenge the hegemonic scientific paradigm. Epistemological issues gain a more relevant and clear role, especially regarding the validity of planning relevant knowledge. 'Truth' as adequateness to social change represents a challenge. The approach offered by critical realism opens development possibilities (see 2.2.).

Third, given the nature of effects to be aimed at, both the idea of action for social change and the impossibility of anticipating the full consequences of action, place a major challenge for the organizational dimensions of planning, especially concerning the nature of evaluation issues and the possibility of continuous monitoring. Realistic evaluation represents a possible support in this direction (see 2.2.).

If poverty has to be understood as a 'wicked' problem, then planning for anti-poverty action has to deal with this particular challenge. The implications for planning theory will be analysed next. How different planning paradigms may cope with poverty as a 'wicked' problem will be analysed in the following chapters.

### 4.3.2. Anti-poverty action and contemporary challenges to planning theory: planning approaches in context

As introduced above (see 4.), the production of knowledge concerning the potential activation of 'causal powers' leading to increasing the chances of either removing or changing identified mechanisms leading to poverty, preventing its activation or suppressing the damaging effects of its exercise, is the central need of the required theoretical development. In other words, knowledge is needed about the conditions, on the basis of which, Municipalities can activate their causal powers in order to prevent the acting of mechanisms or suppressing the damaging effect of their exercise.

Let us remember the central research problem: *how* **can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in territorial planning for local development?**

This may be put in another similar way: under contemporary global restructuring, how can the lasting 'economic integration' of poor households be intentionally achieved as an outcome of current territorial planning practice undertaken by Municipalities at local level?

At local level, Municipal planning for anti-poverty action requires conceptual restructuring and theoretical development. The analysis of the relation between the nature of the challenges derived from the presented concept of anti-poverty action (see 3.6.) and the nature of planning requires some clarification concerning the nature of the theoretical challenge which is at stake.

**a) Challenges to planning theory**

In the context of this work, the search for an answer to this kind of questions requires a critical analysis of the contributions of planning theory. Actually, the relation between anti-poverty action and planning theory is not an easy one. Anti-poverty action raises critical issues concerning the very epistemological, conceptual and theoretical basis of current planning theory and practice. For example, the relation between the *role of planners* (experts) and the *role of 'the poor'* in anti-poverty planning processes goes far *beyond* the notion of participation as it is currently understood. Linking planning practice to anti-poverty action requires clarification.

As widely recognized, the results of conventional planning practice are not encouraging. The emergence of diverse proposals for innovating urban and regional planning is symptomatic. An initial contribution to the debate has been already elsewhere developed (Henriques 1989a, 1989b).  A proposal for the understanding of regional planning *as a 'dialogue'* was presented and was based on the assumption that the limits of traditional *functionalist* planning practice had already been sufficiently analysed (Friedmann and Weaver 1979).

The need of a deep restructuring of concepts, methodologies and instruments for territorial planning was recognized. The concept of 'territorial development planning' as *'a dialogue'* starts with the recognition that there is *no unique* 'rational' solution to problems and emphasizes the need of *interactive* communication among concerned social actors. Only the *totality* of possible human rationalities can be considered to be rational. The need for *negotiated* interventions and effective *communication* between the several agents involved in the planning process are considered as preconditions for success. The acceptance of inevitable contradictory interests (negotiation among private agents, between private and public agents, between public agents, etc.), the communication between different forms of organization of knowledge (between different cultures, between academic and non-academic knowledge,

etc.), the interactive communication between practices to formulate norms (as conscious adherence to rules of collective life in using the territory) and the communication among territorial planning technicians of *'territorial development planning' as a 'dialogue'*, were dimensions discussed in these early developments.

Now, a step further will be needed. The analysis of planning as a theoretical object will be the starting point of the analysis to be developed below.  However, the very definition of the terrain of planning theory is not an easy one. Approaches to planning theory currently cover quite different fields and discourses. John Friedmann (1998a, p. 2) identifies the following: applied rationality, societal guidance, behavioural (positivist) approaches, communicative practice, social learning and radical planning or emancipatory practice.

The approach developed in this work attempts to contribute to enhancing planning practice aimed at anti-poverty effects to occur in a lasting way. Therefore, following Friedmann's terms, it combines a critical and normative approach with approaches in line with *social learning* and *radical planning*. Before developing this issue it shall be clarified how the contemporary crisis of planning will be understood and how crisis in planning may be understood as the crisis of *a* particular approach to planning.

**b) Crisis in planning and planning theory**

The 'crisis' of planning increases the difficulty of analysing the relation between anti-poverty action and planning. On the other hand, the 'crisis' of planning offers a good opportunity to analyse the limits of the hegemonic planning paradigm. The contemporary 'crisis' of knowing, the accelerated pace of historical events, and the unprecedented nature of the events we face, represent crucial challenges to the hegemonic paradigm and show the need of clarification concerning the adequacy of its very theoretical basis.

On the other hand, overcoming this crisis requires a deep understanding of the very founding blocks of contemporary planning theory and practice. Following this understanding, the contemporary crisis of planning may offer a stimulating context for the challenge of this work.  As mind is actually a part of the historical process, both determined and determining, then the crisis of planning would have to be regarded as a specific instance of the historical crisis. In this way of reasoning, the crisis of planning is not that abstract reason has failed to

control the forces of historical change. The crisis foreshadows the end of the historical project that planning has so faithfully served (Friedmann, 1987, p. 318).

This crisis has many dimensions and it will be necessary to search for the very roots of the idea of planning and for the most relevant contributions in theoretical development. The 'global restructuring' process accelerated transformations in territorial structures which made more acute the limits of current planning practice. The increasing complexity of urban and regional problems, the growing scarcity of public financial resources and the need for strengthening the legitimacy basis of the state, raise claims for more efficiency in the use of public resources. The contemporary growing concern with problems like unemployment and poverty, and the need of adequate response, are putting conventional theory and practice under additional pressure.

In this context, our paradigms are rapidly changing and planning is undergoing its own transformations. Issues concerning how *knowledge* is gained, who the *relevant actors* are and how *knowing* and *acting* can be successfully linked to which others are facing a radical paradigmatic shift. The old planning has died, but we cannot do without planning. We cannot wish to separate knowing from acting (Friedmann, 1987, p. 416). We cannot wish *not* to know, and we cannot escape the need to *act.* As social conditions and human understanding change, the actual and theoretical links between knowledge and action will surely undergo changes as well (Friedmann, 1987, p. 84). That is why the development of the very 'idea' of planning requires careful and critical analysis.

### c) On the Origins of Planning Thought

Planning, as understood today in contemporary societies, has two underlying ideas. First, it relies on the confidence in *human reason* and on the capacity of *common people* to exercise reflexivity and self-regulation in a democratic society. Second, it relies on accepting the possibility of *linking* techno-scientific knowledge *to* action in the public domain, aiming at social transformation (being the collective planning actor the state or any form of collective action from within civil society).

On the other hand, the very idea of planning can be remembered in association with the aim of achieving *'social rationality'*. Societies attempt to achieve self-regulation ensuring 'social

rationality' for ensuring its own reproduction. Following this understanding, planning is understood as being concerned with making decisions and informing actions in ways that are supposed to be 'socially rational' (Friedmann, 1987, p. 47).

Before the nineteenth century, planning was conceived as a means to impose a rational, Euclidean order upon the organic forms of nature. This form of planning, 'orthogonal' design for John Friedmann, was primarily concerned with the physical arrangement of activities, was intended for a static, hierarchical world construed as part of a cosmic order, had to conform to divine reason as intepreted by priests, and was based on a kind of pragmatic knowledge passed from master to apprentice in actual work situations. With the Enlightment (1650-1850) the emergence of modern planning was characterized by it being applied to many problems arising in the public domain, by the attempt to cope with a rapidly changing and increasingly turbulent world. Knowledge derived from scientific research was added to pragmatic knowledge of experience, and it had to conform to human reason (as opposed to divine reason). Throughout the XXth century, capitalist western societies were based on market rationality but accepted a role for their states based on social rationality. Public planners championed a modified form of social rationality explicitly concerned with social outcomes. The possibility of conflict with private interests was admitted and planning was applied in name and in substance to the furtherance of a general territorial or social interest (Friedmann, 1987, p. 21-28).

The idea that 'scientifically' based knowledge about society could be applied to society's improvement first arose during the eighteenth century with the influence of Jeremy Bentham (1789). The ideas of Bentham were picked up in England by John Stuart Mill (utilitarianism and a concern for the individual and his liberties) and in France by Saint-Simon and Comte (French socialism assigning a decisive role to the state). Saint-Simon can be regarded as the father of scientific planning. According to him, it would be the ability to predict the future outcomes of present actions that would enable society to control its destiny. In Comte's understanding, it is the business of science to establish facts and immutable laws. For planners is left the task of guiding the course of social progress in accordance with these laws (Friedmann, 1987, pp. 51-71)

*Conservative* and *radical* traditions of planning were established early on. But, the actual realization of scientific planning as a technique for guiding social progress would take until the early 1900's. Inaugurated with production planning during the war years of 1914-1918, it

came into regular use with the installation of the soviet planning system in the 1920's. Other forms of planning such as urban design, social reform, and administrative city planning can be found from the middle of the nineteenth century onward. But they did not embody a scientific practice. John Friedmann (1987, p. 53) sees long shadows of this conception, in the faith in a meritocracy of scientific and technical elites, in an objective social knowledge, in the possibilities of a directed process of societal change, and in the ultimate harmony of social relations fine tuned to an ever widening social consensus.

The path of this germinal idea was not going to be a straight line. New tasks and new disciplines, contending conceptions of the state and of actors other than the state, as well as planning traditions leaning more to the technical side (decision-making, design of alternatives) or to the political and institutional side, characterized the very development of the planning idea (Friedmann, 1987a, p. 54). But, in the attempt to guide the course of human destiny through reason and to place the goal of history in *this* world and not in some transcendental heaven there is a common root as both *tranformative planning* and *societal guidance* are born of the Enlightment (Friedmann, 1987a, p. 412).

**d) Defining planning as a theoretical object**

Given the space-time constitution of poverty and the context-dependency of the very change in poverty situations (see 3.1., 3.6.), planning cannot be theoretically analysed as being independent from socio-spatial processes. And, in the context of this work, neither can Municipalities be analysed as planning agents, independent from the role played by the state in its relation with those socio-spatial processes and the role of the local state in its relations with the central state.

On the other hand, planning at locality level, requires specific theoretical development concerning urban and regional planning as distinctive domains of state action, aiming at intentionally inducing changes in the spatial concreteness of social processes in space and in the national territory.

An initial definition of planning is needed. An analysis of planning theory requires an operational concept of planning and some perspective concerning the origin of the very idea of planning. As a starting definition, it will be assumed here that planning (diagnostic,

forecasting, designing and implementing courses of action, evaluating, etc.), can be understood as *knowledgeable action* to manage *contextual change* (at locality level) in a way which takes account of time, place and people relationships, informed by a sense of strategy and practical ways of realizing agreed directions.

But, defining planning as a theoretical object is not an easy task, as very diverse definitions can be found. On the other hand, many definitions do not address planning itself as the object of theoretical concern and emerge confused with the concept of agency, or locally based agency. Three kinds of definitions are taken as examples of this kind of difficulty.

The first definition is given by Susan Fainstein. Contemporary planning theory is asked about its usefulness in addressing a defining question for Fainstein (1999, p.2.): '*what is the possibility of consciously achieving widespread improvement in the quality of human life within the context of a global capitalist political economy?*'. This question is answered by her examining three approaches to planning that she identifies as the Communicative Model, the New Urbanism, and the Just City Model. The three are considered to be post-positivistic and none of the three approaches relies on scientific justification as the rationale for its vision (op. cit., p. 4).

In another kind of definition, Patsy Healey (1989, p. 1) sees planning as the management of environmental change. She wrote: '*It implies a concern with interconnection, in time and place, and between people. It is informed by a sense of strategy, about goals to be attained, values to be realised, paths to be followed, and about practical ways of realising them. Planning implies an explicit approach to directions, how these will be achieved, and about the knowledge and values which make courses of action reasonable*'.

From another perspective, Francesco Indovina (1989) offers an understanding of territorial planning with other analytical possibilities. Indovina sees spatial organization as the result of the intentional project of the state, the '*visible hand*' of the urbanistic authorities. This intentionality is conditioned by the contextual 'field of forces'. In his definition, Indovina writes: '*Il 'piano' consiste sostanzialmente nella definizione del futuro assetto di un determinato territorio basato su un'intepretazione dei 'bisogni territoriali' della comunità interessata e su una mediazione tra gli interessi variamente toccati dall'assetto proposto*' (Indovina, 1989, p. 254). Indovina stresses how the '*planning force*' depends on the distance

between the 'future designed by the plan' (planning project) and the future which would spontaneously occur. Indovina further stresses that any intentional change of the territory interferes with interests that react (counteracting or facilitating) and that those reactions are not always predictable in terms of direction, intensity and instruments.

These definitions are good examples of the difficulty of closing a possible field for theoretical inquiry. This difficulty was specifically addressed, for example, by authors like John Friedmann, and Scott Campbell and Susan Fainstein. Remembering an earlier article written about this issue, John Friedmann (1998a) wrote: *'My hope was to codify and constrain what, to me, appeared to be the virtually boundless field of planning theory as it had evolved.'* And John Friedmann presented what he called six discourses that seemed to him '*to cover 90% of the relevant writings':* applied rationality, societal guidance, behavioural (positivist) approaches, communicative practice, social learning and radical planning or emancipatory practice.

Scott Campbell and Susan Fainstein (1996) began to recognize that it is not easy to define planning theory and they identified four principal reasons for this difficulty: many of the fundamental questions concerning planning belong to a much broader inquiry concerning the role of the state in social and spatial transformation; the boundary between planners and related professionals is not mutually exclusive; the field of planning is divided among those who define it according to its object or its method; and, finally, many fields are defined by a specific set of methodologies and so its theoretical basis cannot be easily drawn from its tools of analysis. And they write: *'Taken together, this considerable disagreement over the scope and function of planning and the problems of defining who is actually a planner, obscure the delineation of an appropriate body of theory. Whereas most scholars can agree on what constitutes the economy and the polity, and thus what is economic or political theory, they differ on the content of planning theory.'*

But, authors as those cited above, still do not address the difficulty of distinguishing in planning theory between *agency* and *planning* itself. It appears to be rather difficult to define an account of planning as an autonomous object of inquiry. For the purpose of the work to be developed here, it is enough to start remembering the traditional basis of the debate and find an approach which may contribute to solving the central problem of this work on the basis of a 'critical realist' epistemology as defined above (see 2.2.).

Traditional approaches to planning theory have been strongly based on a clear distinction between substantive and procedural theory. The hegemonic contributions identify planning theory with procedural theory. Understanding planning theory as procedural theory corresponds to the idea that the distinctive feature of planning theory concerns the procedures that enable rationality in the way of acting of the state. This understanding is the most expanded understanding of planning theory. The contributions of Andreas Faludi (1973 a), 1973, b), are expressive of this understanding. However, given the context-dependency of action, the autonomy of planning cannot be shown.

From a 'critical realist' perspective of theory, planning theory can be understood as theory in two related ways. First, theory concerning the identification of the planning agent's 'causal powers', by means of which change in the local context can be brought about and the identification of the *mechanisms,* by means of which the planning agent's 'causal powers' can be *actualised* and made effective in changing the local context. Second, theory concerning the *role of planners,* understood as *'strategically placed agents'* (see 3.3.), in contributing to this process.

As introduced above (see 2.2.), 'causal powers' may be attributed to objects independently of any particular pattern of events. Within a realist view, one tries to get beyond the recognition that something produces some change. An understanding is required of *what it is about the object* that enables it to do this and knowledge about *how the process works*. Knowing that *'C' has generally been followed by 'E'* is not enough, what is aimed at it is to understand the *continuous process by which 'C' produces 'E'*. As the actual activation of causal powers depends on conditions whose presence and configuration is contingent, the identification of these conditions becomes an empirical question with central relevance for the development of context-dependent knowledge about *how Municipalities can incorporate their contribution to the lasting 'economic integration' of poor households in current territorial planning practice.*

From a critical realist perspective of planning theory, one can focus on the process by means of which 'action' ('agency') is brought about, how action becomes concrete. The *retroductive* identification of the mechanisms *linking* knowledge *to* action, the identification of the mechanisms that explain the particular ways, by means of which knowledge became actualised in anti-poverty action, may be the focus of a *realist theory of planning for anti-poverty action*.

This perspective of planning theory *breaks* the dichotomy between substantive and procedural theory and the dichotomy between normative and positive theory. It aims at constituting *'theoretically informed normative theory'* whose procedural dimensions are dependent on the contextual conditions of substantive knowledge production.

'Critical realism' was already an epistemological basis in developing planning theory. That is the case of the proposal developed by Philip Cook (1983). He tried to link planning theory to theory of the socio-spatial development processes in ways that try to avoid functionalist and reductionist theoretical positions. He based his development on a realist epistemological position and conceives both planning theory and theory of socio-spatial development processes as objects of struggle, the outcomes of which are partly indeterminate. He theorizes planning in a way which privileges its capacity to unite land and labour in ways which temporarily resolve the divergent tendencies between labour and capital (Cook, 1983, p. 11).

These kind of approaches help to see the shortcomings of *artificial* dividing lines between normative and positive approaches to planning theory and show the possibility of a theoretically informed normative planning theory. In the same way, these kind of approaches helps us to see the shortcomings of the artificial dividing line between substantive and procedural approaches to planning theory. Substantive and procedural issues cannot be dissociated. Theory *of* planning depends on theory *in* planning, devising courses of action, knowing about *how* to organize action, is not independent of *how* possibilities of action by the planning agent are conceptualised.

But, as planning is context-dependent and action is concept-dependent, the Friedmann's approach is more likely to offer the kind of theoretical development that enables the understanding about *how* Municipal causal powers can be actualised in anti-poverty action.

John Friedmann (1987a, p. 37) tries first an operational definition of planning. Planning appears as a mode of decision-making-in-advance, as activities that precede both decisions and actions. Activities that include: defining the problem to be addressed in ways that will make it amenable to action or policy intervention; modelling and analysing the situation for the purpose of intervention with specific policy instruments, institutional innovations, or methods of social mobilization; designing one or more potential solutions in the form of policies, substantive plans of action, institutional innovations, and so on. These solutions are typically expressed in terms of futurity (specification of goals and objectives, as well as forecasts, probability judgements, action sequences, and so on); space–location (spatial organization, physical design; resource requirements); cost estimates and other claims on scarce resources such as foreign exchange, skilled labour, and so on; implementation procedures; procedures for feedback and evaluation; carrying out a detailed evaluation of the proposed alternative solutions in terms of their technical feasibility, cost-effectiveness, probable effects on different population groups, political acceptability, and so on.

But, the nature of planning as a theoretical object cannot be derived from previous definitions. John Friedmann recognizes that this kind of definition is inadequate for theoretical inquiry. In this sense, he proposes that planning may be about *'linking knowledge to action in the public domain either to processes of societal guidance or to processes of social transformation'*. That is the metatheoretical problem suggested by John Friedmann and that we will retain here. The relation between knowledge and action, the particular *linking* of knowledge to action, is analysed by Friedmann in his proposal (1987a, p. 36-39).

The specific task of planning is to make scientific and technical knowledge useful to specific actors in the public domain. In his own words (op. cit., p. 36): *'The meta-theoretical problem of how to make technical knowledge in planning effective in informing public actions'*. Planners were therefore understood as specialists, experts in mediating knowledge and action (op. cit., p. 4).

Later, John Friedmann (1998a) suggested that his proposal should incorporate three additional concerns. Specific knowledge about socio-spatial processes that, in interaction with each other, produce the urban habitat, the inclusion of civil society as one of the three collective planning actors and a specific concern with power not only as used to coerce, constrain and control but also as associated with an enabling view of marginalized groups asserting

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themselves in everyday life. As Friedmann writes (op. cit., p. 7): *'This will be done more readily once we ground our theorizing in the actual politics of city-building, acknowledging that the production of urban space involves the interaction of conflicting interests and forces, not least the growing force of organized civil society itself.'*

The concepts of *'action', 'societal guidance'* and *'social transformation'* play a central role in the theoretical proposal of John Friedmann. The concept of 'action' is taken from political philosophy in which action signifies both a departure from routine behaviour (a new path or an innovative practice) and the initiation of a chain of consequences that, except for the action, would not have occurred (1987, p. 39). This understanding of 'action' has much in common with the concept of 'agency' as introduced above (see 2.1.). The concept of 'societal guidance' is a concept drawn form macro-sociology (Etzioni, 1968, cited in Friedmann, 1987, p. 39). It implies a central involvement of the state and incorporates both allocative and innovative forms of planning. Related theories include neo-classical and institutional economics, public administration and organizational development. The concept of 'social transformation' is drawn from utopian, Marxist and anarchist traditions. Related concepts of political community and socio-political movements are taken from political theory and political sociology.

**e) Questions in Planning Theory**

In the work to be developed here, the approach proposed by John Friedmann to planning theory will be retained. His questions in planning theory will be taken as guiding criteria. From the perspective of planning there are central questions to be answered concerning both knowledge and action and their *linking* possibilities. These are central questions in planning that will help the analysis of the different planning approaches presented below.

*The question of knowledge*

A number of crucial questions concerning knowledge raised by the Philosophy of Science require adequate answers considering its linkage-to-action requirements. General issues concerning, for example, the specificity of scientific knowledge in relation with other forms of knowledge, the validation forms of scientific knowledge (manipulative knowledge,

appreciative knowledge), or the ways science can be made available and useful to actors in the public domain, require adequate attention.

First, in planning knowledge of future events is needed, that is the reason for the undertaking of forecasts, projections, and predictions. What assumptions must be made, particularly during periods of rapid structural change, in order to claim that knowledge about *past* events is relevant to 'knowing' in the *future*?

Second, in planning for the real world, rational actions must be based on *holistic* analysis of specific historical situations. How can scientific knowledge based on *disciplinary* approaches and hypothesis, theories and models that correspond to radical simplifications of the world remain useful?

Third, in planning, criteria have to be found to choose among contending theories. In present contemporary conditions, can it be accepted as true that scientific knowledge, either validated or not, is *'always better'* than knowledge based on other methods of inquiry?

Fourth, on what grounds can scientific knowledge, with its presumptive *universal* validity, claim to be superior to *personal* knowledge (*experiential* knowledge), especially when the application of each kind of knowledge yields a different result?

Fifth, the construction of knowledge must be regarded as an intensely social process and scientifically grounded statements about the world can have real effects on the world. This challenges the claims to objectivity and minimizes the differences between scientific and personal knowledge. On what grounds shall planners argue that *their view* of the world ought to prevail? Do the conditions of knowing require dialogue between planner and actor? If so, a dialogue structured how and by whom?

Finally, sixth, if all knowledge is permeated by ideology, how can planners claim privileged access to objective knowledge? And when there is a conflict between the scientific knowledge of planners and the personal knowledge of actors is there any reason to think that one or the other is inherently better and should therefore be followed?

*The question of action*

Being effective in the world becomes the decisive criterion, if we identify *actions,* not decisions, as the principal focus of planning practice. Goal-oriented action based on a presumptive rationality does not correspond to the concept of action introduced above (see 3.3.). Action means to set something new into the world. An action can be attributed to an actor who can be held accountable for its proximate consequences.

Some action-related questions can be introduced. First, who are the *actors* in the public domain to whom knowledge is being provided (individuals, organizations, collectives; institutional setting; dynamics of their relations; material interests and values dividing them; etc.)? Can planners remain indifferent to these characteristics of the *action field*? Can this action field be understood both as 'discursive-organizational' field? (see 3.1.).

Second, to be effective, actors must have sufficient *power* to concert the actions of others and to overcome the resistance of vested interests. Should planning be addressed to those who are powerful enough to launch a successful action? If, alternatively, planning should be addressed to the weak, how shall plans be carried out? Are social mobilisation, confrontation and protest the only ways by which the weak can create a political space for themselves? Should planners help the powerless acquire power? If so, by what means?

Third, action represents a departure from *routine* and actors must overcome resistance. As a dynamic process, action requires the adoption of strategies for change. But is the devising of strategies part of the process of linking of scientific knowledge to action? Is the kind of knowledge useful for devising strategies derived primarily from experience (personal knowledge)? If this is the case, is not personal knowledge also the most valuable form of *knowledge-in-action*?

Fourth, in the long term the outcomes of a chain of action and counteraction are *unpredictable*. What does this tell us about the supposed ability of planners to 'know' the future through forecasting models? What legitimate uses can be made of them?

Fifth, the *culture* of actors is different from that of planners. Action requires value commitments strong enough to enable the actor to persist with the action long enough to overcome resistance. Are actors who are passionately engaged likely to listen with an open

mind to counsel that is inconsistent with their own perceptions and beliefs? What systematic biases do these circumstances introduce into planning analysis and the communication of its results to actors?

Sixth, do planners have any *responsibility* for the knowledge and values they press upon actors? Are planners co-actors or merely hired consultants?

Finally, the apparent lack of concern of planners among planners about the *values of actor*s would seem to contribute to the overall irrationality of technocratic planning. On the other hand, to the extent that planners do show concern with long-run, structural consequences, is the reasoning they use predominantly technical or does it merge with political reason? What kind of knowledge becomes more relevant based on science or on action and accumulating experience? And whose experience would be more relevant, that of planners or that of actors? Knowledge based on action is a form of learning. Is it not the responsibility of planners to help structure the setting that will allow both actors and planners to increase learning from experience and to use what has been learned as a basis for further planning and action?

## f) Planning theory and anti-poverty action

Remembering what has already been stated above, this work aims at producing knowledge about *how* Municipalities can *act*. It attempts to contribute to a deeper understanding about *how* Municipalities can locally interfere with the structures and mechanisms underlying poverty and *how* Municipalities can integrate their anti-poverty action in current territorial development planning practice. It concerns the process by means of which the '*how'* operates, the process by means of which the 'causal powers' mobilized by Municipalities can be activated and actualised.

Diverse planning approaches have implications to the analysis of this '*how'*. The choice of methods and tools to support action is not independent from the conceptual and theoretical assumptions, or from the institutional and organizational conditions, on the basis of which action is conceived and undertaken. This concerns first, the conceptual and theoretical assumptions related with poverty, as well as with the very nature of action aiming at combating poverty (income support, access to public services, training for a job in the labour-market, self-employment, community development, etc.). Second, it concerns, the nature of

planning at sub-national level which covers different national, scientific and professional traditions in dealing with urban and regional planning (land use planning, urban form, location and accessibilities, development promotion, supporting collective self-empowerment, etc.).

Following from what was seen above, the relation between planning agents, planners (experts) and the poor goes far *beyond* the notion of *'people's participation'* as it is more currently understood. Diverse possible understandings of poverty, as well as diverse planning approaches, have direct implications in the way this relation becomes concrete. Linking planning practice to anti-poverty action may require some specific attention.

In the context of anti-poverty action, let us start with the contribution of John Friedmann (1987a, p. 38) to planning theory. In his starting definition, planning serves as a *link*, making scientific and technical knowledge useful to specific actors in the public domain. As we are dealing with territorially based systems of social relations, planning attempts to link scientific and technical knowledge *to* actions in the public domain. This occurs either to processes of *societal guidance* or to processes of *social transformation*. Given the conceptual framework defined above (see 3.6.), and as the structural nature of poverty has been shown, *anti-poverty* action cannot be independent from action aiming at *social transformation*.

It will be assumed here that planning (diagnostic, forecasting, designing and implementing courses of action, evaluating, etc.), in the context of anti-poverty action, can be understood as *knowledgeable action* to manage *contextual change* (at locality level), in a way which takes account of time, place and people relationships, informed by a sense of strategy and practical ways of realizing agreed directions. It begins with a critical account of situations to be changed and it includes helping communities to search for practical solutions to the problems perceived by them, as well as devising appropriate strategies for successful action and also includes technical aspects of the actions to undertake.

As remembered above, two themes can be identified underlying this sense of planning. First, confidence in human reason and in the capacity of common people to exercise reflexivity and self-regulation in a democratic society. Second, the possibility of linking techno-scientific knowledge to action in the public domain, aiming at social transformation the collective planning actor being the state or any form of collective action from within civil society.

In the context of *local* anti-poverty action, these two basic assumptions have to be made explicit and have far reaching implications. First, confidence on the *poor's own capacity* of reasoning and recognizing their own needs and interests, in order to manage their own life (survival strategies of poor households, the role of their 'existential reason', their 'practical consciousness', etc.). Second, the simultaneous need of *external agency* aiming at changes in the *'discursive field'* (promoting changes in the way the poor and the non-poor represent poverty problems in favor of poor people's interests); and aiming at changes in the *'organizational field'* (building the organizational capacity for collective action, groups have to be built before isolated poor people can become agents of change and be involved in planning processes, etc.).

Whether action concerns societal guidance articulated through the state for systematic change, or whether action concerns processes of social transformation articulated through political practices of systemic transformation, it must apply to the specificity of concrete situations.

Territorial planning has to begin to be analysed in the context of current state practices meant to ensure development promotion or land use control. The 'comprehensive land use plan' is still the hegemonic planning model. It has to be carefully analysed in order to evaluate its potential and limits in the context of the fight against poverty where 'impoverishment' processes, global restructuring and urban and territorial restructuring interact. The hegemonic role of neo-classical economic theoretical ideologies has to be analysed in the framework of the conceptual challenges issued by the fight against poverty when 'impoverished' persons, households and communities require specific targeted action. On the other hand, the need to place anti-poverty action in the context of 'structural constraint' and pro-active 'agency' underlying the dynamics of local change introduce challenges to conventional theory.

What seems to be needed is the possibility to understand *territorial* change, *'forces'* and *'agents'* in the context of the overall relation between different levels of overlapping causality and their mutual relations with the contradictory role of the state and their internal contradictions. Theoretical contributions in the framework of the 'restructuring' agenda have been the contributions that directly offer the best framework to address this challenge. Therefore, they will be taken as key references in the following steps of this work.

**g) Planning Approaches**

The analysis is developed distinguishing different traditions, categories used for organizing the many intellectual contributions to the problem of *linking* knowledge *to* action. John Friedmann (op. cit., p. 11) identifies four traditions: social reform, policy analysis, social learning and social mobilization. For the purpose of this work, this proposal will be retained. The relation between anti-poverty action and municipal planning will be analysed on the basis of the above mentioned traditions. The contributions of other authors will be integrated following these basic categories.

The proposed planning approaches represent broad ways of thinking and differentiating assumptions concerning the nature of problems, their local specificity and the nature of action to 'solve' them. They also represent different ways of seeing the nature of the planning agent, the planning context and the nature of planning 'powers'. Finally, they represent different ways of seeing the substantive content of planning and the role of planners. These different planning approaches will be analysed along these aspect.

*The nature of problems, their local specificity and the nature of action to 'solve' them*

If the *structural* nature of poverty and social exclusion is accepted, it also means that the *concrete* forms of poverty are *unique* and exhibit specific features in each individual locality. Poverty problems can be understood as *'wicked'* problems (see 4.3.1.). They have no definitive formulation, they have no stopping rule, there is no ultimate test of a solution, they do not have an enumerable set of potential solutions and they can be considered to be symptoms of other problems.

The *choice* of explanation concerning the nature of a 'wicked' problem is not independent from the nature of the problem 'solution' which is previously assumed (concept-dependency of the very problem resolution). If definition is not independent from resolution, the very possibility of resolution depends on the 'causal powers' of the planning agent and on the role of planners interpreting the action possibilities of the planning agent.

Thus, given the 'wicked' nature of the problems to be 'solved', the specific content of the action to be developed is not independent from the nature of the social agent which can be identified as the '*initiator'* of action.

### *The nature of the planning agent, the planning context and the nature of the 'planning powers'*

The nature of the social agent undertaking anti-poverty action requires analysis, as well as its relations with other agents and the environment in the context of which planning activities are deployed. One has to keep in mind that planning rationality becomes more *complex* given the diverse rationalities of social agents represented at *partnership* level, or that the power of the planning agent has to be analysed in the context of its relations with the powers of other agents whose reaction has to be overcome in the course of action aiming at structural change.

The definition of the *key* planning agent, and the context of action including the time involved in the action, requires some account of the context of the action to be developed at local level. Clarification is required when dealing with the sense of the *'end'* of an action, namely, when the *'end'* of an action does not correspond with the *'end'* of the problem (acting on a project basis, etc.). Different situations can be observed. As was seen above, one can identify; current action of central governments given their legal competences in all the localities, current action of all local governments given their legal competences, specific action of local governments given their involvement in statutory initiatives given particular criteria of *'territorial selectivity'* (selected localities in the context of experimental programmes given their potential for initiative, crisis regions and lack of capacity for initiative and organization, etc.), specific action of NGO's given their involvement in experimental programmes, their relation with organized local communities, with social movements, or political initiatives and specific action of international organizations.

These different situations require different planning approaches and correspond to different roles to be played by planners. Given the research problem of this work only one of these situations will be dealt with. Current *action of local governments* is at the centre of the efforts being developed here.

**h) The substantive content of planning and the role of planners**

The definition of the nature and of the content of concrete anti-poverty action is not independent from the *purpose* of the planning agent and from the *context* within which this purpose becomes *concrete.* Furthermore, local action involves different scientific traditions concerning spatial planning. Different planning models are based on different epistemological, conceptual and theoretical approaches that make a difference in defining the substantive content of planning activities and when analysing the role of planners.

For example, as a shift in regional development theory and practice can be observed, the 'local' does not necessarily relate with *small-scale* territorial units. This is a matter deserving attention when one accepts that lasting changes in the situation of poverty or social exclusion of poor people requires lasting changes in the territorial context they directly depend on. In this sense, the nature of intentional contextual change, currently labelled as *local development* requires analysis for itself (see 4.2.).

Authors contributing to the development of planning theory can be grouped in two ways. Authors looking at the confirmation and reproduction of existing relations of power in society express predominantly technical concerns, they proclaim a carefully nurtured stance of political neutrality. In reality they address their work to those who are in power and see their primary mission as serving the state (Systems Analysis, Systems Engineering, Policy Science, Public Administration, etc.). Authors looking at the transformation or transcendence of existing relations of power within civil society address the people, those of working-class origins who, it is believed are opposed to the bureaucratic state and to every form of alienated power. The mode of discourse adopted is political (Utopian, Anarchism, Frankfurt School, Historical Materialism, Neo-Marxism, etc.).

As will be seen later in detail, following the concepts of poverty and anti-poverty action discussed above, only two planning approaches enable the possibility of an explicit incorporation of anti-poverty action in planning theory and practice as defined above. *Social Learning and Communicative Action and Radical Planning* are these two approaches. In what follows, the different planning approaches will be first analysed and confronted with the challenges of anti-poverty action. Second, the above mentioned two planning approaches will

be analysed in more detail in order to clarify the concrete potential implications for Municipal planning practice.

### 4.3.3. Social Reform, Policy Analysis and the Rational-Comprehensive Paradigm

Since the Second World War, the 'Rational-Comprehensive' Paradigm has played a major influence. With its origins in Enlightment epistemology, it is based on a belief in the possibility of greater rationality in public policy decision-making and a faith in 'instrumental rationality'. It is believed that technology and social science can make the world better and that planning can be a relevant tool for social progress. It dovetails neatly with the economist's paradigm of the rational economic man and rational resource allocation. The Comprehensive Land-Use Plan ('Master Plan') is one of the most relevant expressions of this approach in Urban and Regional Planning.

**a) Conceptual and theoretical background**

The analysis of the roots of this approach to planning can be found in the Rational-Comprehensive Model as proposed by Leonie Sandercock (1998) and in two planning traditions, Social Reform and Policy Analysis, as proposed by John Friedmann (1987a). Social Reform focuses on the role of the state in societal guidance. It is primarily concerned with finding ways to institutionalize planning practice and make action by the state more effective (Friedmann, 1987, pp. 76-78). It can be considered the central tradition in planning theory. Here can one find the roots of the call for 'rationality', 'scientificity' and 'comprehensiveness' underlying the 'rational-comprehensive' model in planning (Sandercock, 1998).

Authors within this tradition claim he Discovery of a route for greater rationality in the direction of public affairs. As this tradition is still very influential in contemporary planning thought it deserves a wide development. This will made on the basis of an overview of an extensive quotation of John Friedmann (1987a, pp. 99-144).

Authors within this paradigm offered the first models of institutionalised planning. They regard planning as a 'scientific endeavour' and one of their main preoccupations is with using the scientific paradigm to inform and to limit politics to what are deemed to be its proper

concerns. Policy Analysis was strongly influenced by the early work of Herbert Simon, focusing on the behaviour of large organizations and how they might improve their ability to make rational decisions. Simon absorbed Weberian sociology and neo-classical economics and his approach stressed synoptic analysis and decision-making as the means of identifying the best possible courses of action. What was 'best' was the result of normal constraints on rationality, a model of 'bounded rationality'. The need of state intervention as the way to ensure 'social rationality' in societal guidance may be seen as a major influence of the social reform tradition. Planning is based on the belief in the possibility of rational action, which is based on the scientific nature of their calling. The contribution of Max Weber to planning theory came from this preoccupation with the conditions for rational action. The principle of rationality is closely related to the notion of objectivity in scientific work. For Max Weber science was a means of mastering the irrational.

However, for Karl Mannheim this claim for objectivity should be mitigated. Thinking at the level of planning is 'situationally concrete', he wrote. As purely objective knowledge could not be achieved, his problem was how a comprehensive and unbiased view of the whole might be achieved. He refused to be limited to an instrumental application of rationality in which means were to be fitted to ends that themselves remained unexamined. He argued that rational actions had to conform to rationality in both its forms, substantial as well as functional. The purpose of planned action would emerge from a process of systematic study in which 'intelligent insight' would be gained into the interdependencies of existing situations. Philosophically, authors understand planning to be the '*application*' of scientific knowledge to public affairs and consider it a professional responsibility and an executive function. They advocate a strong role for the state that they understand to have both *mediating* and *authoritative* functions.

Their conceptual framework is based on sources such as macro sociology, institutional economics, and political philosophy. Planning theory is conceived as theory *of* planning. Offering rules by which planners can proceed, and through which they can consider alternative procedures and consequences, it offers the promise of professional legitimacy and 'scientific' planning. In the framework of this approach to planning, work is developed on policy analysis, administrative behaviour, organization theory, decision theory, public choice theory and on systems theory.

In contrast with the social reform tradition, the tradition of policy analysis has *no* distinctive philosophical position. On issues of society and justice, the authors are conventional, they to tend to regard themselves as *'technocrats'*, serving the existing centres of power. Some of their views are similar to those of Saint-Simon and Comte. They believe that by using appropriate scientific theories and mathematical techniques they can identify and calculate 'best solutions'. They understand themselves as *'social engineers'*. If challenged on epistemological grounds, they understand that it is better to arrive at decisions through an imperfect science than through a process of unmediated politics. They rely on the tools of neo-classical economics building its values into their work (individualism, markets, equilibrium, etc.).

Contributions from the tradition of Policy Analysis resulted from the confluence of three streams of intellectual discourse: systems engineering and quantitative modelling, management science and general systems theory emphasizing cybernetics of 'open' systems, and the political and administrative sciences with their behavioural orientation.  The convergence between these three streams was possible due to a shared belief that the 'objective' methods of science could, and should, be used to make policy decisions more rational, and that more decisions that are rational would materially improve the problem-solving abilities of organizations. Proponents of these streams also worked with a concept of system that involved inputs, outputs, an environment, and 'complex feedback loops'. The more discursive language of the social sciences tended to be replaced by the vocabulary of systems, as society was being assimilated to the image of a machine. Artificial intelligence and synergistic fashion were highly ranked and subjects such as statistical decision theory, linear and dynamic programming, imperative and declarative logics of design are examples of highly valued approaches. To manage complexity as the 'discovered' characteristic of the contemporaneous world was the challenge ahead. The conceptual framework of policy analysis tends to be specialized in line with its technical orientation. Most analysis is versed in *neo-classical* economics, *statistics* and *mathematics*. The authors tend to cluster into sub-disciplines such as *systems analysis*, (with its emphasis on mathematical modelling), *policy science* (combined emphasis on neo-classical economics and political science), *operations research* (focusing on problems having determinate outcomes), and *'futures research'*. The language derives also from work with specific analytical techniques such as gaming, simulation, evaluation research, linear and non-linear programming, etc. The language of systems can be considered the language in common with policy analysis tradition. This

language changed the ways of thinking about the world. It changes views about causality. Causality is no more thought about as linear relations. Causality is complex and circular. It changes views about systems. 'Open' systems are surrounded by an 'environment' with which it is in constant interchange, gathering or dissipating energies, or achieving a 'steady state'. Systems must adapt to their environment by introjecting parts of it, controlling other parts, or conforming to external conditions. Conflict is not a systems concept. Systems are thought as inherently benign and manageable. Systems conform to the principle of hierarchy, which is perceived as the 'deep structure' of the world. Systems theory tends to be reductionist, as all things only can be systems if they ignore the substantive (Friedmann, 1987, p. 144).

**b) Planning problems and the substantive nature of planning**

All social reformers were interested in reforms, particularly what John Friedmann calls *''grand' reforms of the 'guidance system' of society'* (1987, p. 135). Information systems, central planning institutions, the 'directive in history' and a 'collective mind' are examples of the drive for reforms. Some of these institutional innovations have been put in practice. What follows below is still an overview of an extensive quotation of John Friedmann (1987a, pp. 90-136).

Social reformers believed in the need for some form of institutional change either strengthening the state, constituting an institutionalised intelligence that would lay out the future of the collectivity, or stressing more decentralized problem-solving strategies. Social reformers addressed themselves to the rulers of society, as they believed reforms would come from the top. Some believed more in comprehensive planning, others in piecemeal social engineering. In general they stayed shy of politics which they tended to equate with all that was *'irrational'* in society. They believed that a 'general interest' could be formulated through the instrumentalities and procedures of planning and that the consensus necessary for democratic planning might actually be obtained. Some also believed that consensus itself had to be planned. Some (Tugwell) ended by believing that consensus-formation, though possible, might not be probable and that more structural changes were needed.

In their political convictions, authors affirm representative democracy, human rights, and social justice. Within limits, they are tolerant to change. They believe that through appropriate reforms both capitalism and the bourgeois state can be perfected. It encouraged the invention of the major quantitative models for calculation in central planning including social accounting, input-output analysis, economic policy models, and models for urban and regional analysis (Friedmann, 1987, p. 134). The tools considered to be needed by the state included   business cycle analysis   (Mitchell), social accounting (Kuznets), input-output analysis (Leontief), economic policy models (Tinbergen), urban and regional economics (Perloff), and development economics (Hirschmann).

World War I speeded up a change in public opinion, in favour of the Idea and practice of planning. Government should regulate business for a public purpose. Without some form of intervention by the state, the *'spontaneous'* discipline of the market would exacerbate the evils of inefficiency, waste and injustice. In line with this kind of reasoning one may just remember the contributions of Keynes, Polanyi and Innis. The need of state intervention was particularly emphasized by Thornstein Veblen and Herbert Hoover. Veblen saw no hope in the absentee financial owners of American corporations and believed in the need to pass control of the country's industry from the financiers to the 'technicians' who could speak, not for extraneous commercial interests, but for the industrial system as a 'going concern'. 'Technicians' should form themselves into a directorate whose general purpose would be the 'care of the community's material welfare'. Implicit in this one can find an Idea of national planning promoting efficiency and welfare overcoming the 'anarchy' of the markets. Through technical planning, the productive powers of the industrial system might be increased. Herbert Hoover believed in the possibility of harnessing business to his vision of an associative state. Scientific rationality and social engineering would contribute to raise living standards, humanize industrial relations and integrate conflicting social elements into a harmonious community of interests; the cooperative institutions of civil society being the key to these developments.

This *role of the state* should be understood as a scientific endeavour. James Harvey Robinson believed that only scientific planning which he called intelligence could save the world. The country needed to be managed *'scientifically'* in a spirit of open-minded social experimentation. Also Stuart Chase declared the country would be better off if it were turned over to the continued administration of technical experts and product engineers. Professionals

should be in charge of *'incremental'* planning in relation with a central directive and a need for control from the top.

Franklin Roosevelt introduced a more subtle understanding of planning. Franklin Roosevelt set up the National Planning Board, and planning was understood to involve the functions of coordination, projection and scientific analysis. Not everything required planning and much planning could be decentralized. The board already pointed out *'wise planning is based on control of certain strategic points'* (National Planning Board 1934, cited in Friedmann, 1987, p. 93). Finally, Harlow Person, in 1934, outlined a complex paradigm of central coordinating planning. Planning is channelled through an *'institutional mind'*, which undertakes scientific analysis, designs a comprehensive plan of action, and coordinates the subsequent actions. The *'institutional mind'* produces a blueprint and a decision is made at the top.

Planning requires the faculty for *comprehensive* analysis. This can be called the capacity for calculation. Planning implies the ability of actors to gain some understanding of the emergent future, to correctly analyse perceived problems from a standpoint of ameliorative change or goal achievement, to identify practible means of action in the present, and to predict and assess the probable consequences of their actions. Control refers to the capacity of actors to carry out their intentions. It means implementation and coordination. In this tradition, many planning theorists stress the need for comprehensiveness. Mannheim talks about *'interdependent thinking'* grounded in specific situations, Tugwell speaks about a *'collective mind'* capable of overcoming the partial and fragmented knowledge of disciplinary specializations, and Mumford talks about the need for *'simultaneous thinking'* either through interdisciplinary training or through effective teamwork on the job.

Requirements for a planning synthesis were occasionally set too high. Institutional economists avoided the discussion about the possibility of comprehensiveness in planning and devoted themselves to the practical elaboration of comprehensive information systems, and Wesley Mitchell called for a national organization to undertake deliberate and systematic study of social problems but in a more modest and realistic way. His proposal was to establish, on a continuing and national basis, a small board responsible for undertaking appropriate studies and devising appropriate policies. Economic models based on modelling economic relationships received an important impetus with the power of new quantitative methods. The ambition of comprehensiveness seemed to have technical support in a number of

methodological approaches: sectoral planning guided by the classifications of national social accounts, short-term forecasting based on systems of simultaneous equations, Kuznets-Leontief models of economic structures, etc. The kind of planning made possible by these kind of approaches was heavily supported by the new information systems.

**c) The nature of the planning agent**

The *state* is the planning agent. A benign and *neutral* state is assumed in promoting the public interest. A benign state *'above politics'*. The focus is on the need for intervention by the state in markets and in social processes and an appropriate form of societal guidance is sought As remembered above, without some form of intervention by the state, the 'spontaneous' discipline of the market would exacerbate the evils of inefficiency, waste and injustice. What follows is based once more on an extensive quotation of Friedmann (1987a, pp. 105-134).

Planning was seen as one of the major rationalizing forces in social life. Planners were often tempted to regard the political process as a major obstacle to the materialization of reason in the world. Rexford Tugwell (1940) declared planning to be a superpolitical activity. He calls planning a 'directive' force that would be used in the interest of the people as a whole, that is, the 'general' interest. Planning would achieve a clear vision of the future above politics by becoming institutionalised as a fourth branch of government. With their own autonomy and substantial authority, planners would be charged with devising the general plan or blueprint for the development of the whole (national economy, physical form of a city, etc.) requiring societal guidance from the top. Specialized planning agencies should be set up and public agreement should be required. To be effective, planning requires the cooperation of the whole community. Planners should think and feel *for* the society and decide what is right.

Harvey Perloff followed the perspective of Tugwell and saw planning the future as a job for *experts,* calling for an understanding of the requirements and possibilities for *systemic* changes in the socio-economic political forces and human behaviour. Planning was seen as a conjunctural activity whose purpose is to produce a cascade of plans, expertly drawn up, with the agreement of the community. Therefore, Perloff called for participatory processes outside the normal channels of politics. The involvement of people from the poor neighbourhoods was considered to be difficult but the effort should be made if the goals are to be meaningful. Instead of politics, Perloff emphasizes the role of the 'newer methods of dialogue' such as

TV, classroom projects, computer gaming, etc. Perloff admitted the possibility of conflicting objectives for different neighbourhoods, and saw that planners would find some compromise in the course of public hearings and negotiations. In the search for consensus, planning techniques might play a significant role. He believed the new politics of goal setting was to be part of the engineering of consent. Based on 'dialogue', rational argument, and negotiation among the interested parties it would be decentralized, civilized and emphatically suburban .

Amitai Etzioni (1968) wrote about *'interwoven planning'* and presented it as part of a comprehensive theory of 'societal guidance' which he saw as a combination of downward control and upward consensus-formation. He rejects the master planning approach as being antiquated and unworkable. In its place, he proposes to put a planning that is 'interwoven' with the more general processes of societal guidance. In his approach, society requires technical elites and guidance institutions that are 'responsive' to the needs of the non-elite population below them. Etzioni's 'societal guidance' is near Tugwell's 'directive in history'.

In Harlow Person's top-down paradigm of planning, *hierarchy* was the principal control device. A command from the top, to which negative sanctions are attached, would suffice to set up the implementing machinery. The command model of B. F. Skinner, hierarchy remained the principal control device to which he attached positive sanctions. For Skinner people do what they do by internalising the implicit commands that they carry out. Tugwell and Perloff ignored the question of controls. Made official, the plans would be carried out through the normal workings of the state bureaucracy. Their disdain for politics did not allow for conflicts of interest. The general interest would be respected by the collective mind as relevant publics would remain passive and compliant.

Mannheim advocated strategic planning as not everything had to be planned. The selection of key positions and indirect controls remained the central issues. The initial emergence of strategic planning ideas can already be found in Mannheim. Nevertheless, only within the framework of Organizational Development could this approach gain wider attention, especially after the contributions of Paul Lawrence and Jay Lorsch. Dahl and Lindblom identified the market for the first time as a possible instrument for planning. Lindblom developed a model for calculation and control based on two phases, 'disjointed incrementalism' and 'partisan mutual adjustment'. He believed central, comprehensive planning that he called 'synoptic' planning did not work at all because of excessive

information requirements. His alternative was to divide large decisions into smaller ones and distribute them among a large number of actors. He proposed 'social interaction' as an alternative to planning analysis. He argued that analysis could not find the correct solutions. The answer was social processes of interaction substituting conclusive analysis.

## d) The role of planners

Planning's central concern is with *hierarchy* and the laying out of alternative courses of action for *decision-making* at the top. Planners shall become part of an ambitious comprehensive public policy process implementing the public interest. Planners shall be *'the knowers'* relying on professional expertise which is based on the assumptions of the hegemonic scientific paradigm (positivist, disciplinary, 'objective', privileging technical uses of science). Planners are *'the knowers'*, and knowledge relies on the planner's expertise. This expertise is considered adequate to find the best for an undifferentiated public. Differences of class, gender, or race are not considered relevant.

By offering rules by which planners could proceed and through which they could consider alternative procedures and consequences, it offered the promise of professional legitimacy and 'scientific' planning. Emphasizing 'rational' and 'objective' analysis, quantitative methods, modelling, use of computers, etc., expectations were created that favoured explicit pre-established goals which can be met by planning procedures that favour these methods. A planning culture was built that favoured those methods and the model of applied rationality was the appropriate approach.

## e) Critical Assessment

The limits of the rational-comprehensive approach stem basically from the influence of the social policy tradition. Social problems are dealt with as if they were 'tame' problems. As social problems are *'wicked'*, they defy approaches based on *logic* and *formal* definitions.

The limits of the approach became increasingly clear by the late 70's. The 'rational' decision-maker who was personified (even though *'he'* might be a government), this *'mythical creature'* sought to make decisions rationally. *Decisions* were equated with actions. The basic model of rational decision contained terms such as 'goals and objectives', 'alternatives',

'consequences, 'choices'. We still follow John Friedmann's personal reasoning (1987, pp. 158-179).

However, when the rational decision-maker was supposed to be the government, for example, the assumed conditions for 'rationality' might actually *not* be created. Government behaviour was better conceived less as deliberated choices and more as outputs of large organizations functioning according to standard patterns of behaviour. In addition, policy decisions might be conceived as the convergence between bureaucratic routines and political struggles. Therefore, there is no criterion that is acceptable to all the actors for deciding among objectives or for assigning relative weights to them. Moreover, the outcomes of complex bureaucratic games are indeterminate. Without a clear objective function, policy analysis loses its coherence concerning functional rationality. It becomes an open-ended and indeterminate process. This limit becomes clearer if one reasons in terms of an actor searching not for 'achieving goals' but 'how to devise appropriate strategies'. In this case, an action model may be more appropriate than a formal model of decision-making.

This is also related to one of the more serious problems in policy analysis, namely, the lack of attention given to the question of policy or program implementation. Policy analysis fails to analyse how ideas are translated into practice. The evolutionary perspective on implementation clearly shows that policy analysis never starts with a clean slate. There is always a history of prior actions and their consequences and every problem has to be related to its socio-political context. On the other hand, implementation is not only what happens once a policy has been decided, but also a concern, which may shape the very content of that policy.

Epistemological critiques start with the analysis of the basic assumption within this paradigm as its focus on decision-making corresponds with an understanding of decision-making as an event in time *preceding* action. The idea is to make decisions more 'rational' by means of studies such as forecasting, mathematical modelling, dynamic programming, policy and programme evaluation, impact analysis, cross-impact analysis, gaming and simulation, etc.. Concepts and methods derived from systems engineering and economics.

A first critique concerns the *nature* of problems to be dealt with. Social problems are 'wicked' problems, and the suitability of rational techniques, which are designed to 'solve' problems, cannot be ensured. 'Wicked' problems have no definitive formulation, have no stopping rule, there is no ultimate test of a solution, they do not have an enumerable set of potential solutions, they can be considered to be symptoms of another problem, or the choice of explanation determines the nature of the problem resolution (concept-dependency of the very problem resolution).

A second critique concerns the way of dealing with the *future*. The desire to know 'what does not yet exist' is a very powerful human desire. However, the belief that science can peer beyond the rim of the present is a misunderstanding that stems form the classical view of experimental science as a methodology that advances by making predictions (hypotheses) and then testing them. Claims that a full range of consequences of an action can be predicted in advance of the action itself cannot be sustained.

A paradigm shift started to emerge in this tradition in the late 70's. The way research affects policy and decision-making became less associated to problem solving or social engineering and more to 'enlightment' (ways of looking at the world). Research does not require value consensus and a recognised role social research as social criticism (Weiss 1977 cited in Friedmann, 1987, p. 173). The role of the policy analyst becomes more related with devising organizational innovations, or 'new regimes of governance'. The search for an 'efficient allocation of resources' should move towards a rethinking of the organizational structure (Nelson 1977, cited in Friedmann, 1987, p. 174). Following the evolutionary perspective of implementation, policy analysts would become more linked to action (moving away from the decision model with its cognitive bias against an interaction model). Writing off the engineering model and coming close to social learning (Majone and Wildavsky 1979, cited in Friedmann, 1987, p. 174).

In line with new developments in the philosophy of science (Lakatos, Popper), the focus of policy analysis would be on 'action programmes' (Lakatos). It would shift from actors to objective features. The object would be to keep the process of policy development moving along. It would not be to predict, falsify, or optimise. It would not be to generate new practices. If the object of analysis was action and not decisions, and if the process of analysis was dialectical, there would be new scope for policy analysis. Moving to the twenty-first

century, the Comtean vision of an engineered society is losing weight. There remains the command system of the state and of corporations. Technical reason is still enshrined in these systems even if policy analysis as a 'science' has shifted its emphasis from optimisation to a model of organizational design in the search for more efficient allocations of resources. The recent shift from on-line analysis to 'enlightment' and from decision theory to implementation and interaction models is a significant one. Once decision theory has been *displaced* as the principal focus of policy analysis, the way is open for many different approaches, some of which may depart from the traditions of the field.

**f) Anti-poverty action and the 'Rational-Comprehensive' paradigm to planning**

The 'Rational-Comprehensive' paradigm is adequate to deal with '*tame'* problems. Objective definitions can be given and logical solutions can be searched. Defining the best location for a health centre, designing an urban development for low-rent housing on public land, or finding the best financial engineering model for building a new school in a 'distressed urban area' (given the constraints of the budget of a local government), are examples of possible poverty related planning problems that can best be dealt with using the help of contributions coming from within this paradigm.

*4.3.4. The 'Advocacy-Equity' Planning Paradigm*

The 'advocacy-equity' planning paradigm as developed here represents the complementary contributions of both the 'advocacy-planning' model and the 'equity-planning' model as presented by Leonie Sandercock (1998).

The advocacy-equity planning approach is based on the idea that planning should be about *representing* poor people's interests. This representation should occur either by *translating* their interests into technical terms, or by interfering in the political processes in favour of poor people's interests.

The advocacy planning approach emerged in the United States in the mid-1960 as a critique of the rational-comprehensive approach and the equity planning approach developed from the advocacy planning approach during late 80's. Planners in this approach consider themselves

as inheritors of the advocacy tradition. Both the advocacy planning approach and the equity planning approach emerged as urban planning approaches.

**a) Conceptual and Theoretical Background**

The developments concerning the advocacy planning approach were primarily based on the contributions of Paul Davidoff (1965). The approach was supposed to contribute to perfect both the rational model and pluralist democracy. A *better* master plan would be the aim to achieve. For possible development concerning the equity planning approach see, for example, Krumholz (1994) and Forester (1990).

**b) Planning problems and the substantive nature of planning**

Those who had been unrepresented would now be represented by advocacy planners that would bring their perspectives to the planning offices. Planners would inform the public about all the social costs and benefits of alternatives to be incorporated in the master plan. Advocacy planners argued that the Rational-Comprehensive Model was only dealing with means, not ends, that public interest was not a matter of science but of politics, and they called for many plans (rather then 'one master plan') and for full discussion concerning the values and interests represented by them. Assisting the poor, they would try to take their ideas and translate them into the technical language of plans. The approach would contribute to perfect both the rational model and pluralist democracy. A better master plan would be the aim to achieve.

The 'equity planning' approach was developed in the direction of making alliances with and working for progressive politicians. Equity planners seek to redistribute power, resources or participation away from local elites and toward poor and working-class city residents. Equity planning is a consciously politicised practice and its allegiances are consciously directed to those who have been excluded.

**c) The nature of the planning agent**

Within the 'Advocacy-Equity' planning paradigm the state remains the central planning agent. The state remains the central planning agent, but it is not seen as a monolith but rather a terrain of political struggle.

**d) The role of planners**

Advocacy planning represents an *expansion* of the definition of what it is that planners do. Planners would explicitly think about and represent the poor in the planning process. Equity planners choose the politicians for whom they want to work and they are admitted on the support of a progressive regime. Planners with the interests of the poor and unrepresented in mind can do well and constrain evil.

The approach retains a belief in the *planner's expertise* and does *not* explicitly consider the personal knowledge of the poor. The planner remains the key actor. What the planners do is defined in a broader way when compared with the rational-comprehensive approach. The importance of *'talk'* is emphasized (local meetings, speeches to the profession, interviews with reporters, speech writing mayors and councillors, engaging in dialogue with other city agencies, etc.).

The planner is a communicator and his skills enable gathering information and analysis. As problem formulators, planners have the power to shape debates, directing public attention to issues which planners see as important. This is a very relevant aspect, as conceptual restructuring may be crucial for action concerning the *'solution'* of *'wicked'* problems such as poverty (see 4.1.1.). Equity planning is still engaged in top-down politics, as consciously politicized practice directed to those who have been disempowered or have remained powerless (top-down inclusionary politics).

**e) Critical Assessment**

The limits of advocacy planning can be found in the statement according to which, what the poor lacked most was not the technical skills but the *power* to control action, the communities were lacking the means to represent themselves. Planners would think about and represent the

poor but the Model did not solve the question of '*how to give them a voice'* in the planning process. The role of professionals was expanded but the structure of power was left intact.

'Equity planning' developed in the sense of paying more attention to social movements energizing the neighbourhoods and to the institutional settings in which planning takes place (decision-making powers, implementation and responsibilities, etc.). Nevertheless, the poor and the marginalized continue not to be part of the action and do not feature as active agents.

## f) Anti-poverty action and the 'Advocacy-Equity' paradigm of planning

Planners would think about and represent the poor without giving them a voice in the planning process. The role of professionals was expanded but the structure of power was left intact.

*"Organizational outflanking"* (see 3.1.) is a reality which poor people quite often face. Fragmentation, isolation and diversity of the multidimensionality of the experience of poverty raises crucial issues on the impossible formulation of a general and common interest among the poor, as well as the capacity for strategic organization aimed at collective self-empowerment. In the short-term, when poor people lack the capacity to organise for collective action and for informed discussion about planning alternative, the Advocacy planning model can be a powerful source of inspiration.

Translating into technical terms, the implications of representing the interests of poor people in a relodging process aimed at "slum" eradication, defending a residential community of poor people from the negative impact of the location of a polluting industrial plant, or defining criteria for the implementation of a Minimum Income Programme in a specific locality are examples of problems where planning action can find inspiration in this approach.

When poor people face *"organizational outflanking",* it will not be easy to articulate their interests in the political arena, nor will it be easy to interfere in the *"discursive field"* and change the societal perception of poverty problems. The contributions within this approach aim at representing poor people in the direction of making alliances with, and working for, progressive politicians.

As problem formulators, planners have the power to shape debates. As *conceptual restructuring* may be crucial for changing power relations aimed at assisting empowerment processes, planners may play a relevant role when inspired by this model.

Problems such as attempting to change the '*discourse*' of non-poor people about the existential problems of poor people which the *non-poor* define as 'poverty', creating media events to direct public attention, or directly addressing unions and political parties to capture their support for anti-poverty struggles, are examples of problems that can best be dealt with in the framework of this approach.

### 4.3.5. Social Learning and the Communicative Action Paradigm

The Social Learning tradition (Friedmann 1987a) and the Communicative Action Model (Sandercock 1998a, 1998b) saw their emergence strongly influenced by the lessons learned by the advocacy planners.

Planners initially influenced by the Advocacy tradition, learned that the local knowledge and the political skills existing within poor communities had to receive explicit attention. This planning approach emerged linked to urban and to regional planning. It received relevant impetus in the context of territorial strategic planning and became widely accepted when related to the promotion of local development within urban as well as regional planning. The paradigm is built on the basic assumption that '*action*' is a major alternative to decision, and that actions imply the existence of *actors* who *act*. When actors are substituted for decision makers as the focus for planning, one is no longer bound to consider the ruling over layers of society.

In the public domain, there are always multiple actors (political parties, social movements, trade unions) whose roots are deep in civil society. The new focus on action leads us to different models of planning and to new traditions. These new models are not specifically addressed to the ruling elites and they focus on action rather than on decisions. Because of these biases, the following traditions are more oriented to social change and to system transformation than to maintaining the existing power structures.

This tradition focuses on overcoming the contradictions between *theory* and *practice*, or *knowing* and *acting*. Its theory derives both from John Dewey's *pragmatism* ('learning by doing') and from the Marxist position concerning the essential unity of *revolutionary* theory and practice. An overview is presented below on the basis of John Friedmann understanding of this tradition (1987a, pp. 179-225).

In social learning, knowledge of reality and of practice exert a mutual influence on each other. Theory is not only based on an actor's experience but also on prior learning supported by one's reference group's theories about the world, which are difficult to change. Such change is compared to a process of re-education, involving not only cognitive but also affective-behavioural reconstruction. This tradition represents a departure from the previous traditions, both treating scientifically based knowledge as a set of 'building blocks' for the reconstruction of society. Theorists in this tradition claimed that knowledge is derived from experience and validated in practice, and therefore it is integrally a part of action. Knowledge emerges from new practical undertakings. Existing understanding is enriched by lessons drawn from experience and the 'new' understanding is then applied in the continuing process of action and change. Whereas Comte and his fellow positivists believed that the social world corresponded to immutable 'social laws', social learning theorists have asserted that social behaviour can be changed and that the scientifically correct way to effect change is through *social experimentation*, careful *observation of the results*, and a willingness to admit the error and to learn from it.

## a) Conceptual and theoretical background

For possible developments concerning this approach see, for example, Forester (1989), Friedmann (1973), Healey (1996), Habermas (1981), Innes (1995), Flyvbjerg (1996a, 1996b). John Dewey's pragmatism played a major role in the constitution of this tradition. Understood as the theory of getting things done, pragmatism had *'learning by doing'* as its central reference. Experience, understood as the interaction between human subjects and their material environment, was the source of valid knowledge. It was understood as an active mode of being in the world, a way, not only of understanding the world, but also of transforming it. This had major implications for planning, from practice to plan and back again to practice. In Dewey's words: 'The *plans which are formed, the principles which man projects as guides of reconstructive action, are not dogmas"*. They are hypotheses to be

worked out in practice, and to be rejected, corrected, and expanded as they fail or succeed in giving our present experience the guidance it requires' (Dewey, 1950, p. 89, cited in Friedmann , 1987a, p. 189).

John Dewey was not clear about the nature of the actors whose experience in the public domain would form the basis of their knowledge. His theory of politics drove him to state that the members of a polity cluster around issues of common concern constituting different publics. The 'guardians' of the public interest would be the public officials. Saying that most public concerns are technical matters, Dewey saw a tension between the need for technical experts and the recovery of politics. Trying to overcome this tension, Dewey developed the utopia of a Great Community starting with the community of neighbours. Saying that the *'the local is the ultimate universal'* (Dewey, 1946, p. 215, cited in Friedmann, 1987, p. 193), his inquiry into the nature of politics remained restricted to a dialogue among friends, neighbours, and kinfolk.

Mao Tse-Tung plays a relevant role in this approach. Mao's essay *'On Practice'* is considered one of the most important statements in the social learning tradition by John Friedmann. There are many parallels between this essay and the contribution of John Dewey. As Dewey stayed in China for two years and there is speculation about the possibilities of him having had direct contact between Mao and Dewey, or indirect contact, as journals and newspapers were filled with discussions of Dewey's ideas (Starr, 1983, cited in Friedmann, 1987, p. 194). Mao wrote to expose subjectivist errors of dogmatism and empiricism from the standpoint of the Marxist theories of knowledge. The Chinese would have to examine their own reality. Learning from their own practice and not needing to follow the way of the Soviet Union which was born in different historical circumstances. Mao's social practice alone is the criteria of the truth of his knowledge of the external world. Failure was seen by Mao as the motor of success. The dialectic-materialist theories of knowledge place practice in the primary position.

The important difference can be found in the approach of Dewey's categories of experience and Mao's category of social practice and the approach of reality implicit in their approaches. For Mao, as a realist, the world had an objective existence and the task of theory was to interpret it. Their common understanding of the practice of changing reality as the source of valid knowledge is important. The epistemology of social learning, in its application to

historical practice, is grounded in political theory about the nature of the state, as liberal democracy for Dewey and as democratic centralism for Mao.

Also Lewis Mumford plays a relevant role. Lewis Mumford devoted his work to the city in its historical concreteness, being always very much concerned with the unity of city and countryside in regional planning. He saw planning as a self-educative process of social transformation projected onto an entire region. Planning would be devoted to the people themselves as a form of regional praxis. Mumford saw planning as an educative process: *'Regional plans are instruments of communal education; and without that education, they can look forward only to partial achievement'*. Mumford saw planning as a social learning process pushed down to the neighbourhood and village and as a contribution to the *'structuration of the human scale in government'* and as an alternative to the *'empty political patterns of the nineteenth century'* (Mumford, 1938, p. 382, cited in Friedmann, 1987, p. 199).

Lewis Mumford believed that it is the concrete, everyday experiences of people in their local and regional surroundings that form the basis of all reliable knowledge for guiding their actions in the present. Nevertheless, this possibility of critical political participation would need a *'special education experience'* culminating in their participation in regional surveys where planning starts for Mumford. As part of this *'special educational experience'*, Mumford saw the systematic contact with the environment in child education and development. The need to make acquaintance with the primitive substratum of economic life should be seen  . Emphatically illustrating this perspective he wrote: *'The geography and geology of the textbook should be annotations to these experiences, not substitutes'* (Friedmann, 1987, p. 199).

Like Mao, Mumford pushed social learning down to localities in the praxis of regional reconstruction. However, unlike Mao he remained a utopian without a programme to overcome existing structures of power. Also Edgar Dunn has to be remembered in this context. Edgar Dunn's central concept is what he calls *'evolutionary experimentation'*. He saw history as the national successor to biologic evolution, as evolution 'by other means'. 'Upward direction' of historical movement, he saw in 'social evolution' as a result of purposeful action and a result of planning'. However, Dunn cannot see disagreements over what he calls 'the direction of history'. He also was vague about who should be the actor in his system of evolutionary experimentation. The equivalent of the peasant masses as the

historical actor of Mao, and the inhabitants of a region acting through their own institutions in Mumford, found the equivalent in Dunn as the *'social system experimentator'*. Dunn sees the existing as an endogenous component immersed in the act of social system self-analysis and self-transformation as an agent of social learning. The nature of this 'social system experimentator' is never clarified (Friedmann, 1987, pp. 201-202).

The contribution of organization development to the social learning tradition has to be understood as having its roots in a behaviourist approach to planning the human side of enterprise. The hierarchy of human needs (Abraham Maslow) and self-actualizing personalities gained attention when workers started to be seen as human beings, with other needs beyond the need to earn a living. Understood as a clinical method for intervention in organizational change, Organizational Development became a major impetus in the mid-1920s with the Hawthorne Experiment. It was shown that changes in social working conditions not only led to higher output but increased worker satisfaction. Workers are human beings that respond favourably when they are treated with consideration and respect. The secret of human motivation was discovered and its manipulation in ways beneficial to management was the initial concern.

The Hawthorne Experiment gave rise to the development of a new field of research, the study of *small groups* and the dynamics of their *interactions.* Small groups were seen as ideal settings for changing behaviour. The study of small groups was initially stimulated by Kurt Lewin. He understood groups as interactive wholes, the dyad being the smallest group. Groups are constituted as a relationship (or set of relationships) and they are the basis of our development as persons.

A crucial link to Dewey's social learning approach emerged with the search of an appropriate methodology to study groups. The way to study groups was to try to change their behaviour. Action research was the basis of Group dynamic research in which theory would be linked to the practice of changing reality. Starting initially with a concept of actor based on an outside agent (not the group itself), it saw an evolution stimulated by Lewin. Successful behaviour change on the part of groups requires that members experience themselves as acting subjects and that the group itself becomes the relevant subject for learning. 'Change' agents started to be named *'facilitators'* or *'trainers'* (Friedmann, 1987, p. 206).

This laboratory method became more *normative* and *therapeutic*. It became a therapy to help people whose 'potential' as loving and creative human beings was 'locked up'. Carl Rogers and Abraham Maslow became the main influences of development in this field. For Rogers, small-unstructured groups such as these would encourage mutual trust and the practice of 'dialogue', help to 'release' human potential. Linking small group research to change in formal organizations was the next major attempt. Four potential target systems were identified: personality, small group, organization and community. For Robert Chin and Kenneth Benne, 'change will occur only as the persons involved are brought to change their normative orientations to old patterns and develop commitments to new ones.

Initial development started with a rather superficial understanding of the nature of an organization. To adapt re-educational theories of group dynamics and the normative theories of personal growth, the causes of organizational development required a deeper understanding of organization. Organization theory was to be seen as an 'intermediate' social theory between the microanalysis of small group's behaviour and the macro theorizing about the structure and dynamics of the whole society. However, this approach violates the basic rule of pragmatist epistemology, according to which, learning comes exclusively from the attempt to change reality. Groups may change their dynamic in an experimental situation but there is no objective practice beyond the narcissistic practice of the group itself.

A deeper understanding of organization as such was needed. Rensis Likert identified group decision-making in a multiple, overlapping, group structure and high performance goals as 'causal variables' in organizational change. Paul Lawrence and Jay Lorsch see an organization as the 'coordination of different activities of individual contributors to carry out planned transactions with the environment'. This definition explicitly recognizes that an organization operates in an environment that it cannot control and to which it must learn to adapt. Enemy and Trist stress how contemporary organizations are moving from the slow-changing environments of the past into a 'zone of turbulence'. Forecasting becomes troublesome, requiring not only a high-density information environment with very short feedback loops, but also the utmost in response capacity, adaptability and strategic reserves.

These conditions suggest a refocusing of organization structures on temporary, overlapping groups that are oriented to specific tasks and whose working styles is *interpersonal* and *transactive* ('*relations of dialogue*'). Under conditions of turbulence, it is through a group

structure like this, that that organization can maximize their learning and response ability as well as their overall effectiveness. Also Donald Schoen, in his 'network structure' emphasizes a new form of decentralized administration depending more on multidirectional communication than on formal authority structures. Coming back to a Dewey's acceptance of change 'as the primary datum of human experience, to an emphasis on the tentative, experimental approach to changing reality and on intensive *learning* processes in *small-group*, *face-to-face* settings (Friedmann, 1987, p. 215).

Organizational development abstracted from power relations, is focused on *small-groups* and *inter-group* relations and it expects these to change with changes in individual personality behaviour.

**b) Planning problems and the substantive nature of planning**

The emerging, and reinforcing, conflict between *expert-processed* knowledge and *personal-experiential* knowledge is seen by John Friedmann as a crisis of knowing. As neither side had all the answers, *'mutual learning'* should be aimed at. *'Mutual learning'* should be promoted by means of a personal relationship between expert and client, by the adoption of a *transactive style of planning* (dialogue, human worth, reciprocity) (Friedmann 1998b).

This approach to planning introduced a radical epistemological shift. Away from the monopoly of expertise and insight by professionals, local or *experiential knowledge* was valued. It also introduced a shift from a static conception of knowledge (*'body'* of knowledge) to a more dynamic concept and metaphor of learning, understood within the tradition of *'social learning'*.

'Social learning' stressed experiential knowledge acquired in the course of action itself. Within this tradition, planning moves from a document-oriented and anticipatory mode of planning to a *transactive relationship* between planner and community. Within this approach, planning itself turns into a form of strategic action, which increasingly takes place in real time.

Above all, planning is conceived as an *interactive*, *communicative* activity. The proposal of a *'critical planning'* (Forester, 1991, p. 23) based on communicative action, moves from instrumental rationality of the 'Rational-Comprehensive' approach to communicative rationality. The approach emphasizes qualitative, interpretative inquiry over logical deductive analysis and it is aimed at grasping the unique and the contextual rather than making general propositions about mythical, abstract planning and planners.

Theorists within the 'Social Learning–Communicative Action' approach tell *stories* and look for *insights*, rather then trying to impose order and definition. They are interested in the relationship between knowledge and power, in the potential for oppression inherent in instrumental rationality, and in finding more emancipatory ways of knowing. They move away from the decision focus of applied rationality to a concern with interactive social processes. Planning is conceived as a form of critical listening to the words of others and observing their non-verbal behaviour. It is a mode of intervention based on *speech acts*, *listening* and *questioning*, and learning how to *'shape attention'* through dialogue.

The Advocacy–Social Equity approach to planning attempted to perfect planning representing the interests of the poor and the marginalized. Communicative action planning attempts to perfect planning by *removing* the barriers to *communication* creating a model of open discourse and developing an epistemology which bases knowledge in the very process of transformative action.

**c) The nature of the planning agent**

The State remains the central planning agent.

**d) The role of planners**

The emphasis of the Model is less on what planners know and more on *how* they use and distribute their knowledge, less on the ability to *solve problems* and more on *opening up debate about them*. Planning is about talk, argument, shaping attention.

The primary actor remains the formally *educated planne*r working through the state.

**e) Critical assessment**

The approach conforms to current planning practice rather than imagining alternatives or calling for social transformations. A major weakness of this approach is linked to the fact that it does not attempt to address the issue of empowerment and treats citizenship as un unproblematic concept (race and gender neutral) and suppressing crucial questions of difference and marginality and their relationship to social justice.

In relation with policy analysis, the tradition of social learning represents a major step forward. We move from anticipatory decision-making to *action* and *social practice*, on the basis of a process concept of knowledge. Effective learning comes from the experience of changing reality and on the basis of a form of knowing which is related to human activity from the perspective of an actor actually engaged in practice (focusing on dynamic social processes rather than pure cognition). We move to the recognition of the mediating role of small groups (using the concept of environment as a central category in the analysis of learning situations) and emphasize the central role of *dialogue* for social practice (Friedmann, 1987, p. 217).

The tradition fails to recognize that 'activities' are not experiments by bloodless scientists. Rationalism fails to acknowledge that interest acts as a conserver. As social problems are 'wicked' problems, problems go away not because they are solved, but because they are replaced, and the validation problem of knowledge remains open. The epistemology of social learning has political implications. Issues related to power, and differences in people's access to the basis of social power, and the absence of macro-social theory, limits the potential usefulness of Organizational Development to be applied in the public domain. As the uses of Organization Development have been more directed to management, it remained restricted by uses to management's advantages.

The application of the tradition to the public domain requires theoretical development. Task-oriented action groups governed by relations of '*dialogue*' and engaged in political struggle ('*good society*'), people-centred development (self-reliance, mutual help, community local management and regional planning for small area self-reliant development are examples of possible directions. However, community self-help and local self-reliance do not change existing relations of power (Friedmann, 1987, pp. 218-221).

**f) Anti-poverty action and the 'Social Learning - Communicative Action' paradigm of planning**

Poor people have a rich knowledge about their own poverty and develop great expertise about their 'survival strategies' in difficult existential conditions. Capturing this knowledge and being able to value it may be a major challenge in planning for anti-poverty action.

Problems such as how to '*listen'* to 'poor people's voices' and develop community-centred approaches, how to '*translate'* scientific knowledge into common-sense, or how to develop a '*pedagogic' role* in structuring the common-sense knowledge of poor people based on their existential reason, can get unavoidable support from this approach to planning.

### 4.3.6. Social Mobilization and the Critical Political Economy Paradigm

This approach corresponds basically to the contributions of John Friedmann (1987a) as organized in his Social Mobilization tradition and to the contributions of Leonie Sandercock (1998) in her Radical Political Economy Model.

At the beginning of the 70's, the Radical Political Economy Model saw a remarkable expansion. It emerged as a critique of mainstream planning, focusing on planning understood as function of the capitalist state. Urban Planning has been the central focus of initial contributions within this approach.

But the relevance of this approach to planning can only be captured after identifying and analysing the specific potential implications to planning of diverse intellectual sub-traditions that constitute this tradition. The proposal of Radical Planning as discussed below (see 4.1.7.) is extracted from this approach but was not presented as such by any of its sub-traditions. Utopianism lead us to believe in the immanence of the Good Society realized in *"intentional communities"* and social anarchism, rejecting both capitalism and the state. It lead lead to believe in small-scale, decentralized, self-managing units of production, to stress their voluntary character, their mutualist cooperative nature and the principle of confederation as the means of linking them into larger regional and national ensembles. Historical materialism, as revolutionary critique of capitalist society, proposed an understanding of the laws of motion of capitalist societies, the historical need of its replacement by a new mode of

production and a dialectical mode of historical materialist analysis, emphasizing contradictory relations and class struggle (Friedmann, 1987, p. 298).

**a) Conceptual and theoretical background**

On the basis of an initial analysis of the contribution of the Radical Political Economy Model, there seems to be little relevance of this Model to planning. For possible developments concerning this specific Model see, for example, Castells, (1975), Castells (1978), Manuel Castells and Francis Godard (1977) or David Harvey (1973).

But the three movements introduced above, have been quite influential in planning within the social reform tradition and within the rational-comprehensive approach (see 4.3.3.). Utopianism has been influential in the field of city planning (*"ideal cities"*, social utopias, etc.). Social anarchism has been influential in city and regional planning (*"garden cities"*, metropolitan deconcentration, regional self-determination, regions as physico-cultural entities, etc.). Historical materialism has been directly influential in the practice of the planned economy (Friedmann, 1987, p. 299).

The linkages of the contributions of this approach to planning were first at the beginning of 70s. An initial attempt to show this potential relation was presented as the basis of an alternative concept of planning labelled as *"radical planning"* (Grabow and Heskin, 1973). However, the development of this approach and a wider acceptance of its implications for planning had to wait until the late 80s.

To understand the conceptual and theoretical relevance of the contributions within this approach, one has to turn to the concept of planning itself and to planning as an object of theoretical inquiry (see 4.1.2.). The classical opposition movements, as dealt with within utopianism, social anarchism and historical materialism, can only be considered within the theory of planning when planning is defined as an activity in which *knowledge is joined to action in the course of social transformation*). In planning in the public domain, social mobilization must therefore be included in any discussion of planning theory. John Friedmann (1987a, p. 250) puts it in an expressive way: *"For 'the people', that is, civil society and, more particularly, the popular classes whose only possibility of gaining access to power is through social mobilization, are not merely the silent objects and sufferers of elite planning by the*

*state. According to democratic theory and their own view of the world, they have a fundamental right to co-determine their own destiny. And that implies not only political struggle and collective self-empowerment; it also frequently involves some sort of planning 'from below'".*

According to Friedmann, the contributions of this approach to planning concern radical practice interested in transformative action, but not necessarily understood as utopian or revolutionary practice. The approach serves emancipatory values, views history as a contradictory process in which the route to social progress remains open, involves radical political practice by actors collectively committed to bringing about specific forms of structural change within society and is informed by a paradigm of social learning that expresses the dialectical unity of theory and practice.

It is the nature of this possible synthesis that will be made clear next. This planning tradition departs from all the others by asserting the primacy of direct collective action *"from below"*. It stands in particular contrast to the traditions of social reform and policy analysis which address the role of the state and look toward "scientific politics".

Philosophically, this tradition embraces utopian communitarianism, anarchist terrorism, Marxist class struggle, and the neo-Marxist advocacy of emancipatory social movements. Social mobilization is an ideology of the dispossessed, whose strength derives from social solidarity, from the seriousness of their political analysis, and form their unflinching determination to change the status quo.

The vocabulary of this tradition comes from Marxists, utopians and anarchists. The language of social mobilization draws on the history and collective memory of two centuries of struggle and communitarian effort.

In the social mobilization tradition, planning appears as a form of politics, conducted without the mediations of "science". However, scientific analysis, particularly in the form of social learning, plays a central role in the transformative processes sought by social mobilization.

Two kinds of politics may be involved in social mobilization: a politics of disengagement for utopians and anarchists; and a confrontational politics that emphasizes political struggle as necessary to transform existing relations of power for Marxists and neo-Marxists.

**b) Planning problems and the substantive nature of planning**

At first sight, within the Social Mobilization–Radical Political Economy Approach, its lasting value remains at the level of critique rather than action. Planning is seen as a function of the capitalist state. It is seen as an instrument of rationalization and legitimation, as an instrument of negotiation and mediation of the differing demands of the various fractions of capital, and as a regulator of the pressures and protest of the dominated classes.

But as was seen above, the contributions of the approach are very rich and enable the extraction of the essential elements for the building of an alternative concept of planning. Radical Planning may be such a concept (see 4.1.7.).

**c) The nature of the planning agent**

According to the Radical Political Economy Model, planning is conceived as an inherently political activity within a capitalist state, which is itself part of the world capitalist system and this structural reality should not be ignored in analysis of planning practices and policies. The Model attempts to demystify the idea that planning operates in the public interest, making it clear that class forces always remain as the driving force.

On the contrary, the contributions of the social mobilization tradition enable an understanding as a planning agent other than the state, as any possible collective actor emerging from within civil society. Planning agency may be linked in such a way to the causal powers of collective transformative action. On the other hand, even if the state is not to be seen as *the* planning agent, it is not excluded as a possible planning agent. Political conflict within the state, or different political compositions at central or local level, does not necessarily exclude the possibility of emancipatory practice developed or enabled by the state.

**d) The role of planners**

The contributions of the Radical Political Economy Model deny planners a specific role in social transformation. The few attempts to illustrate this aspect remain like the following: *"The planner can become the revealer of contradictions and by this an agent of social innovation"* (Castells, 1978, p. 88, cited in Sandercock, 1998, p.173). As such, planners can play a role in clarifying the nature of contemporaneous forms of capital accumulation in globalizing conditions and its implications for poverty and state autonomy in combating poverty at local, national and international level.

But the richness of the contributions involved of this approach enable possibilities for the understanding of the planner's role that go far beyond this perspective. They will be developed below when discussing the possible role of radical planners (see 4.1.7.).

**e) Critical assessment**

The most relevant weakness of this model has been its inability to provide a new definition of what it is that planners can do.

Forms of oppression, domination and exploitation other than those directly linked to class relations are ignored (gender, race, ethnicity, sexual preference, etc.). Issues concerning poverty and social exclusion are not explicitly addressed.

The most relevant weakness of this model has been its inability to provide a new definition of what it is that planners can do. The few attempts to illustrate this aspect remain like the following: *"The planner can become the revealer of contradictions and by this an agent of social innovation"* (Castells, 1978, p. 88, cited in Sandercock, 1998, p.173).

**f) Anti-poverty action and the 'Social Mobilization-Critical Political Economy' paradigm of planning**

A structural understanding of poverty opens a broad scope of analysis for the identification of the relations between poverty and structural societal features. The analysis of the relations between the capitalist nature of societies, the role of the national state and the emergence of

poverty under globalizing conditions may be a domain where contributions emerging within this approach can offer a relevant contribution.

Acting as *"revealers of contradictions"* or acting as *"agents of social innovation",* planners can get inspiration to deal with problems such as identifying the *"forces"* of capital accumulation in a locality and be prepared to be informed about prospects for low-income and low-qualified jobs, evaluating the potential job creation of foreign capital in a locality and assess the risk of plant-closure by foreign capital owned firms. A further example can be found in analysing the context of power relations in a region and reflecting about the potential contribution of unions and progressive parties to the support of the creation of workers' cooperatives. Those are examples of potential contributions emerging from within this approach.

### 4.3.7. Empowerment and the 'Radical Planning' Paradigm

The Radical Planning approach to planning emerges from experience with, and a critique of, existing unequal relations and distributions of *power, opportunity* and *resources*. The goal is to work for structural transformation of these inequalities and to empower those that have been disempowered.

The goal is to work for structural transformation of these systemic inequalities and, simultaneously, to empower those that have been systematically disempowered. The widening acceptance of this approach is being favoured in urban planning by the challenges of intervening in *'distressed urban areas'* and in regional planning, by the challenges of promoting more *'self-reliant'* development in *'disintegrated regions'* (regions particularly hit by restructuring, regions with development problems, etc.).

Social mobilization can be analysed as a planning tradition exactly because planning can be defined as an activity in which knowledge is joined to action in the course of social transformation (Friedmann, 1987, p. 250).

**a) Conceptual and theoretical background**

Relevant developments of this approach can be found in the contributions of John Friedmann (1987a, 1992) and Leonie Sandercock (2003). Other contributions can be mentioned (Heskin 1980, 1991; Peattie 1968; Leavitt 1994; Leavitt and Saegert 1990; Peattie 1968, 1987, 1994; Starr and Lee 1992).

The dominant radical critique mostly developed by the 'Radical Political Economy' Model, explained inequalities simply based on class analysis. Planners that went working within poor communities recognized that 'the poor' and 'the oppressed' were not a homogeneous mass and that their communities were faced with quite complex situations (intersections of racism, poverty, sexism, homophobia, anti-immigrant sentiments, etc.).

It began *not* to be clear what planners *could do* in such situations and about these inequalities. The answers of radical planners related to community organization, social movements and issues of empowerment, rather than working through the state. Planners within this Model believe that in order to make a difference to the lives of the poor, an empowerment approach was required based on community-based practice.

A crucial issue concerns the role of the state. We need to think about the complementary, as well as antagonistic, relationship between state and civil society and of the possibility of social transformation because of the impact on the state of mobilized groups within civil society. Postmodernist politics is not structured around bi-polar struggle between capital and labour, in which the state is allied to capital. A post-modern (urban) politics *'is perhaps best understood as a multiplicity of struggles around multiple axes of oppression, in which the role of the state is not a given (not simply 'the executive committee of the bourgeoisie), but is dependent on the relative strength of the social mobilization and their specific context in space and time'* (Sandercock, L., 1998, p. 179).

**b) Planning problems and the substantive nature of planning**

Several kinds of *radical practices* developed all over the world (housing struggles in multiethnic, multiracial, poor communities, mobilization around plant closures and worker buyouts, women mobilizing to meet their needs, establishment of credit unions, etc.).

Taken separately, none of these struggles may seem to be system threatening. Taken together, they constitute a challenge because they have the potential for making people less dependent on global capital increasing their social power and experiencing their own political power at local level (Sandercock, 1998, p. 177).

The dominant radical critique mostly developed by the Radical Political Economy Model, explained inequalities simply based on class analysis An epistemology of social learning and of multiplicity is the theory of knowledge underlying radical practice. Action is primary but it is needed to develop new ways of knowing and being as well as new ways of acting.

As seen above, taken in isolation, none of these struggles may be system threatening. Taken together, they constitute a challenge as they have the potential for making people less dependent on global capital, increasing their social power and experiencing their own political power. Albeit at *local* level, it is through *action at this level* that people *begin to see* how to make a difference to their lives around concerns such as jobs, housing, schools, health, etc.

Radical planning aims at structural transformation of industrial capitalism toward the self-production of life, the recovery of political community and the achievement of collective self-reliance in the context of common global concerns. The mediations of radical planning are considered essential in order to wrest from the political terrain, still held by state and corporate capital, expanding zones of liberation in which the new and self-reliant ways of production and democratic governance can flourish (Friedmann, 1987, p. 412).

**c) The nature of the planning agent**

The relevant actors in the struggle for a new society (the global project for emancipation) are the *individual households* that opted for the alternative, the *organized social groups* based in local communities, and more inclusive movements not bounded by territorial limits.

It began not to be clear what planners could do in situations of poverty and social exclusion and about the structural nature of these inequalities. The answers of radical planners have been related to community organization, social movements and issues of empowerment, rather than working through the state.

**d) The role of planners**

In working for social transformation in community-based organizations, planners bring to radical practice generic, specific and substantive skills (analysis and synthesis to craftsmanship, communication and the management of group processes, specific knowledge of labour markets, or environmental law, or transportation modelling or housing regulations.

Nevertheless, they also recognize the value of the contextual and experiential knowledge that those belonging to the mobilized community bring to the issues. They are open to learning through action, through experience. Above all, radical practice depends for its effectiveness on interpersonal relations of *trust* (Friedmann, 1987, p. 402; Leavitt, 1994) and a social learning approach based on a *'radical openness'* (Hooks, 1990, p. 148).

The radical planner acts *on behalf of*. It is the community that initiates and the planner who enables or assists. He works *with* the community, not *for* the community. The radical planner is a person that crossed over to the other side of society, to work in opposition to the state and the corporate economy. The radical planner maintains a critical distance. They stand neither apart from, nor above, nor within everyday struggles of radical practice (Friedmann, 1987, p. 392).

Extracted from the social mobilization tradition, radical planning can be illustrated in the form of a *normative model*, an illustration of a *possible practice*, which is always linked to the emancipatory practices of households, communities and social movements. John Friedmann (1987a, pp. 303-306) offers such a normative model:

- Radical planners start providing a critical account of the situation to be changed.
- Radical planners can help to search for practical solutions to the perceived problems, once the awareness is there that things are not as they might be.
- Radical planners provide the intelligence for devising a successful strategy of action.
- Radical planners can help refine the technical aspects of transformative solutions (costs, design, location etc.).
- Radical planners can make conscious use of a social model by devising group process methods of 'filtering' so that the group itself may learn from its own experience.

- Radical planners may help to disseminate newly gained knowledge in ways appropriate to the project (video, film, writing, etc.).

- Radical planners can mediate encounters with the state by adopting the latter's jargon and presenting group demands in ways that are likely to meet with the approval of the state.

- Radical planners have the responsibility to manage group processes and ensure the widest possible participation.

- Radical planners become part of mobilized groups and may have the necessary skills to put together statements that will serve several purposes (legitimate emancipatory practice, sustain this practice in adversity, disarm and de-legitimize the opposition, etc.).

- Radical planners must never be far removed from the action itself.

### e) Critical assessment

The major weakness of this approach relies on the analysis concerning the *role of the state*. It is difficult to conceptualise the state engaged in radical practice, and it is difficult to conceptualise that radical planning can do without the state. Developments within this Model attempt to contribute to the irresolvable tension between the transformative and repressive powers of state-directed planning practices, and the transformative and repressive potential of the local.

The 'Radical Planning Model' emerges from the critique of existing unequal relations and distributions of power, opportunity and resources. The goal is to work for structural transformation of these inequalities and to empower those that have been disempowered.

The dominant radical critique mostly developed by the Radical Political Economy Model, explained inequalities simply based on class analysis. Planners that went working within poor communities recognized that 'the poor' and 'the oppressed' were not a homogeneous mass and that their communities were faced with quite complex situations (intersections of racism, poverty, social exclusion, sexism, homophobia, anti-immigrant sentiments, etc.).

It began not to be clear what planners could do in such situations and about these inequalities. The answers of radical planners related to community organization, social movements and issues of empowerment, rather than working through the state.

*Several kinds* of radical practices developed all over the world (housing struggles in multiethnic, multiracial, poor communities, mobilization around plant closures and worker buyouts, women mobilizing to meet their needs, establishment of credit unions, etc.). Taken separately, none of these struggles may seem to be system threatening. Taken together, they constitute a challenge because they have the potential for making people less dependent on global capital increasing their social power and experiencing their own political power at local level.

Planners within this model believe that in order to make a difference to the lives of the poor, an *empowerment* approach was required based on community-based practice. In working for social transformation in community-based organizations, planners bring to radical practice general and specific/substantive skills (analysis and synthesis to craftsmanship, communication and the management of group processes, specific knowledge of labour markets, or environmental law, or transportation modelling or housing regulations. However, they also recognize the value of the contextual and experiential knowledge that those belonging to the mobilized community bring to the issues. They are open to learning through action, through experience. Above all, radical practice depends for its effectiveness on interpersonal relations of trust and a social learning approach.

The major weakness of this Model relies on the analysis concerning the role of the state. It is difficult to conceptualise the state engaged in radical practice, and it is difficult to conceptualise that radical planning can do without the state.

**f) Anti-poverty action and the 'Radical Planning' paradigm of planning**

The direct involvement of poor people in dealing with their own poverty problems may be a challenge in anti-poverty action. 'Collective self-empowerment' may not emerge *spontaneously*; action may be required in order to favour it. Planners within this model recognize the value of the contextual and experiential knowledge that those belonging to the mobilized community bring to the issues. They are open to learning through action, through

experience. Above all, to be effective, radical practice depends on interpersonal relations of trust and a social learning approach.

The 'Radical Planning' approach specifically addresses the problems raised by this perspective. In working for social transformation in community-based organizations, planners bring to radical practice general, specific and substantive skills.

Problems such as how to *'listen'* to poor people and how to *interpret* the problems they experience, how to open the debate about poverty problems as they are actually experienced (not just aiming at "solving" them), how to communicate and manage group processes, how to develop relevant knowledge about the formal employment system and how to realize the potential for job creation among poor people, are examples of problems that can be best be dealt with on the basis of contributions emerging from within this approach to planning.

### *4.3.8. Municipal initiative, territorial planning and the creation of a socio-economic context for anti-poverty action: towards a theory of planning as an 'empowering dialogue'*

A theory of *planning* as an *'empowering dialogue'* is proposed below. It will be based on the contributions of the theory of 'local underdevelopment' discussed before (see 4.2.7) and will address the planning theoretical challenge of discussing the *linking* of scientific knowledge to the domains of action identified.

Given the central problem of this work, *transformative action* undertaken by Municipalities requires knowledge about *non-observable* social realities underlying poverty problems and 'local disintegration', *non-observable* social realities representing 'causal powers' whose activation may depend on Municipal initiative and *non-observable* social realities representing 'conditions of possibility' for making 'desirable futures' concrete. These issues were already introduced as the basis for discussing the need of an adequate epistemological framework for this work (see 2.). It to be recalled again these aspects relate to very complex issues that would need a much wider development than what will be possible here. However, it is not possible to avoid mentioning them as they play a central role in the contemporary challenges faced by planning.

**a) Anti-poverty action, local development and planning theory: linking scientific knowledge to action**

All this work is focused on incorporating the contribution of Municipalities to the lasting 'economic integration' of poor households in territorial planning for local development. Following the attempt to understand the nature of action required for 'reversing' 'local disintegration' processes and promoting local development a next step will be needed to clarify the nature of planning that may correspond to these kind of challenges.

As already seen, planning is context-dependent and future-oriented and involves action which is unavoidable concept-dependent. To discuss territorial planning for local development leads us to situate once more the option made before to define the theoretical object of planning (see 4.3.2.). The approach proposed by John Friedmann offers the kind of theoretical development that enables a possible development of the issues formulated above, namely, *how* Municipal 'causal powers' can be actualised in anti-poverty action.

John Friedmann proposes (1987a) that the theoretical object of planning may be about *linking* knowledge to action in the public domain either to processes of *societal guidance* or to processes of *social transformation*. The relation between knowledge and action, the particular *linking* of knowledge to action, becomes the object of analysis. The specific task of planning is to make scientific and technical knowledge useful to specific actors in the public domain. In his own words, planners were therefore understood as specialists, *experts* in mediating knowledge and action (1987, p. 4). Given the conceptual framework defined above (see 3.6.), and as the structural nature of poverty has been shown, *anti-poverty* action cannot be independent from action aiming at *social transformation*. In a synthetic way, and following Friedmann reasoning, in the context of anti-poverty action and local development, planning (diagnostic, forecasting, designing and implementing courses of action, evaluating, etc.), can be understood as *knowledgeable action* to manage *contextual change* (at locality level), in a way which takes account of *time*, *place* and people *relationships*, informed by a sense of *strategy* and *practical* ways of realizing agreed directions. It begins with a *critical* account of situations to be changed and it includes *helping* communities to *search* for practical solutions to the problems perceived by them, as well as devising appropriate *strategies* for successful action and also includes *technical* aspects of the actions to undertake.

Thus, to know how to *link* scientific knowledge to the domains of action involved in facing 'local underdevelopment' in 'disintegrated localities' requires some discussion. Planning clearly becomes *not* reducible to the production of planning documents. Planning is about 'action' and action is about effectiveness of 'agency' in departing from 'routine' and aiming at 'transforming reality' (see 3.3.).

From a 'critical realist' perspective of theory, planning theory can be further understood as theory in two related ways. First, theory concerning the identification of the planning agent's 'causal powers', by means of which change in the local context can be brought about and the identification of the *mechanisms,* by means of which the planning agent's 'causal powers' can be *actualised* and made effective in changing the local context. Second, theory concerning the *role of planners,* understood as *'strategically placed agents'* (see 3.3.), in contributing to this process. From a 'critical realist' perspective of planning theory, one can focus on the process by means of which 'action' ('agency') is brought about, how action becomes concrete. The *retroductive* identification of the mechanisms *linking* knowledge *to* action, the identification of the mechanisms that explain the particular ways, by means of which knowledge became actualised in anti-poverty action, may be the focus of a *realist theory of planning for anti-poverty action*.

This perspective of planning theory *breaks* the dichotomy between substantive and procedural theory and the dichotomy between normative and positive theory. It aims at constituting *'theoretically informed normative theory'* whose procedural dimensions are dependent on the contextual conditions of substantive knowledge.

Remembering what has already been stated above, this work aims at producing knowledge about *how* Municipalities can *act*. It attempts to contribute to a deeper understanding about *how* Municipalities can locally interfere with the structures and mechanisms leading to poverty and 'local disintegration'. It also attempts to contribute to a clarification concerning *how* Municipalities can integrate their anti-poverty action in their territorial planning for local development. It has to do with the process by means of which the '*how'* operates, the process by means of which the 'causal powers' mobilized by Municipalities can be activated and actualised.

Diverse planning approaches have implications to the analysis of this *'how'*. The choice of methods and tools to support action is not independent from the conceptual and theoretical assumptions, or from the institutional and organizational conditions, on the basis of which action is conceived and undertaken. Following from what was seen above, the relation between planning agents, planners (experts) and the poor goes far *beyond* the notion of *'people's participation'* as it is more currently understood. Diverse possible understandings of poverty, as well as diverse planning approaches, have direct implications in the way this relation *becomes* concrete. In fact, *linking* planning practice to anti-poverty action may require some specific attention.

**b) Territorial planning for anti-poverty action at locality level: towards a synthesis between urban and regional planning**

Territorial planning adequate to cope with *'local underdevelopment'* and combating poverty covers traditions involving *urban* planning and *regional* planning. Municipalities deal with *territorial units* ('counties') in 'urban distressed areas' of the urban-metropolitan areas where territorial planning has to deal simultaneously with issues that traditionally belong to the tradition of urban planning and regional planning. In fact, urban planning traditionally deals with issues related with *land use*, *urban form* or *infrastructuring*. Regional planning traditionally deals with issues related with *regional development* either linked to regional policy initiatives or to initiatives from local and regional governments or territorial communities.

Clyde Weaver (1984) investigated the historic origins of regional planning in order to help to understand the shortcomings of conventional theory and practice. Following his concluding proposal, he suggests that the tasks of regional planning should contribute to help to identify the concrete possibilities for regional production and bring these to popular attention. Political organization and mobilization around these jobs come next, and then the creation and articulation of regional institutions to accomplish them (op. cit, p. 156). To succeed, regional reconstruction must be accepted as fundamentally a *local task*, based on democratic consciousness, solidarity, cooperation and struggle (op. cit., p. 14). Weaver's position is an interesting example of a way to show how regional planning, exactly because of its traditional relation with regional development issues, becomes a local task. The paradigmatic shift in regional development theory emphasizing *local initiative* (see 4.2.1.) and the critical refusal of *'spatial separatism'* in analyzing socio-economic processes leads to a renewed interest in the *spatiality* of socio-

economic processes and to its very *space-time* constitution. This also leads to an understanding of 'regions' as 'smaller-scale' territorial units.

On the other hand, the 'physical' dimensions of urban planning receive increasing critical attention. The 'physical' is *'produced'*; it can be conceived as the outcome of socio-economic processes. It incorporates public capital in the form of infrastructure and collective facilities and incorporates private capital in changes of land use and urban forms produced as *commodities* in capitalist societies. The town is itself theorized as commodity, as *'citta-merche'* for Francesco Indovina (1980). Contradictory with regional planning, land use, infrastructure and urban form require *increasing* scales of coping with complex solutions in expanding urban-metropolitan areas. 'Cities' and 'localities' become 'larger-scale' (Borja and Castells 1997).

The diversity and turbulence in contemporary planning thought comes at a time when the need for rationalizing and clarifying the planning function appears to be critical (Galloway and Mahayni 1977). In accomplishing this clarification, it is useful to look in retrospect at the philosophies, events and issues that have lead to the present configuration of planning thought. Procedural and substantive elements of planning theory require integration to cope with ongoing paradigmatic transition and the challenges the approach of 'comprehensive land use planning' is suffering. Local initiative for regional development, land use planning and the production of urban form become increasingly interrelated. As there is no such thing as a technically identifiable social optima that can be transferred to, or imposed, on reality ('comprehensive land use plan'), the main question to solve is 'the creation of structures through which the people can relate better to their environment and have a broader access to (urban) resources' (Mabogunje, 1980, p. 217).

Thus, paradoxically, Municipal territorial planning for anti-poverty action and local development in 'distressed urban areas' of urban metropolitan areas deals with territorial units which are paradoxically to 'big' to deal with contemporaneous development problems on the basis of local initiative and organizational capacity and to 'small' to deal with issues of land use, infrastructure and urban form.

**c) Anti-poverty action, 'wicked' problems and the role of planners:** *proposing 'meaning' in planning for anti-poverty action*

Concrete anti-poverty action and concrete planning tasks cover a wide variety of dimensions. Planning agencies and planners are supposed to develop several strategies and roles and finding the most adequate approach to the different dimensions of the planning problems, they are in charge of dealing with.

But poverty as planning problem is a *'wicked'* problem. It *cannot* be approached as if it where a *'tame'* one. Even if concrete anti-poverty action has different dimensions this clarification is needed. Some dimensions involve action in domains where problems can actually be represented as 'tame' ones. The relevant challenge remains in *not* confusing them. It can be a useful development based on which the choice among methods and tools can be better understood.

Understanding planning problems as *'wicked'* problems has a central relevance for planning theory. As developed above (see 4.3.1.), 'wicked' problems defy efforts to delineate their boundaries and to identify their causes, and thus to expose their problematic nature. 'Wicked' problems reinforce the *subjective role* of planners in the planning process. The information needed to solve the problem depends on one's idea for solving it; having no stopping rule defined in advance, it depends on *planner's reasons* where to stop (not for reasons inherent in the 'logic' of the problem), the identification of *potential solutions* (as well as the non identification of potential solutions). It depends on the *planner's role* and the choice of explanation for a 'wicked' problem is arbitrary, depending on the *planner's judgement.* The assumptions concerning the 'objectivity' of scientific knowledge are challenged. Neither can problems be formulated nor (re)solutions designed independently from the subjective role of planners which, given the *concept-dependency* of human action, places a central focus on the social constitution of the role of planners and represents a major challenge for the process of linking scientific action to action in the public domain.

The relevance of 'concept-dependency' associated to the role of planners in planning could not be clearer. None of the different planning approaches introduced above offers a totally satisfying perspective when dealing with the whole range of issues related with anti-poverty action and local development. Therefore, it becomes even more necessary to clarify the nature

of the activities that are favoured and the dimensions of concrete anti-poverty action that best can be 'solved' by the framework of each specific planning approach. This clarification may have crucial implications for the understanding of the nature of planning and planning tasks in the context of anti-poverty action.

The reduction of planning for anti-poverty action and local development to the assumptions of the 'Rational-Comprehensive' approach of planning is directly *challenged*. As was seen, specific anti-poverty action involves political issues, epistemological issues and discursive-organizational context-dependent issues concerning the *'intentional'* building, or reinforcing, of anti-poverty *'agency'*. The *political* and *technical* perspective introduced by the 'Advocacy-Equity' approach and by the 'Social Mobilization-Radical Political Economy approach (the assumption of political will, poor people's interests being represented and translated into technical terms, anti-poverty action as transformative action, etc.), the *epistemological* and *interactive* perspective introduced by the 'Social Learning-Communicative Action' approach (process understanding of knowledge depending on experience, relational and 'dialogical' understanding of the interaction between planners and poor people, etc.) and the *'discursive-organizational'* perspective of power introduced by the 'Empowerment-Radical Planning' approach involved in constituting poor people's agency, represent a major synthesis possibility for the attempt of creating *'meaning'* for planning and for an understanding of potential *planner's roles* committed to anti-poverty action.

Planners are supposed to develop several roles, being able to develop *disciplinary* knowledge, being prepared to develop *thematic* knowledge based on the possibility of *relational* quality in interdisciplinary teams, or being prepared to develop a *mediator's* role in assisting the self-empowerment of local communities.

As was seen above (see 4.2.), the *non-emergence* of local initiative aiming at counteracting *'local disintegration'* was understood as *'local underdevelopment'*. It was seen that in *'distressed urban areas'*, Municipalities can contribute to the lasting 'economic integration' of poor households promoting local development by creating the conditions that may lead to the *reversal* of these situations. In order to *counteract* the non-emergence of local initiative, Municipalities can act building *'agency'*, counteracting 'organizational outflanking' creating *'localities'* and counteracting 'market-dependency' by mobilizing the *'endogenous potential'* of each community. It was suggested that this could be achieved by reinforcing themselves as

development-oriented *'agency'*, by building *visions of hope* working together with the poor and by reinforcing the *'whole' local economy* in wealth creation.

**d) The contribution of the different planning approaches**

Taking into account the characteristics of each planning approach, it is possible to identify specific contributions for anti-poverty action and local development. A brief overview follows below. It will be particularly analysed how each approach deals with the challenge of linking scientific knowledge to action aiming at the 'economic integration' of poor households and local development. It will be given a specific attention to the role that is assigned to planners in this process.

*The Rational-Comprehensive Planning Approach*

The Rational-Comprehensive approach is particularly adequate to deal with 'tame' problems. Objective definitions can be given and logical solutions can be searched. Defining the best location for a health centre, designing an urban development for low-rent housing in public land, or finding the best financial engineering model for building a new school in a 'distressed urban area' (given the constraints of the budget of a local government) are examples of possible poverty planning problems that best can be dealt with the help of this kind of model in the context of anti-poverty action.

However, the contribution of the social reform tradition to planning for anti-poverty action should not be overlooked. The role of the state is emphasized based on believing that social rationality is not likely to be achieved without the intentional intervention of a collective actor. Specific anti-poverty action requires this kind of intentional intervention as changes in poverty situations (as well as preventive effects) are not to be expected as the automatic outcome of self-regulatory mechanisms in society given their structural nature.

*The Advocacy-Equity Planning Approach*

*'Organizational outflanking'* is a reality which quite often poor people face (see 3.1.). Fragmentation, isolation and diversity of the experience of poverty raise crucial issues concerning the impossible formulation of a general and common interest among the poor as

well as the impossible constitution of the capacity for strategic organization aiming at collective self-empowerment. In the short-term, when poor people lack the capacity for organizing for collective action and for informed discussion about planning alternative, the Advocacy Planning Model can be a powerful source of inspiration.

*Translating* into technical terms the implications of representing the interests of poor people in a housing process aiming at 'slum' eradication, defending a residential community of poor people from the negative impact of the location of a polluting industrial plant, or defining criteria for the implementation of a Minimum Income Programme in a specific locality are examples of problems that can find inspiration in the Advocacy Planning Model.

On the other hand, when poor people face 'organizational outflanking', neither will it be easy to articulate their interests in the political arena, nor will it be easy to interfere in the *'discursive field'* and change the *societal perception* about poverty problems. The Advocacy-Equity approach enables the possibility of representing poor people in the direction of making alliances with and working for progressive politicians.

As problem formulators, planners have the power to *shape debates*. As conceptual restructuring may be crucial for changing power relations aiming at assisting in empowerment processes, planners may play a relevant role when inspired by this model. Problems such as attempting to change the *'discourse'* of non-poor people about the existential problems of poor people and that *the non-poor define as 'poverty'*, 'creating' *mediatic events* to direct public attention, or directly addressing *unions and political parties* to capture their support for anti-poverty struggles, are examples of problems that best can be dealt within the framework of this approach.

### *The Social Learning-Communicative Action Planning Approach*

Poor people have a rich knowledge about their own poverty and develop a high *expertise* concerning their *'survival strategies'* in difficult existential conditions. To capture this knowledge and be able to value it may be a major challenge in planning for anti-poverty action. Problems such as how to '*listen*' to *'poor people's voices'* and develop community-cantered approaches, how to 'translate' scientific knowledge into common-sense, or how to

develop a '*pedagogical*' role in structuring the common-sense knowledge of poor people based on their existential reason, can get a unavoidable support from this approach.

### *The Social Mobilization-Radical Political Economy Planning Approach*

A structural understanding of poverty opens a large scope of analysis for the identification of the relations between poverty and structural societal features. The analysis of the relations between the capitalist nature of societies, the role of the national state and the emergence of poverty under globalizing conditions may be a domain where this Model can offer a relevant contribution.

Acting as *'revealers of contradictions'* or acting as *'agents of social innovation'*, planners can get inspiration to deal with problems such as identifying the *'forces'* of capital accumulation in a locality and be prepared to be informed about *prospects* for low-income and low-qualified jobs, evaluating the *potential job creation* of foreign capital in a locality and assess the *risk of plant-closure* by foreign capital owned firms, or analysing the context of *power relations* in a region and reflecting about the potential contribution of unions and progressive parties to the support of the creation of workers cooperatives, are examples of potential contributions of this approach.

### *The Empowerment-Radical Planning Approach*

The direct involvement of poor people in dealing with their own poverty problems may be a challenge in anti-poverty action. *'Collective self-empowerment'* may not emerge *'spontaneously'*; action in order to favour it may be required. Planners within this approach recognize the value of the *contextual and experiential knowledge* that those belonging to the mobilized community bring to the issues. They are open to learning through action, through experience. Above all, radical practice depends for its effectiveness on *interpersonal* relations of trust and a *social learning* approach.

The Empowerment-Radical Planning approach addresses specifically the problems that rise with this perspective. In working for social transformation in *community-based organizations*, planners bring to radical practice general, specific and substantive skills. Problems such as how to open the *debate* about poverty problems as they are *lived* (not aiming at solving them),

how to *communicate* and *manage* group processes, how to integrate *specific knowledge* about the formal employment system and realize the potential for job creation among poor people, are examples of problems that can be best dealt with the help of this model.

**e) Territorial planning as an 'empowering dialogue'**

Remembering once more, this work aims at producing knowledge about *how* Municipalities can *act*. It attempts to contribute to a deeper understanding about *how* Municipalities can locally interfere with the structures and mechanisms underlying poverty and *how* Municipalities can integrate their anti-poverty action in current territorial planning for local development. It concerns the process by means of which the '*how'* operates, the process by means of which the 'causal powers' mobilized by Municipalities can be activated.

In fact, as discussed above (see 4.2.3.), 'locality effects' in the context of 'global restructuring' are the result of a complex interplay between political, economic, socio-cultural and physical aspects that can be dissociated only for analytical purposes. Their spatial diversity and local specificity calls for their multidimensional and unique possibility. Whether they can be *intentionally* induced by local agents is a crucial issue concerning local anti-poverty action in a context of 'global restructuring'. The kind of effects to be induced cannot be adequately conceptualized neither in the conventional field of regional planning neither in the conventional field of urban planning.

Knowledge is needed about the 'economic aspects' of 'material constraint' as well as about norms and values underlying actual behaviour and attitudes concerning 'structural constraint'. Nevertheless, due to the concept-dependent character of action, actual planning practice is also as a result from professional activity. Therefore, knowledge is also needed about the role of conventional '*theoretical ideologies'* underlying current planning practice.

The planning approaches introduced above have different implications to the analysis of this *'how'*. The choice of methods and tools to support action is not independent from the conceptual and theoretical assumptions or from the institutional and organizational conditions, on the basis of which action is conceived and undertaken. Also the relation between planning agents, planners (experts) and the poor goes far *beyond* the notion of

*'people's participation'* as it is more currently understood. Linking planning practice to anti-poverty action requires always specific attention.

Following the diverse planning approaches other than the 'Rational-Comprehensive' approach, planning agency becomes *less* dependent on state practices. Planning agency, as constituted 'causal powers' potentially activated by collective action, may as well emerge from civil society. On the other hand, state planning practices, namely, Municipal planning, may well find new avenues for change in anti-poverty action based on *lessons learned* from planning practices of *non-state* planning agents (collective actors). The contribution of *'spontaneous'* initiatives as well as the contribution of local projects developed in the context of *experimental programmes* may be evaluated with this perspective in mind. That is what will be introduced below (see 5.).

In the context of anti-poverty action, the contribution of John Friedmann (1987a, p. 38) to planning theory was the starting point. In his definition, planning serves as a *link*, making scientific and technical knowledge useful to specific actors in the public domain aiming at *social transformation*. But in the context of *local* anti-poverty action, there are two basic assumptions introduced above (see 4.3.2.) that have to be made explicit one more as they have far reaching implications. First, planning is based on the confidence on the *Poor's own capacity* of reasoning and recognizing their own needs and interests, in order to manage their own life (survival strategies of poor households, the role of their 'existential reason', their 'practical consciousness', etc.). Second, the simultaneous need of *external agency* aiming at changes in the *'discursive field'* (promoting changes in the way the poor and the non-poor represent poverty problems in favour of poor people's interests); and aiming at changes in the *'organizational field'* (building the organizational capacity for collective action, groups have to be built before isolated poor people can become agents of change and be involved in planning processes, etc.).

It will be developed below a proposal of territorial planning as an *'empowering dialogue'* based on a reassessment of the paradigms introduced below. The approach that is proposed here aims at the territorial integration of action in coping with *'local underdevelopment'* for anti-poverty action (see 4.2.) and represents an attempt to contribute to the reinforcement of the planning capacity of Municipalities. An early introduction to this approach has already been proposed elsewhere (Henriques 1989c, 1990a, 1990c). It is generally conceived as a process of

comprehensive resource management in a given 'discursive-organizational' socio-economic context. Territorial planning as an 'empowering dialogue' does not correspond to a current practice. Its configuration can only be approached in a 'speculative' way *retroducing* from the effects that action would need to have, given the contributions of *substantive* theory. An introduction of the challenges of anti-poverty action to planning theory has also been already introduced elsewhere (Henriques 2006).

Territorial planning as an 'empowering dialogue' emphasises the role of *interactive* human communication. *'Dialogue'* is related to *social relations* at the different levels of human organization in society: dialogue between different philosophies and contradictory interests, dialogue between cultures and different forms of organization of knowledge, dialogue for the construction of norms for collective coexistence in the use of territory and dialogue between scientific disciplines, i.e., this means dialogue among people with a different scientific background. Following the 'strategic tradition' of power introduced above (see 3.1.5.), an 'empowering dialogue' is associated to all forms of communication and interaction that contribute to widen possibilities for human agents in an open world. Territorial planning as an 'empowering dialogue' is planning in a 'transactive style' (Friedmann, 1998, p. 31).

As it should be strongly connected with local initiatives to face experienced problems, there exist no standardized solutions. The useful knowledge as well as the needed solutions is *context-dependent*. The approached aims at a continuous *social innovation* process through the mobilization of all the resources and energies of local communities.

### *'Empowering dialogue' in building 'agency' among diverse 'forces' and 'agents'*

Territorial development planning as an 'empowering dialogue' accepts the complexity that arises from the interaction among different agents at different territorial levels and recognizes the 'interests', 'reasons' and 'motives' underlying their 'rationalities' and strategic conduct. This requires knowledge about the 'field of forces' in the context of which the 'discursive field' and the 'organisational field' gain their relevance for the deployment of Municipal 'causal powers' and the effectiveness of action. Understanding power and conflict becomes an essential feature in planning as an 'empowering dialogue' (Flyvbjerg 1998).

This is the kind of knowledge which enables the building of 'partnerships', 'strategic alliances' and 'trans-local networking' in reinforcing 'agency'. It may involve in this process, different agents with unequal negotiation capacities, contradictory interests and possibly antagonistic strategies.

### *Municipalities and the role of the state building 'agency' and 'creating' localities*

The effectiveness of territorial planning depends on the deployment of 'causal powers' of the planning agent. This facilitates the possible change in local development processes towards a 'desired future'. The evaluation of the capacity of interfering with local change cannot be restricted to the analysis of formal (legal) competencies. The actual exercise of power can be put in a broader context ('discursive-organisational' context). In fact, given 'global restructuring' the direct capacity and the quality of intervention of Municipalities in local development processes depends very much on *both* the identification of open possibilities beyond a 'mechanic' understanding of the exercise of power and the precise identification of the *limits* of the intervention itself (mitigating voluntarism).

The planning agent has always to be seen as an agent among others and his capacity of intervention in regional development processes aiming at controlling local change depends heavily on his capacity of negotiating, building alliances and networking. Its capacity of interfering in territorial change is dependent on its capacity of imposing bounds, of influencing decisions of other agents and of participating directly in creating the conditions for possible 'desired futures'. In fact, any planning act interferes with interests that *react*. These reactions may be either negative or positive and it may not be possible always to anticipate the nature, the intensity and the means mobilised in these reactions (Indovina 1989).

As part of an explicit objective to reinforce 'agency' in anti-poverty action, the 'animation' of processes of 'collective self-empowerment' targeted to the poor may become a planning objective in itself as the way to create 'counter-power' as a possible condition for 'dialogue' (Friedmann 1987a, 1992) as a way to contribute to the 'empowerment' of civil society (Flyvbjerg, 1998, p. 185).

***A strategic territorial planning: creating 'visions' and anticipating action***

'Project' is *not* prevision. Territorial planning as an 'empowering dialogue' is based on a 'forward looking' approach and on *intentionality* ('strategic want') in shaping a *possible* and *desired* future aiming at local development for the 'economic integration' of poor households.

'Time-space compression' is leading to changes in the experience of time and space (see 4.1.4.). The clearness of strategic objectives and the creation of the conditions enabling 'agency' for the building of a 'desirable future' become even more relevant outside the 'Rational-Comprehensive' approach to planning.

The intervention is more successful when its own *limits* are better known. The identification of the *'forces'* and the *'agents'* influencing regional development processes and the identification of *'germs of change'* can play a strategic role in planning processes. The identification of *'heavy trends'* and 'germs of change' and the understanding of the nature of the relations among forces and agents will enable the planning agent to develop a forward looking understanding of territorial change, to identify alternative strategic options and to define a precise scope for the possible interference in the process of territorial change.

It is relevant to recall that the starting point is *never* a static one. The *'force'* of planning will express itself in the capacity of the planning agent of introducing changes in the *'natural course of things'* aiming at a 'desired future': *'moving the future'* away from a *'reference scenario'* (the scenario with the higher probability of occurrence if it will not be the intervention of the planning agent) and orienting action towards a *'contrasted scenario'* (the most desired scenario but with the lowest probability of occurrence without the interference of the planning agent).

Strategic planning in the complex contemporary world requires an adequate understanding of the 'relational complexity' involved (Healey, 2006, p. 542): *"Above all, strategy making with an appreciation of 'relational complexity' demands a capacity to 'see', 'hear', 'feel' and 'read' the multiple dynamics of a place in a way which can identify just those issues which need collective attention through a focus on place qualities. Strategic spatial planning informed by ideas of 'relational complexity' is therefore decidedly not 'comprehensive' in its approach. It needs to be highly selective, focusing on the distinctive histories and geographies of the relational dynamics of a particular place".* It is also within this perspective that

listening to 'the voices from the borderlands' and incorporating 'difference' in planning gains its wider relevance (Sandercock, 1998, p. 110).

A territorial planning as an 'empowering dialogue' is supposed to be an expression of a 'strategic culture': *anticipation* (prospective), *action* (strategic want) and *commitment* (collective mobilization) (Godet 1985). Such an approach brings us to some main assumptions of *'territorial strategic planning'* (Jordi and Castells 1997). It helps in the identification of strategic objectives, the choice of ways to adapt to *'heavy trends'*, to mobilize available resources and it offers an operational framework for the intervention of the planning agent for the *'possible' control* of territorial change and regional development processes. Strategic objectives become possible as well as the evaluation of the strategic position of the planning agent in relation with other agents. The contextual understanding of the *'structure-agency'* interplay enables a better understanding of the possibilities of action.

In *linking* knowledge to anti-poverty action, the planning agent is supposed to aim at building a 'vision' of a 'desirable future' poor people can identify with. And building a 'vision' requires both *'non-conventional'* scientific knowledge about non-observable *real* possibilities and communication between scientific knowledge and common-sense to make *dialogue* possible. This involves the adequate *expertise* and *self-confidence* of planners in producing the knowledge upon which their own assumptions can be based on. This is required in building *trust* and *hope* among the poor involving them in building their own 'feasible' collective 'vision'. This may be a complex challenge if anger, despair and hopelessness became dominant feelings among the poor. Building trust and hope may be the achievement of 'dialogic interaction' on the basis of a dialogic theory of action (Freire 1972).

### *An expeditious territorial planning: planning 'phases' and planning 'functions'*

Territorial planning as an 'empowering dialogue' accepts the challenges of 'time-space' compression. The articulation between *planning* and *management*, the implementation of *continuous* planning processes and a planning process through *strategic* programmes and projects to face specific *problems* in critical *areas* are further aspects of such an approach.

Planning *'phases'* and planning *'functions'* become both more *interdependent*. Short-term diagnosis enables the identification of possibilities of action. *'Continuous'* and *'oriented'* diagnosis and *'expeditious'* processes of obtaining strategic relevant information (privileged informers from within the local communities, etc.) allows the definition of the first operational objectives and continuous refinement through processes of *'progressive focusing'* (Lobo 1988). And acting enables the refinement of diagnosis. Evaluating helps to clarify the 'concept-dependency' of action, the 'context-dependency' of the manifestations of poverty and the conditions depending on which local development may contribute to lasting changes in the poverty situations. Implementation will depend on the adequate institutional and organizational model to be created by Municipalities as well as from the organizational conditions involving the poor themselves.

Territorial planning becomes *both* a process of short-term selective action aiming at the solution of problems 'felt' as relevant and urgent and of medium-term strategic action aiming at changing the socio-economic context. 'Selectivity' may be adopted and action aiming at the 'primary' resolution of these 'felt' problems of specific groups combined with action aiming at the reversal of 'local disintegration'.

### *'Empowering dialogue' in communicating between scientific knowledge and common-sense*

Territorial planning as an 'empowering dialogue' aiming at responses to 'local underdevelopment' raises difficult problems, namely, those more directly related with the role of planners in the planning process (Friedmann 1998).

### *The role of territorial planners*

As it is favoured in different planning approaches, particularly in the 'rational-comprehensive' one, planners play a central role in identifying problems and evaluating unmet needs, specially, given the 'wicked' nature of poverty and anti-poverty action as planning problems.

This role has to be analysed in relation with the limits of the *subject-object* relationship in scientific knowledge (see 2.1.). That distinction assigns the collective unconscious and the affective and cognitive individual unconscious an essential meaning. A planner will tend to reproduce the ideological and cultural universe of his social class and of the educational system

in which he experienced his socialization process. As a product of this process, he will possibly remain an ethnocentric and egocentric individual unable to recognize the needs and the problems of a different social group or of a different cultural universe (Preiswerk 1976, pp. 155-158).

But planners play a central role in *mediating* the linking of scientific knowledge to anti-poverty action. For example, 'expeditious diagnosis' requires professional experience, scientific confidence and critical awareness concerning the role of concept-dependency and context-dependency in poverty. This also involves the capacity to link 'felt' problems to the *non-observable* mechanisms leading to their emergence as well as the capacity to *translate* the scientifically based diagnosis in common-sense formulations in order to make dialogue possible and go deeper in the attempt to build adequate knowledge. The mobilisation of poor people in organising themselves for the resolution of their own problems based on 'critical' awareness and collective action requires the role of planners enabled by this kind of skills. However, this kind of issues touches the possible scientific paradigmatic transition discussed below (see 2.).

### *'Empowering dialogue' in communicating among scientific disciplines in territorial planning*

Territorial development planning as an 'empowering dialogue' aiming at anti-poverty 'locality effects' has a global, multi-level and complex approach. Therefore, it is based on interdisciplinary cooperation in the organization of scientific knowledge.

The communication between *disciplines* of different scientific traditions depends mainly on communication among *persons* with different disciplinary backgrounds. Therefore, the quality of *interdisciplinary* knowledge cannot be independent from the quality of *interpersonal* relations within planning teams. Common values and emotional or political commitment may be determinant conditions for the quality of interdisciplinary results. The *pleasure* of interacting inside the group may be the determinant of the imagination and of the creativity that the group may be able to develop. The possibility of *non-defensive* behaviour and attitudes becomes essential. It may be easier to accept the areas of *ignorance*, which may stimulate further progress.

The quality of *communication* inside the planning teams may also depend on the *size* of the groups. Small groups make interaction easier. Therefore, *small groups* make quality easier and small planning teams may deal better with complexity.

In the same way, the quality that may result from personal interaction in interdisciplinary work cannot be mistaken with the sophistication of methods and techniques facilitated by ICT technologies. Small groups with strong internal interaction and experiencing conditions of possible non-defensive attitudes may obtain better results in interdisciplinary work than big teams organised on the basis on the most sophisticated technologies.

### *Basic attitude of planning teams in territorial planning as an 'empowering dialogue'*

The change of attitudes and behaviours of individual actors in local communities requires important changes in the attitudes and behaviour of planners themselves. *'Community centred approaches'* are needed and the experienced dimensions of the problems has to be considered *as being as* important as the theoretical explanations of their. The point of departure has to be the 'experienced' dimension of real problems and not only their rational explanation (Caldeira, 1982, p. 81). It requires the *wish* to communicate, starting with where and why the problems are real to common sense knowledge.

The *possibility* of communication in those circumstances needs basic attitudes from planners. *Congruence* (agreement of the team with itself), unconditional *listening* (acceptance of people without value judgments) and *emphatic* understanding (apprehension of the affective world of groups and individuals within local communities) are the three basic attitudes suggested by Rogers (1979) to help communication. If territorial planners want to contribute to the promotion of change, they have to learn first how those who experience the problems *understand* the world. If that can be reached, the restructuring of common sense will be easier and the possibility of the construction of a 'critical' consciousness may arise (Freire 1972). That could also become a first step towards community *self-consciousness* and *freedom* (Caldeira, 1979).

### *The education of territorial planners for an 'empowering dialogue'*

Through conventional practices in planning education, the assumptions of territorial planning as an 'empowering dialogue' can hardly be achieved. The hegemony of the *positivist* paradigm, the *disciplinary* divisions and the academic institutional reactions against a *thematic* organization of the planning curricula can help to skills involved in planning as an 'empowering dialogue'. The priority that is still assigned to problems of *location, efficiency* or *network* management is just an illustration.

A structural understanding of poor people's problems, the perception of their experience in the context of structure-agency interplay and the complexity of methodologies aiming at an integrated management of local resources to meet poor people's needs are examples of aspects that may remain out of reach for planners educated in conventional academic institutions.

The assumptions of a territorial development planning as an 'empowering dialogue' may be difficult to realize. But there is an increasing number of planners feeling uncomfortable with their backgrounds and looking for new perspectives in planning. They are wiling to be involved in new ways of learning and searching for responses to their experienced 'skills gaps'. Being open to interaction they are ready to learn by sharing experiences and joining together in searching for solutions. Joining or creating 'communities of practice' is becoming a way of organising learning with an increasing relevance at world level (Wenger 2002). The remarkable expansion of experiencing with 'virtual communities of practice' is very promising contemporary phenomenon in this field (Trayner 2006).

## PART II

## Chapter 5. EXPERIMENTAL PROGRAMMES AND THE PROMOTION OF INNOVATION: STRATEGIC LESSONS FOR MUNICIPAL ANTI-POVERTY ACTION

This work started with introducing the context of its research problem (see 1.1.). It aims at producing knowledge about *how* Municipalities *can act*, focusing on the *economic* dimension of anti-poverty action. The central research problem to solve was stated as follows: ***how* can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in territorial planning for local development?**

But, this central research problem required the previous production of knowledge about underlying domains, which required further clarification.

### *Epistemological issues*

First, the *'paradigmatic transition'* in the social sciences was introduced as it would have fundamental consequences for any contemporary attempt to develop scientific work. The crisis of the hegemonic paradigm *could not be ignored* (see 2.). But, neither could it be ignored, nor could a full and satisfying solution to such a complex challenge be achieved in this context. The choice has been to identify *crucial issues* related with the crisis of the hegemonic scientific paradigm and show the *direction* of recent developments. This contributed to the attempt to make explicit how a *possible response* could be possibly found within the framework of a 'critical' realist epistemology.

Anti-poverty action is a domain of research where a number of critical issues are directly linked to the crisis of the hegemonic paradigm. Anti-poverty action touches the interdependence between the natural and the social sciences. Poverty is about human suffering and unmet human needs are at the basis of experienced. And overcoming poverty and meeting needs have both biological and social dimensions (health, food and nutrition, shelter and housing, etc.). As overcoming poverty leads us to the analysis of human needs, even if we may concentrate on the

social and economic aspects of this change, we must not forget this underlying critical dimension of human difference.

In anti-poverty action, action-oriented knowledge is specific as the concreteness of poverty is context-dependent. The complexity, spatial diversity and local uniqueness of poverty call for the context-dependent concreteness of anti-poverty action. Knowledge based on laws, formal causality and generalization of observed regularities is of little help in designing unique *'projects of hope'* for particular individuals, households or groups or in designing *'strategic visions'* for communities in localities or regions. The multidimensionality of poverty has to be understood in its *wholeness*. To know about poverty is to know about how poor people live and experience those problems the *non-poor identify* as poverty problems. A disciplinary division of reality does not help to reconstitute the complexity of experienced life.

The substantive content of anti-poverty action is not independent from the way the *'object'* of action is approached. If anti-poverty action is conceived as dealing with experienced problems of real people, facing unmet basic-needs in real places, to which they are historically tied by cognitive and affective bonds, or to which they are determined to belong, the *'subject-object'* relation becomes a relation *between subjects*. In anti-poverty action, the role of planners cannot be dissociated from a relation between subjects aiming at emancipation and empowerment.

Anti-poverty action is also about interaction between planning agents and other social agents either for the purpose of controlling some undesirable change or for the purpose of enabling action aiming at some desirable change. In anti-poverty action, planning agents call for scientific support searching for practical adequateness (eradicating or mitigating poverty). But, the other social agents develop their strategies on the basis of common sense knowledge. Scientific knowledge may face sterility in anti-poverty action if not *'(re)translated'* into common sense knowledge in order to make interaction possible.

### *Conceptualising anti-poverty action*

Second, the development of the work required conceptual clarification. Theorizing involves primarily a process of *'normative explication'*. As observation is *'conceptually-saturated'*, answers to empirical questions presuppose answers to questions about the scientific questions used in identifying their objects (see 3.). When dealing with issues concerning poverty and

anti-poverty action, cautious handling with words is prudent. Words and senses are interrelated. The reference of a word ('object referred') and its sense (set of connections or sense-relations) are interdependent. The act of reference must invoke or reconstruct sense-relations. The concepts of 'poverty', 'basic-needs', 'agency and structure', 'space-time' and 'locality' and 'economic integration' were introduced and discussed.

Poverty was understood as a state of *deprivation* that results from *scarcity* or *insufficiency of resources* in a *discursive-organizational context*. As resources are functional to agent's purposes, and power was defined both as access to resources and as capacity to realize specific purposes in a specific organizational-discursive relational context, *agent's purposes* become constitutive of the role played by the very entities that *become* resources and, therefore, to the possibility that they themselves become constitutive of the *exercise of power*.

Therefore, as agent's purposes, as well as all human action, are *concept-dependent*, concepts play a role in the exercise of power. Power is exercised over resources on the basis of a *discursive-organizational* socially created context. The relevance, sense and meaning of resources become *both* context-dependent and concept-dependent. Therefore, the materiality of resources cannot be assessed *independently* from the agent's purposes that 'create' them as the means required for their fulfilment. That is the reason why the *institutional* discourses on poverty gain a central relevance. They establish the conceptual boundaries for the very definition of the problems lived by those in poverty *('Wahrnehmung')* as well as its causes. The poor find themselves caught in a web of relations which they do not control and that have the capacity to produce *discourses* on poverty that define the conceptual boundaries in the context of which their problems are *recognized*, *accepted* or *understood* as poverty.

Poverty was further discussed as *absolute* poverty. Anti-poverty action is about *changing* poor people's lives. It was shown that, concerning the *'absolutist core'* of the notion of poverty, it was possible to define a concept of poverty which was built on a precise concept of *basic-need* with universal validity. It was shown that an objective concept of basic-need was possible without remaining a normative concept. Thus, poverty could be further conceptualised as a situation of *unmet basic-needs* (ill health and lack of autonomy) which emerges as the outcome of a process by means of which *unmet intermediate needs* (food, housing, medical care, etc.) are related with *insufficiency of resources* (material or non material) in a given *discursive-organizational context*. Understood as absolute poverty, poverty can thus

be defined as the lack of capacity to mobilize *material* and *non-material* means to create *synergic satisfiers* in order to *meet intermediate needs* and avoid ill-health and lack of autonomy. This lack of capacity is the result of the *failure* of *constituting purposeful agency* in a relational context defined by a *discursive field* marked by *hegemony* and an *organizational field* characterized by *'organizational outflanking'* of the poor. This enabled a clearer understanding that poverty *cannot* result from *low income* alone.

Thus, *avoiding* poverty may require some distance from hegemonic values, attitudes and behaviour as favoured in capitalist societies. This is a central aspect as the relation between agency and structure establishes the *boundaries* for human action in society and as such for the *possibility* of *counter-acting* the structures and mechanisms leading to poverty. But 'critical' understanding means far more then access to formal education or training. Poor people are *knowledgeable* human agents that develop a highly skilled expertise in order to survive. The structure-agency interplay establishes the context for human action, and therefore, for the development of these 'survival strategies'.

Furthermore, given the situated character of social phenomena the *circumstances* of poverty are *unique*. 'Space-time' is constitutive of experienced poverty. The matching of intermediate needs, synergic satisfiers and resources is highly dependent on location, distance, transportation opportunities or timetables. This leads to the unique conditions that interact in shaping the *particular* forms of poverty in a given context. In urban contexts, poverty can be lived in an exacerbated form. The combination of fully *commodified* standards of life with spatial functional and social *segregation,* with *social isolation* and with *decreasing* opportunities for raising resources through the formal employment system contribute to continuously bringing about *new forms of vulnerability*. Higher costs of living, greater likelihood of not finding suitable accommodation and the difficulty of adopting self-provisioning strategies all contribute to the complexity involving poverty in the urban context.  Naturally, the issues involving the *spatial concentration* of poverty in *distressed urban areas'* are even more complex and in these  cases 'localities' were seen above as '*potential'* communities and as *territorial development units*. As the *material* basis of 'localities' is constituted by social relations (not geographic space), pro-active agency can be oriented to the *creation of* localities animating social relations in those territorial units.

Given the way *meeting needs* in the context of poverty was conceptualized, 'economic integration' was defined as *action* aiming at processes of linking the *knowledge* about material conditions of unmet basic needs with the kind of *material* transformation which may contribute to anti-poverty effects to occur, namely, by widening *possibilities* for *decreasing market-dependency* in meeting intermediate needs and *widening possibilities for income earning* activities decreasing dependency on working for a wage in the 'labour-market' as well as acceding to available jobs by means of pro-active building of 'pathways to integration'. To achieve these diverse, partially interdependent, possibilities a *relational* understanding of human beings centred on the *'household economy'* and the *'whole economy model'* and their territorial *embeddedness* was seen as helpful. Poverty was further understood as a *'social cost'* and as such the public resources involved in 'economic integration' were assumed to take the form of *capital* as well as the form of secured *income*. Thus the public expenses associated to 'economic integration' can be understood *both* as *unproductive costs* (income support, minimum-income, etc.) and as *productive investment* (access to capital, access to land, tools for agricultural production for self-consumption, etc.). Finally, the kind of lasting *contextual* change enabling the 'economic integration' of poor households was conceptualized as *alternative* development. In the framework of 'alternative' development, *local development* was particularly addressed as the kind of contextual change to be achieved as the outcome of Municipal initiative involved in anti-poverty action at the level of the respective territorial units ("concelhos").

### *Theoretical development*

Third, explaining the possibility of local socio-economic contextual change aiming at the 'economic integration' of poor people required theoretical development.

As 'critical realist' approaches seek out the *generative mechanisms* and *conditions,* which produce the events we want to change, or to foster, *theoretical* claims must be combined with *empirically discovered* knowledge of contingent-related phenomena, moving from *abstract* concepts to the *concrete*. As was introduced above (see 2.2.), theories are examined sets of concepts, which are used in making empirical observations. Searching for 'lessons' from experimental programmes and aiming at contributing to improve Municipal action in combating poverty, 'critical realist' approaches were assumed to help to look for *'possibilities of action'* guiding the search for the 'causal powers' from whose activation action possibilities

may become possible. The theoretical development concerning the relations between political-economic contemporary change and the emergence and persistence of poverty and the *possibilities* of anti-poverty action, the relation between 'economic integration' of poor households and local development and the linking of scientific knowledge to anti-poverty action have been the object of autonomous theoretical development.

As seen above, in any capitalist society, the possibility of *avoiding poverty* is not only dependent on income from a wage or state-dependent monetary resources. It is also highly dependent on the possibility of developing *'critical' awareness* and *counter-hegemonic rationality* concerning the role of intermediate needs and the way of *conceiving possibilities* to meet them (subjective interpretation of needs not only as something lacking but as a motivation for action, active involvement in use value production as an alternative to consumption oriented behaviour in meeting needs, etc.).

The *transition* to 'flexible accumulation' involves particular challenges. But beyond radical changes in the balance of power between labour, capital and nation-states, the transition may not be only associated to threats and negative effects. The identification of opportunities and making them concrete is highly dependent on the way the complexity of contemporary change is understood.

The *transition* to 'flexible accumulation' is closely linked to the search of an acceleration of 'turnover time'. It requires early *material* (fashion dependent goods and habits, etc.) as well as *immaterial* (values, knowledge, etc.) *obsolescence* in life. That is the reverse side of a 'cult' for innovation in all dimensions of life. This general *speed-up* in 'turnover time' is leading to the accentuation of *volatility* and *ephemerality* and to a 'hedonist' overemphasising of 'now'. The possibility of *hope* is already difficult for those caught in poverty and the a*cceleration of turnover time* contributes to produce the *loss* of a *sense of future*. *Volatility* and *ephemeral* destroy the sense of *continuity*. Engaging in anti-poverty action presupposes *hope* and *sense* (Frankl, 1946). Rebuilding conditions for 'hope' and 'sense' requires *interpersonal* relations, the building of *confidence* and both require *time*. But survival cannot often wait until *tomorrow*. This means an increased state responsibility and a much greater attention has to be put in the effectiveness of public action in terms of short-term *observable* results.

The *transition* to 'flexible accumulation' is contributing to the increasing relevance of the 'local' due to the 'hollowing out' of the state and the emergence of the qualities of place for capital and competitiveness. Also the socio-cultural implications in the experience of 'time' and 'space' contribute to this increasing relevance of the 'local'. This happens particularly among poor people as *place-bound* identity and *local* social relations play an increasingly relevant role in a *fragmenting* society. Paradoxically, 'place-bound' identity offers a sense of collective identity while reinforcing a sense of societal fragmentation and difficult societal identity (the feeling of *not* belonging to the wider society). But this 'place-bound' identity may offer a sense of collective identity which may become the initial basis for *agency* building aiming at counteracting 'local disintegration' in 'distressed urban areas'.

Thus, the *transition* to 'flexible accumulation' contributes to the reinforce the 'non-emergence' of local initiative in 'distressed urban areas' aiming at the 'reversal' of 'local disintegration' processes. The spatial concentration of problems, their interdependence and their cumulative reinforcement favour the 'non-emergence' of local initiative and the constitution of pro-active agency aiming at counteracting those processes (public authorities, local endogenous entrepreneurship, 'autonomous sector'). If some opportunities can be identified in the transition to 'flexible accumulation' pro-active agency and adequate understanding of contemporary conditions is required to make them become concrete.

That may be the role of the action-oriented theory of 'local underdevelopment' building on previous diverse theoretical developments related with regional and local development issues. This contribution  should enable the building of an adequate framework for situating  action possibilities for Municipalities involved in anti-poverty action: 'building' *agency*, creating mobilising *'visions'*, creating *'localities'* and promoting *'self-empowerment'*, decreasing *'market-dependency'*, widening possibilities for *'income-earning'* activities, profiting the most from available jobs organising *'pathways to integration'* and reinforcing the *'thickness'* of the local *'whole'* economy.

The transition to 'flexible accumulation' also involves relevant challenges concerning the adequateness of scientific knowledge from which action in those domains may depend on. This is a very complex issue already introduced above (see 2.) that has crucial implication in this context. It was assumed that, given the contemporary context of scientific 'paradigmatic

transition', 'critical realism' could offer a basis for ensuring coherence to the scientific work developed in this work.

But the adequateness of knowledge does *not* solve the problem of its possible contribution to 'transformative action'. That is the reason how the *linking* of scientific knowledge to action was retained as the central object requiring attention from within planning theory. Diverse planning theoretical approaches were revised and a contribution to a planning theory as an 'empowering dialogue' was proposed. This would lead us to approaching possible responses to the central problem of this work. Following the proposed approach, Municipalities can incorporate their contribution to the lasting 'economic integration' of poor households in territorial planning for local development emphasising the following aspects in *linking* scientific knowledge to action: linking knowledge about diverse *rationalities* of relevant agents to building *alliances* for action, linking knowledge about possible *futures* to the collective *self-empowerment* of poor people, linking knowledge about *'non-desirable'* futures (forward looking studies) to *short-term* preventive action, creating conditions among staff members for possible linking of *disciplinary* knowledge to action around *themes*, creating conditions among staff members for the linking of *scientific* knowledge to *common-sense* knowledge.

### *Lessons from experimental programmes aimed at innovation*

Finally, the contributions of European and national experimental programmes aiming at innovation in public response in the field of anti-poverty action will be explored. This can be achieved by the solution of the research problem already introduced before: ***how* can the *lessons* learned from European and national experimental programmes dealing with poverty related issues contribute to illustrate the potential role of Municipalities in anti-poverty action?**

This will be the object of the development that follows below.

**5.1. 'Revisiting' experimental programmes and Municipal anti-poverty action**

As introduced above (see 1.1.), this work aims at producing knowledge about *how* Municipalities *can act*, focusing on the *economic* dimension of anti-poverty action.

This central research problem required the previous production of knowledge in several domains. Here will be analysed the contribution of European and national experimental programmes aiming at innovation. Several experimental programmes' evaluations will be 'revisited'. *'Lessons'* will be searched for and the attempt will be made to produce knowledge enabling answers to the central problem formulated in the beginning of this work.

It can be recalled that this work aims at providing a conceptually and theoretically informed proposal for *action*. A proposal for action based on knowledge about *possibilities* for anti-poverty action which explicitly attempts to situate those possibilities for action in the context of the challenges raised by the relations between 'global restructuring' and the contemporaneous poverty issues in *'distressed urban areas'* of the urban-metropolitan peripheries areas.

'Revisiting' evaluation exercises of bygone interventions has the aim of searching for illustrations concerning the central problem to be solved. The programmes to be 'revisited' are Poverty III, Employment & Adapt, Urban Rehabilitation and Equal.

As will be introduced below (see 5.1.2., j), in 'realist synthesis', the stage of 'theory mapping' and prioritisation is *not* a matter of abstract 'data extraction'. It requires active and ongoing dialogue with the people who developed and delivered the interventions. They are the people who embodied and enacted the theories that are to be identified.

In the case of this work, this aspect has to be specifically addressed as the author of this work was also involved in the programmes whose evaluation exercises are going to be 'revisited' below. Directly involved with the programmes whose evaluations are reviewed, there is the possibility of direct access to information gained by the personal experience of *'animating'* the programmes (involved in some form of 'transformative action') or gained by the direct experience of participating in the production of the *evaluation* exercises that are being 'revisited' now. This also requires some attention concerning the different *roles* that are

involved and the *institutional* context where each role was played. This point will be made clear when analysing the particular programmes.

In Poverty III the author of this work was a member of the Portuguese *'Research and Development Unit'* (RDU-Portugal) (1990-1994). As such he was in charge of functions involving the 'animation' of the strategic aims of the programme, supporting self-evaluation exercises at project level and coordinating the research activities undertaken by the projects. He was also in charge of evaluation exercises of Poverty III at national level and thematic evaluation exercises at European level. In the Community Initiative Employment & Adapt (1999-2000), he was in charge of following the European debate on experimenting with 'empowerment' as a 'principle' in employment policy and was in charge of evaluating the contribution of the four Portuguese projects involved in this thematic activity. In the Portuguese 'Urban Rehabilitation Programme' (PRU) (1996-2003) he was in charge of coordinating the mid-term evaluation of the programme which was conducted during 2000-2001. Finally, in the Community Initiative Equal (2003-2005) he was in charge of the 'animation' of the National Thematic Network on *'Pathways to Training and Integration'* and followed the European efforts to coordinate the diverse national thematic networks organised around the 'employability' pillar of the European Employment Strategy. On the basis of the contributions of the 19 projects represented in the network he coordinated the preparation of a 'Living Document' which contains a brief overview of the main results of the projects, their thematic organisation and transversal key messages that can be understood as the specific outcome of the National Thematic Network as such.

### 5.1.1. The specificity and challenges of experimental programmes that aim at promoting innovation

The evaluation of public experimental programmes that aim at innovation and are based on local projects requires specific approaches to evaluation. The specificity involved concerns the need to analyse *'conditions of possibility'* for qualitative change in current practice (innovation). That is the case of experimental programmes such as Poverty III, Employment & Adapt, Portuguese Urban Renewal Programme PRU) or Equal whose evaluation results will be *'revisited'* in this work. The aim of all these programmes was to promoting innovation in order to improve public response.

These programmes all adopted specific principles. Poverty III adopted the principles of *'multidimensionality'*, *'partnership'* and *'participation'*. In the Community Initiative Employment & Adapt (Integra 'strand') *'empowerment'* was the principle adopted in a limited number of projects. In the Portuguese Urban Renewal Programme (following the Community Initiative URBAN), the principle of *'territorial integration'* of action was adopted. In the Community Initiative EQUAL several principles such as *'empowerment'*, *'equal opportunities'* or *'partnership' ('Development Partnerships')* are adopted.

In these cases, the principles can be understood as central hypotheses. These hypotheses may also be understood as embryonic *theoretical* proposals ('*programme theories'*) by which desired outcomes are expected to be more easily achieved, namely, innovation can be facilitated. It is assumed that the effectiveness of public action can be increased (qualitative improvement) by incorporating innovation, tested in experimental programmes. All these experimental programmes have the explicit, or implicit, political recognition that there is an *absence*, *insufficiency* or *inadequateness* of current responses given the nature of the problems to be tackled and that these programmes correspond to the political commitment to promote innovation in those responses. The Community Initiative Equal, for example, was explicitly conceived as an experimental programme to be understood as an instrument of the European Employment Strategy to promote innovation in combating discrimination and inequality in employment and financed by the European Social Fond.

Emphasis can be given to the following general objectives of any evaluation exercise: the analysis of the pertinence and coherence of objectives and strategies (nature of problems and adequacy of action), the analysis of impact (outputs and 'net effects' of action) and the analysis of the implementation process (mobilization of resources and efficiency in achieving 'net effects').

Nevertheless, the nature of a programme's outcomes ('net effects') becomes more complex in an experimental programme aimed at innovation based on local projects. The aim is to identify not only the immediate *effects of action* but also the *possibilities of innovation* in current practices. It is expected that the possibility of putting them into effect might have become clearer due to the experimentation facilitated by the programme.

In fact, attempts at innovation are difficult and confronted with possible 'failure'. A few key impacts from a minority of dimensions in programme development and concerning a small sub-group of participants may be much more meaningful than changes in 'mean' or 'average' scores. Evaluation of innovation in experimental programmes can remain restricted to the *minority of situations* where real impact has occurred and the reasons for this. Emphasis should be put on identifying positive examples, rather than 'averages', even if they are small in number. Just a few 'gains' may be considered relevant enough to compensate for 'failures' in a Programme's accomplishments (outcomes with 'no innovation') (Perrin, 2002). Burt Perrin (2002, p. 25) writes: *'Most attempts at innovation, by definition, must fail. Otherwise, they are not truly innovative or exploring the unknown. However, values come from that small proportion of activities that are able to make significant breakthroughs, as well as from identifying what can be learned from failures.'*

Only some projects of these programmes will be analysed in detail. According to the central problem addressed in this work, the chosen projects all focus on *'distressed urban areas'*. Based on experimentation undertaken at *project* level, *i*t is expected that *'strategic lessons' at programme* level can be learned and policy implications with general validity can be derived. This aspect is further developed below (see 5.2.2. g)).

Therefore, 'revisiting' the programme's outcomes will be developed on the basis of three perspectives of analysis. First, examples of possible innovation will be *interpreted* in the framework of the conceptual and theoretical development introduced above. Examples of the programme's outcomes will be searched for (*through the* project's innovatory outcomes), the *relevance* of which is given by the research problem and the conceptual and theoretical framework introduced above (see chapter 3 and chapter 4).

Second, the 'conditions of possibility' for innovation to occur will be explored on the basis of selected local projects. *Lessons* emerging from the experiments undertaken will be looked for in these *'cases'*. We will search for the *'sense'* that was given at project level for the innovation under test. An   analysis will be made of why the sense for experimentation ('critical' understanding of the strategic nature of the programme's challenges, etc.) was associated with this innovation and how it was related to the causes identified for the problems and for their persistence (absence, insufficiency or inadequacy of current response, etc.). The project's outcomes will be analysed to enable the analysis of causality. We will

search for substantive relations (whether necessary or contingent) involved in the substantive action leading to the project's outcomes. We will analyse how outcomes were achieved and how the substantive content of action involved was *linked* to scientific and technical knowledge in the framework of the planning paradigms presented (see 4.3.).

Finally, the identification of the *'causal powers'* involved in action will enable their relations with the formal competences of Municipalities to be analysed. The *potential* role to be played by Municipalities will be clarified regarding the possible *activation* of the *'causal powers'* associated with this particular form of *'agency'*.

This knowledge will permit a final response to the key problem of this work. As stated above (see 1.1.), the aim of this work is to produce knowledge about *how* Municipalities *can act*, focusing on the *economic* dimension of anti-poverty action. Remembering what was introduced above, the central research problem to solve was stated as follows: ***How* can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in their territorial planning for local development?**

### 5.1.2. 'Revisiting' evaluation results and methodological aspects: the contribution of 'realistic evaluation'

As seen above (see 5.1.1.), the evaluation of experimental public programs aiming at innovation and based on local projects requires a specific approach to evaluation. Its specificity is in the need to analyse the *'conditions of possibility'* for qualitative change in current practice (innovation). Different approaches are being developed to deal with such a challenge (Hummelbrunner 2000).

As already remembered above, the aim of any evaluation of public programmes is both to analyse the coherence and pertinence of objectives,, identifying '*net effects*' of action, and also to determine the efficiency of resource allocation or the extent of additional resource mobilization required to fulfil the objectives. However, the nature of the outcome obtained in experimental programmes aimed at innovation and based on local projects is more complex. The aim is to identify both the immediate *effects of action* and also the *possibilities of innovation* in current practices. It is expected that their concretisation possibilities might have been clarified by means of the experimentation facilitated by the programme.

**a) Evaluating experimental programmes: specific methodological challenges**

In these situations, evaluation exercises face specific challenges. The analysis of the coherence of objectives and strategies cannot be dissociated from the mediated *concept-dependent* character of action. The conceptual and theoretical framework on which objectives and strategies are based has to be made explicit. On the other hand, any programme or project has an underlying *implicit theory*, some notions about how the programme will generate positive benefits (Pawson and Tyley 1997a). Only in this context is it possible to evaluate whether an expected specific 'net effect' might really have been expected to be achieved.

The nature of these programmes justifies centring the approach to evaluation on the local projects and dealing with very diverse local contexts. In fact, in these cases, determining the *programme's 'net effects'* cannot be independent from changes that localities would experience; also, they cannot be independent from *how the programme was made concrete* in *each local project*. The determination of 'net effects' is strongly influenced *both* by the *contextual* nature of the concreteness of problems and by the key-agents' *interpretation* of the nature of these problems and the nature of the strategic sense of action. The territorial units covered by the local projects constitute unique territorial contexts; this is due to the unique form of *context-dependent* problems as well as the unique way the challenge of the programme is *interpreted* and translated in concrete action at project level.

It is therefore necessary to understand why the objectives and strategies pursued were considered to be more adequate in each local context *as well as* the interpretation made by those agents of the programme's challenges and how it was put into practice in terms of both project design and the project's incorporation of the programme's 'theories' (principles, eligibility criteria, etc.).

Experimental programmes based on local projects produce some form of *territorial selectivity*. Not the *totality* of localities will be involved. It is implicitly assumed that the problems dealt with in the framework of the programme are not understood as problems *from* localities, but rather problems *in* localities.

Therefore, it is essential to clarify what kind of contribution these specific local projects could make. The problems are not understood as problems *from* the localities where local projects were organized; as a result, their particular manifestation *in* the localities is taken as the point of departure to a broader understanding about their nature and how they can be overcome using the lessons learned by the programme, given its experimental character.

*Territorial selectivity* does not necessarily occur in order to choose these localities where problems are more acute. The relevant aspect when this kind of programme opens, is their *organizational capacity* to conduct the project. Projects may not emerge where problems are most acutely felt; the emergence of projects may *not* correspond to the territorial expression of the problems. If 'animation' efforts at programme level (associated with the launching of the programme, etc.) are not developed before local projects are set up, it is highly unlikely there will spontaneously be the necessary organizational capacity in the localities where the problems are most acute.

On the other hand, when dealing with societal problems that have a structural nature, the *end of the project* does not coincide with the *end of problems*. In the context of experimental programmes, this difference requires continuous clarification in defining the programme's *'sense'* for project's outcomes.

Given the nature of the programmes and the nature of the intervention of the local projects, one cannot underestimate potential *perverse* effects. Programmes are implemented in a changing and open world permeable to change. The effect of programmes may be subverted, or facilitated, by the non-unanticipated intrusion of new contexts and new 'causal powers'. In fact, programmes are located in open systems.

The evaluation of programmes with this kind of characteristic is expected to contribute to the production of knowledge about the *contextual conditions* underlying the results of action. It is further expected to produce knowledge about the *generalizing conditions* for the results achieved. Generalizing conditions can take the form both of *methodological recommendations* for action ('methodological transferability') and also *policy recommendations* to endorse to different territorial scales and domains of public action.

Thus, evaluating programmes with this kind of characteristic requires an adequate evaluation methodology. This is so complex that we may even questions whether such programmes can be evaluated at all. Or, as Pawson asks (2004, p. 4): *'If complexity is inescapable, what can be done in the face of it?'*

**b) 'Realistic evaluation'' and 'critical' realism**

The nature of the approach to evaluation undertaken in this work is based on *'realistic evaluation'* and will be developed below (Julnes et al. 1998; Pawson and Tyley, 1994, 1997a; 1997b; 1998a; 1998b). Its coherence has to be found in the context of an explicit underlying critical realistic epistemology. The realistic position in the social sciences (see 2.2.) establishes a difference with both the positivistic and the relativist position and postulates the existence of social realities with causal properties and contingent events which those properties give rise to.

Empirical phenomena emerge from the complex interaction between *'causal powers'* that reinforce, or blockade, each other. Realism postulates that 'causal powers' can be identified independently from the empiric manifestations to which they might be directly associated.

In the realist position, structures and mechanisms can be identified though *not* observable. The operation of structures and mechanisms responsible for the local manifestation of a given event can be identified by means of *'structural analysis'*. *Structural analysis* takes place by means of *retroduction*. In the context of experimental programmes aimed at innovation, *structural analysis* ensures the identification of the 'causal powers' involved in creating the conditions that enable change (innovation).

*'Structural analysis'* requires a context of real interaction to distinguish between formal and substantive, necessary and contingent relations. That is why the *local character* of projects may be understood as *method* of analysis. This is critical in order to understand the specific role of the local character of projects in the context of experimental programmes aimed at innovation.

By following developments in the realistic position, we can postulate the existence of *'locality effects'* (see 4.2.3.) that express the relevance of the analysis of the local specificity of the space-time constitution of social phenomena. Admittedly, localities exhibit causal properties that lie beyond the local expression of the spatiality of the diverse social phenomena. Local manifestations of societal phenomena *in* localities exhibit local specificities that emerge as *'locality effects'*. This does not mean that they should be understood as problems *of* localities. They will be further understood as societal problems that become concrete *in* localities, exhibiting spatial diversity and local specificity because of the role of *'locality effects'*.

It is in this sense, that localities may be understood as contexts of social interaction that enable the analysis of the 'agency-structure' relation; this involves the analysis of the possible pro-activity of social agents (see 3.4.). Social structures emerge *instantiated* in the social practices of agents that require them for acting and reproduce them by their very acting. *'Structural constraint'* is here associated to the social agents' interpretation of their own possibilities for action in such a way that they interpret as a *conscious option* the alternative action that objectively contributes to reproducing the social structures that make them vulnerable to poverty.

Therefore, the *local character* of projects offers particularly appropriate conditions for this kind of analysis; it permits the distinction between *material* and *structural* constraints and enables a detailed analysis of the role of structural constraint.

For example, in the context of anti-poverty action, it concerns identifying the structures and mechanisms which lead to potentially reproducing vulnerability to poverty through the *conscious* options of social agents (poor people). Moreover, it concerns the analysis of the *conditions of possibility* for change to occur, change that is associated to innovation in current anti-poverty practices. This also concerns *conditions of possibility* for change to occur in other contexts being stimulated by *'methodological transferability'* and policy action at central level because of the processes of theoretical development by cumulating and developing transferable lessons. Thus, it is an adequate methodology to identify causal powers from whose activation, in each context, innovation that is aimed at can become concrete.

In the context of this work, this position enables the identification of enabling, or blockading, conditions in local reproduction of problems associated to vulnerability to poverty, to lack of economic 'animation', to lack of access to employment or to 'distressed urban areas'. In addition, it enables the identification of the 'causal powers' from whose activation the experimented innovation may occur.

## c) 'Realistic evaluation': the nature of the approach

According to 'realistic evaluation', evaluation exercises are understood in a specific way. Ray Pawson and Nick Tilley (1997, p.77) sum this up as, *'the task of realist evaluation is to find ways of identifying, articulating, testing and refining conjectured context-mechanism-outcome pattern configurations'*. The focus is placed on Contexts-Mechanisms-Outcomes and their relationships (CMO configurations).

In this sense, evaluation is *theory-driven* rather then *method-driven*. The principal task would be to generate hypotheses about potential CMO configurations drawing on the wisdom of practitioners and the formal knowledge contained in the academic literature (Feinstein, 1998, p. 245). Possible methodological and policy recommendations ('replication', 'transferable lessons', etc.) are based on *'realistic cumulation',* a process of progressively refining the understanding of the CMO configurations.

According to them, conventional experimental or quasi-experimental approaches to evaluation cannot appropriately consider either the key mechanisms linking programmes with outcomes or the richness of heterogeneous contexts. Therefore, these kinds of approach cannot make a relevant contribution to *'learning about programmes'* (Feinstein, 1998, p. 244).

This is a crucial aspect in the evaluation of experimental programmes aimed at innovation and based on a *few* local projects. The analysis of the concrete manifestation of problems (namely, regarding the causes both of their emergence and their persistence), the identification of *conditions of possibility* for innovation to occur and the identification of methodological and policy recommendations based on *'learning with experimenting'* touch the limits of experimental, or quasi-experimental, approaches.

'Realistic evaluation' assumes reality to be *stratified* (the empirical, the actual, and the structural). A *non-observable* possible event as well as *invisible* structures and mechanisms are assumed to be part of reality. 'Realistic evaluation' follows a 'realistic' methodology based on a post-empiricist philosophy of science that suggests a more extensive role for 'theory'; it needs to be 'realistic' as applied research is not conducted just for the benefit of science as such but *'pursued in order to inform the thinking of policy makers, practitioners, programme participants and public'* (Pawson and Tyley, 2000, p. xiii).

Therefore, in 'realistic evaluation', the aim of research is to identify and explain diverse combinations of contexts, mechanisms and outcomes, given the openness and complexity of social systems. And the identification of mechanisms is not a matter of finding specific regularities or clusters of statistical associations. In Andrew Sayers' words: *"Explanation requires mainly interpretive and qualitative research to discover actor's reasoning and circumstances in specific contexts – not in abstraction from them. Answering quantitative questions about the number of actors and other relevant phenomena with specific attributes may also be of interest but that is rather different from understanding the mechanism"* (Sayer, 2000, p. 23).

### d) Key features of 'realistic evaluation'

'Realistic evaluation' aims to understand programmes in a way that avoids an over-simplification of the *nature of change* engendered by programmes. 'Realistic evaluation'' adopts a particular *'ontology'* of the policy initiative. Programmes are understood as social systems. They comprise the interplay of individual and institution, of agency and structure, and of micro and macro social processes: *'A Programme* is *its personnel, its place, its past and its prospects'* (Pawson and Tyley, 1997, p. 407). In ''realistic evaluation'', outcomes are intelligible only if we understand the underlying *mechanisms* which give rise to them and the *contexts* which sustain them. We need to know why and in what circumstances programmes affect potential subjects before we can begin to say if they work.

Thus, 'realistic evaluation' understands programmes not as external *forces* to which subjects respond. The success of programmes depends both on how subjects (decision-makers, practitioners, participants, etc.) choose how to make them concrete and on the conditions that enable them to act accordingly: *'Programmes 'work', if subjects choose to make them work*

*and are placed in the right conditions to enable them to do so'* (Pawson and Tyley, 1994, p. 294).

Therefore, in 'realistic evaluation', the required knowledge cannot be reduced to a simple comparison between *before* and *after*. Public programmes are the product of skilled action and the result of negotiation between human agents and cannot be reduced to the '*facticity'* of a given event (frequency, duration, etc.). It is aspects related with the *nature and context of the contacts* that may occur that must be analysed. Evaluation remains the central issue to gain knowledge about *how* a specific problem was affected by the existence of the programme.

As was seen above, 'realistic evaluation' helps to clarify how mechanisms that generate social problems can be removed, or counteracted, through alternative mechanisms introduced by the programme. Programmes are understood as prolonged *social encounters* and clarifying how the programme's potential mechanisms may contribute to *removing* the mechanisms responsible for the original problems remains a central task.

'Realistic evaluation' starts with a *theory* of what makes programmes work and a theory of the circumstances in which such ideas are likely to be effective (Pawson and Tyley, 1994, p. 292). Thus, 'realistic evaluation' goes beyond the surface of a programme's observable *inputs* and *outputs*. The 'Causal powers' of a programme with the potential to generate change may not be directly observable (social relations, etc.). The process generating change may not be deducible from the *facticity* of actions (number of training sessions, number of dwellings, etc.).

Evaluation helps to clarify *how* programme-induced changes inform or change the participants' potential choices. Evaluation enables a programme's potential results to be conceptualised as well as and *how* they may be achieved. As was seen above, programmes are not *things* that can be reduced to their *facticity*. They generate multiple mechanisms with different effects, over different subjects and in different circumstances. Results are analysed as a test to existing theories, not only in order to determine if a programme was successful, but also to know *how* a particular effect was achieved in the framework of a particular context-mechanism configuration.

'Realistic evaluation' is *'theory-driven'* rather than *'method-driven'*. Empirical work begins with a process of *'theory elicitation'*. All programme theories contain assumptions about *'what works for whom in what circumstances'*. It is only when we have a systematic picture of these potentially purposeful sub-groups and persuasive circumstances that we can devise appropriate measures, comparison groups and time frames for the empirical test.

In 'realistic evaluation', this reconstruction of a programme theory involves a *'teaching and learning process'* (Pawson and Tyley, 1998 (a), p. 85). In fact, the methodological challenge relies on the fact that there is local knowledge which 'realistic evaluation' needs to tap in order to direct outcome measurements to where effects are most expected and most likely. Instead of any comparison with some illusory control group, measurement is directed towards expected impacts, which would follow if the working forces were correct. Measurement will focus on *changes in behaviour within the programme community or group* (Pawson and Tyley, 1998 (a), p. 89).

'Realistic evaluation' and *'theory of change'* both share the characteristic of being *'theory-driven'*. However, while 'realistic evaluation' is built upon mechanisms, contexts and outcomes, *'theory of change'* relies upon the distinction between programme activities and early, intermediate and longer-term programme outcomes. It offers a focus on process, contributes to solving problems of attribution, addresses problems of time-scale necessary to bring about community change and helps find useful data with which to appraise outcome. It involves making sure that it is known what one wants to achieve, when one wants to achieve it and how to get there, adapting methods and goals on the way. Evaluators play a relevant role in working out the long-term objectives for the initiative with stakeholders. The mid-term objectives are specified, as is a theory of change. The early stage objectives are defined and the *'theory of change'* is suggested, linking this to the mid-term objectives. It is assumed that at any point in the process of the intervention it is possible to assess how far the stated objectives have been achieved to date as well as the probability of reaching a useful outcome (Hughes and Traynor 2000).

'Realistic evaluation' draws parallels between social systems and programme systems in dealing with *embeddedness*, *mechanisms*, *contexts, regularities* and *change* (Pawson and Tyley, 2000, pp. 63-78; Pawson and Tyley, 1997, pp. 406-413).

*Embeddedness* implies that a programme is not only targeted at subjects and its efficacy is not simply a matter of changing the individual behaviour; it is a matter of changing social relations and organizational structures because all human action is embedded in a wider range of social processes given the stratified nature of social reality: *"The causal powers do not reside in particular objects (checks) or individuals (cashiers), but in the relations and organizational structures that they form"* (Pawson and Tyley, 1997 (b), pp. 406).

*Mechanisms* means the search for knowledge explaining *how things work* by going beneath their surface (observable) appearance and delving into their inner (hidden) workings*: 'It is through programme mechanisms that we take the step from asking whether a programme works to understanding what it is about a programme that makes it work'* (Pawson and Tyley, 1997 (b), pp. 409) Mechanisms are about people's choices and the capacities they derive from group membership. Social intervention works through the action of mechanisms, through a process of weaving resources and reasoning together: "*Social mechanisms are about people's choices and the capacities they derive from group membership*" (Pawson and Tyley, 1997 (b), pp. 408). Identifying mechanisms involves the attempt to think about how a programme actually *changes behaviour*. A programme changes behaviour also by *altering ideas* in order to persuade stakeholders to change (Pawson and Tyley, 1998 (b), p. 211). Therefore, the *programme mechanism* is the process of how subjects interpret and act upon the intervention scheme.

The relevance of *context* is given by the fact that the relationship between causal mechanisms and their effects is not fixed, but contingent. It is the contextual conditioning of causal mechanisms which makes (or fails to make) causal *potential* into a causal *outcome* (Pawson and Tyley, 1997, p. 69). As Sayer puts it (1984, p. 106): "*When activated, particular mechanisms produce effects in 'conjunctures', which may be unique. According to conditions, the same mechanism may sometimes produce different events, and conversely the same type of event may have different causes*". The reasons and resources built into an intervention will only be effective in particular locations. Attention to context provides a focus on the issue of *'for whom and in what circumstances'* (Pawson and Tyley, 1998 (a), p. 81). Thus, contexts are the set of *surrounding* conditions that favour or hinder the programme mechanisms.

On the other hand, programmes are always introduced into *pre-existing* social contexts and these prevailing conditions are of crucial importance when it comes to explaining the successes and failures of social programmes. It is the prior set of social rules, norms, values and interrelationships gathered in particular places, which set limits on the effectiveness of programme mechanisms. Programmes work by introducing new *ideas* and *resources* into an existing set of social relationships. Clarifying the extent to which these pre-existing structures 'enable', or 'disable', the intended mechanism of change is a crucial task of evaluation. Programmes are ideas, and ideas have their time and place. It is this conjunction that 'realistic evaluation' attempts to capture with the notion of *context*: *'What needs to be understood is precisely what it is about given communities which will facilitate the effectiveness of a programme'* (Pawson and Tyley, 1994, p. 299).

'Realistic evaluation' helps gain knowledge about the *contexts* where mechanisms generating social problems are activated and where the mechanisms activated by the programmes may lead to success. It is about knowing who and in what circumstances participants can benefit from the programme. There is diversity between the local communities. Their attributes are not reducible to the sum of attributes of the individuals belonging to the community (cultures, structures, relations, etc.). The success of a particular programme depends on the conditions of the contexts where it is inserted and on the way they favour its functioning while it is being implemented. The identification of favourable social conditions remains a central objective of knowledge to build. A given community's particular characteristics that act as facilitators or blockaders of success is what must be understood.

*Regularity* is understood that it depends on a mechanism which generates it, corresponding to propositions about how the interplay between structure and agency has constituted the regularity. It is understood that any programme's achievement should be explained as the result of some underlying mechanism whose working is contingent and dependent on a particular local, historical or institutional context. An evaluation exercise explains the 'success' of a programme demonstrating *what about the programme works for whom in what conditions*.

By *change*, we understand the *managed social change* which corresponds to a programme's outcome. Given an initial social problem (regularity) which the programme addresses, the outcome of the programme is understood as an induced change in the configuration of the

problem. The key explanatory resource is to figure out the *potential for change* in the programme mechanisms. The aim is to know what mechanisms for change are triggered by a programme and to know how they counteract the existing social processes (existing chains of resources and reasoning which led to the 'problem'). Evaluation is understood as being particularly interested in 'change' mechanisms and aims to acknowledge that established mechanisms are followed. Evaluation is intended to demonstrate that they are capable of overturning / counteracting / transforming these embedded processes. Evaluation aims to demonstrate *how mechanisms sustaining the initial problem are destroyed* with the arrival of the programme mechanisms. Naturally, evaluation also needs to explain what *social and cultural conditions* are required change mechanisms to operate and how they are distributed within and between programme contexts.

Finally, following the rationale developed above, by *transferable lessons* is theoretical development understood. And, therefore, the generalization of *lessons* may occur as a process of 'qualitative abstraction'. Instead of collections of examples of 'best practices' what may be transferable are *ideas* based on theoretical development.

Given these understandings, 'realistic evaluation' proceeds on the basis of specific methodological approaches which are quite distinct from more conventional approaches. However, a much broader perspective for the evaluation of public programmes is provided, particularly when dealing with the specific challenges of experimental programmes.

In fact, the evaluation of public programmes requires knowledge about the nature of *causality* and of change which cannot be obtained by means of quasi-experimental inspired methodologies. An *inspiration* in a *critical realist* epistemology leads to the fact that the empiric expression of programme's outcomes only becomes intelligible through the comprehension of the mechanisms underlying them and of the contexts that sustain them. What we need to know is *how*, and in *what* circumstances, programmes *may* affect potential subjects before we can think about its possible 'success'.

Therefore, 'realistic evaluation' gives priority to *how* and *why* public programmes have the potential to *cause* change. It is admitted that change is generated by the causal powers of individuals and communities and that a programme's action expresses itself through the way *reason* and *resources* are facilitated to participants in the sense of contributing to favour their

change. Therefore, evaluation stresses the analysis of *how* that *cause* describes the transformation potential of phenomena and *not their sequential relation*.

As was seen above, 'realistic evaluation' is inspired by the theoretical configurations of *'Context-Mechanism-Result'* (CMO). Through these CMO configurations, it aims at formulating *cumulative* and *transferable* lessons. The analysis concentrates upon the identification of the characteristics of individual and institutional change on which success depends. Evaluation tries to test hypotheses related to finding out how a particular desired change may actually be obtained.

Thus, '*transferable lessons*' as the basis for methodological transferability and policy recommendations, are based on theoretical development which is understood as *'realistic cumulating'* (not just the sampling of 'best practice', etc.). 'Realistic cumulating' consists of progressively refining the understanding of the CMO patterns and is achieved by abstracting patterns of contexts, mechanisms and outcomes at different levels. *'Replicating'* ('methodological transferability', etc.) and *'scaling-up'* ('policy recommendations', etc.) what works well in experimental programmes becomes possible without naive assumptions about strict replication, which is impossible.

'Realistic evaluation' does not seek to replicate positive findings but seeks cumulation by identifying the conjunction of sets of mechanisms and contexts that will bring about a desired outcome (Pawson and Tyley, 1998 (a), p. 82). Generalization is not a matter of understanding the typicality of a programme but one of abstraction (Pawson and Tyley, 1997, p. 119). It concerns a process of *'qualitative abstraction'* as opposed to 'quantitative generalization' (Sayer 1984).

*Lessons are learned* by way of cumulating knowledge moving from one specific empirical case to a general theory and back to another case. Sets of ideas, and not lumps of data are transferable: *'The process works through the development of a body of theory which provides an organizing framework which 'abstracts' from a programme a set of essential conditions which make sense of one case after another'* (Pawson and Tyley, 1997, p. 120).

'Realistic evaluation' relies on *'teacher-learner'* type relations in the relationship between interviewer (evaluator) and those in charge of policy making, practitioners and participants. These stakeholders have insider understanding of programmes in which they are implicated and so are key informants in the research process. Undertaking '*realistic interviews'*, the evaluator (researcher, interviewer, etc.) *teaches* the subject the overall conceptual structure of the investigation, putting the subject in a position which allows him to think (Pawson and Tyley, 1997, p. 167). The researcher's theory is the subject matter of the interview (Pawson and Tyley, 1997, pp. 155-159). On the other hand, as programmes are embedded in a diversity of individual and institutional forces, there are limits to the understanding of stakeholders.

The evaluator needs to be attentive to unintended consequences and unacknowledged conditions of stockholders' decisions. Realistic evaluators neither assume that stakeholders should act as 'respondents', nor assume that their task is only the reproduction of stakeholders' views. The function of the relationship between researcher and informant is to refine CMO theories: *'The research act thus involves 'learning' the stakeholders theories, formalizing them, 'teaching' them back to the informant, who is then in a position to comment upon, clarify and further refine key ideas'* (Pawson and Tyley, 2000, p. 218).

### e) 'Realistic evaluation' and the role of local projects in experimental programmes

As seen above (see 5.1.2. c) and d)), in 'realistic evaluation' programmes are understood as social systems and their results depend on *how* subjects *choose* to make them concrete. Programmes become concrete by the way they are *made* concrete (projects) in different contexts (though not covering the totality of localities, as seen above).

Accordingly, programme's outcomes depend on *how* in different contexts the strategic challenges involved (the sense for experimenting for innovation) were *interpreted* by the agents concerned and how action was *conceived* given the particular *context-dependent* configuration of the problems being dealt with (poverty, 'urban distress', discrimination and inequality in employment, etc.) and the *concept-dependent* character of human action.

For the purpose of the central problem of this work, a programme's outcomes have to be interpreted both in the conceptual and theoretical framework developed above (see 3 and 4) as well as understood as specific outcomes at project level given the *'reasons'* and *'resources'*

offered by the programme and the particular (unique) *'Context-Mechanism-Outcome'* configurations underlying the *'conditions of possibility'* of occurred innovation.

The diversity of territorial contexts and the complexity of the challenges ahead showed the need for in-depth knowledge about each Programme by means of selecting one local project per Programme in order to clarify how particular combinations of *'Context-Mechanism'* made innovation possible given the context-dependency of problems and the way each programme's strategic challenge was interpreted by the agents involved in the Programme development at project level.

The implications for Municipal anti-poverty action are analysed based on the potential contributions of the Programme's results to the *illustration* of *action-possibilities* in the framework of the conceptual and theoretical framework of this work (*'strategic lessons'*) and also on the experience developed by each selected project,. Relevant implications for local development and territorial planning are further developed and related to the framework described above (see 4).

Therefore, the analysis at the project level will combine three sources of inspiration: projects will be understood as *case studies* and the analysis of evaluation results at project level will be inspired by a *research strategy* based on the '*extended-case method*'; the *'local'* character of projects will be understood in the framework developed by *'locality studies'* (see 4.3.) and realistic *structural analysis* (see 2.2.) will inspire the search for *causal* links in attempting to explain outcomes at local level.

First, as introduced above, in the context of the chosen experimental programmes, the selected local projects will be analysed as *case studies* 'inspired' by anthropological approaches such as the *extended-case method* and *situational analysis* (Van Velsen 1967; Blaikie 2000; Burawoy 1991; Santos 1983).
A *case study* will not be understood as a specific technique. '*Cases'* are social units (an individual, an event, a group of people, a locality, etc.). And a 'case study' will be understood as a way of organizing social data *preserving the unitary character of the social object being studied*. A case study is a single entity studied in detail using a variety of methods over an extended period. Therefore, a case study is best understood as a *research strategy* and is not necessarily connected with qualitative research (Blaikie, 2000, pp. 210-212).

Given the nature of the research problem to be dealt with and also the nature of the author's particular involvement in the programmes whose evaluation results are 'revisited', in this work this research strategy best enables the mobilization of the knowledge gained by observing *while* participating and given the search for *causality* in looking for *strategic lessons*. Working towards generalising programmes' innovative results depends on the activation of 'causal powers'. The general aim of this work is to enable 'causal powers' of Municipalities to link up with local development and anti-poverty action informed by the programme's results.

That is also why inspiration was searched for in the *extended-case method*. The emphasis on *qualitative* research (participant observation, documental analysis, interviewing, etc.) does not result from the choice of a case study research strategy. It is primarily linked to the implication of searching for 'causal powers' within a 'critical' realism epistemological framework. Only *intensive research* based on qualitative methods enables the identification of substantive (as opposed to formal) interdependence.

The *extended-case method* enables structural principles to be related with *lived* dimensions of social phenomena; as the *research strategy* permits an understanding of how individuals deal with their structural relations. It enables the *elements of* choice between alternative norms to be explored in accordance with the challenges of any *particular situation*. The method enables *conditions of generalized validity (generalization)* to be assured through *quality* and *exemplarity*. It attempts to get the maximum descriptive detail so as to perceive the complexity of each case. It allows us to grasp what is different and unique, capturing the complexity of the structural incidences that can be identified by the multiplicity and depth of the interactions that form the case. Therefore, the '*extended-case method*' privileges techniques such as participant observation, systematic observation, non-structured interviews, in-depth interviews, and documental analysis (Santos, 1983, p. 12).

Focusing on the 'macro' determinations of everyday life, the '*extended-case method*' is the most appropriate way of using participant observation to reconstruct theories. By explaining the link between micro and macro, the '*extended-case method*' forms the social situation in terms of the particular external forces that shape it. It can give rise to generalizations through reconstructing theory (Burawoy, 1991, pp. 271-274). *Causality* becomes multiplex, involving an 'individual' and undividable connectedness of elements, tying the social situation to its context of determination. The '*extended-case method*' takes the social situation as the point of empirical

examination and works with given general concepts and laws about states, economies, legal orders, to understand how those micro situations are shaped by wider structures (1991, pp. 281-282).

The *'extended-case method'* constructs *'genetic explanations'*, that is, explanations of particular outcomes, focusing on differences between similar cases and aiming at historic specific causality. The significance of a case relates to *what it tells us about the world in which it is embedded*. Significance refers here to *societal* significance. The importance of the single case lies in *what it tells us about society as a wh*ole rather than about the population of similar cases. The *'extended-case method'* adopts a *situational analysis* and like ethno methodology *seeks universals that underlie all social situations*. It sees situations as shaped from above rather than constructed from below. It looks for specific macro determination in the micro world, seeking generalization reconstructing existing generalizations, that is, the reconstruction of existing theory (Burawoy, 1991, pp. 276-281).

The *total* context of the cases should be recorded, the cases should be presented *situationally* and the actors should be specified (Van Velsen, 1967, pp. 140-149). '*Situational analysis'* as a method aims at analysing the interrelation of structural ('universal') regularities, on the one hand, and the actual ('unique') behaviour of individuals, on the other. This requires a synchronic analysis of general structural principles that is closely interwoven with a diachronic analysis of the operation of these principles by specific actors in specified situations. In '*situational analysis'* the definition of boundaries of a unit of study poses difficult problems. The isolation for analytical purposes should not be confused with *de facto* isolation (Van Velsen, 1967, p. 145).

In the *'extended-case method'* the territorial unit (the city, the locality, etc.) is not an arena where laws are played out but a constellation of institutions located in time and space that shape domination and resistance (Burawoy, 1991, p. 281). Social researchers have to gain access to the *'lifeworlds'* of those with whom they want to contact.

But the source of *lifeworld* is the social arenas integrated through the formation of mutual understanding and collective will such as the workplace, family, community or school. New meaning arises from communication whose comprehension requires *actual* or *virtual*

participation. To gain access to lifeworlds, social scientists have to enter into *dialogue* with participants. They have to become *real* or *imaginary* participant observers.

The stock of knowledge mobilized in the lifeworld is structured by *ignorance,* that is, the whole range of factors and determinants that influence actions and that lie beyond agents' consciousness. It is through structural analysis that the ignorance that structures the total configuration of intersubjective knowledge can be captured. It is also through structural analysis that social conditions that structure intersubjectivity can be captured (Santos, 1983, p. 10).

Nevertheless, social scientists, as participant observers, differ from participants in their status as observers. This status enables them to get insights into the *limits* of communicative action and the sources of its distortions. It enables them to 'see' how the system world denies freedom and autonomy in the lifeworld. As observers, scientists stay *outside the life worlds* they study and can gain insight into the properties of the system world, which integrates the *intended* and *unintended* consequences of instrumental action into relative autonomous institutions. These can only be understood from the standpoint of the observer (Burawoy, 1991, p. 284).

That is also the sense according to which *inquiring by life histories* could be undertaken (Bertaux 1981; Desmarais and Pilon 1994; Ferrarotti 1981; Poirier et al. 1995). In the context of this work, '*life histories'* are understood as a *non-statistical* instrument of in-depth enquiry. The aim is to perceive the aspects of social reality, *not* the individual subjectivity through inquiring by means of life stories. It is a not a question of apprehending a narrative, but to multiply the Stories in such a way that social events are caught, as well as their sense and their impact on individuals. Near Ethnobiography, it aims not only at transcribing the individual adventure of the informer, but to explore the cultural models of his group through the knowledge the informer has about it. The aim is to find out *about the society* the individual belongs to.

Second, as already introduced above (see 5.1.2. c), *structural analysis* in 'critical realism' aims to identify how structures and mechanisms responsible for the manifestation of a given event operate. *Structural analysis* proceeds by means of "*retroduction*" (see 2.2. b)). In the context of experimental programmes aimed at innovation, *structural analysis* ensures the identification of conditions enabling change (innovation). In its aim to evaluate *how*

programmes *cause* effects, ''realistic evaluation'' emphasizes the identification of relations of substantive interdependency (necessary and contingent) to determine a programme's outcomes.

As seen above, 'realistic evaluation' gives priority to *how* and *why* public programmes have the potential to *cause* change. It is admitted that change is generated by the *causal powers* of individuals and communities and that a programme's action expresses itself through the way *reason* and *resources* are facilitated to participants so that they contribute to favouring their change. Therefore, evaluation stresses the analysis of *how* that *cause* describes the transformation potential of phenomena and *not their sequential relation*.

Third, the 'local' character of projects can be best understood as offering *'local contexts of real interaction'*. Following developments in the realistic position, it was seen how it is possible to postulate the existence of '*locality effects'* (see 4.3.) expressing the relevance of the analysis of the *local specificity* of the space-time constitution of social phenomena, namely, the space-time constitution of the concreteness of a programme and its outcomes. It is admitted that localities exhibit *causal properties (Context-Mechanism* configurations*)* that lie beyond the local expression of the spatiality of the diverse social phenomena. Local manifestations of societal phenomena *in* localities exhibit local specificities. This does not mean that they should be understood as problems *of* localities. They will be further understood as societal problems becoming concrete *in* localities, exhibiting spatial diversity and local specificity because of the role of local conditions ('*locality effects').*

In this sense, localities are understood as contexts of social interaction enabling the analysis of the *'agency-structure'* relations; this involves the analysis of the *possible* pro-activity of social agents as *intentional* action (see 3.4.). Localities offer s*tructural analysis* (in the sense of 'critical' realism) (see 2.2. b)) a context of real interaction for the distinction between formal and substantive, necessary and contingent relations.

Therefore, the *local character* of projects becomes a *method* of analysis. This *method* enables the 'discovery' of structures and their ways of acting (mechanisms). It is a *method* which enables the clarification of the structural dimensions of societal problems, the structural understanding of the persistence of these problems (whether activated or not, societal 'causal

powers' supposed to meet them, etc.) as well as the understanding of the nature of societal change within which experimented innovation at local level may be 'generalized'.

This is a critical issue to understand the specific role of projects' local character in the context of experimental programmes aimed at innovation and based on local (*area-based*) projects.

**f) Experimental programmes as complex programmes: simple principles for evaluation**

Experimental programmes aimed at innovation have been becoming more relevant in recent years. They represent major changes in public policies and follow a number of assumptions. First, the recognition that the roots of social problems *intertwine* shows the decreasing relevance of isolated measures and interventions based on single agents. Second, the recognition that current conventional practice may risk grasping only the symptoms of social problems and that induced short term changes on subjects lead them to sink back in deeper-seated disadvantage; this shows the *decreasing* relevance of single issue *short term* intervention.

Experimental programmes aimed at innovation such as those dealt with in this work are complex and aim to tackle the wholeness of social problems; they are based on local projects and involve multi-agency organisational models, etc. Therefore, principles such as *'multidimensionality'*, *'territoriality'* or *'territorial integration'*, *'partnership'*, *'participation'* or *'empowerment'* are currently associated with this kind of programme.

How this kind of programme *can* be evaluated represents a major challenge for evaluation. It can be argued that there may not be a scientific basis to defend the evaluation exercise itself given the open system nature of social reality. In an open world, the complexity of the task may represent its impossibility. Nevertheless, programmes are developed, resources, means and subjects are involved, activities are developed and *some* lessons should be learnt in order to inform further public action.

Ray Pawson (2004) suggests a set of *'simple principles for the evaluation of complex programmes'*. He suggests a few principles for a *possible exercise* which combine a strategy of light monitoring of the whole programme with the detailed analysis of specific aspects.

First, evaluation should begin with a '*comprehensive scoping*' study mapping out the potential conjectures and influences that appear to shape the programme under investigation. Programme theories can be read in background documentation but the basic task here is to get programme stakeholders to articulate their theories. Theory maps should allow for rival conjectures. The aim is to capture the key decision points that paved the programme's way and subsequently took subjects their ways. At this stage, mapping can be envisaged as the hypothesis generator. It should alert the evaluator to the huge array of decisions involved in a programme as well as providing some initial deliberations upon their intended and wayward outcomes. Evaluation has to make sense of the collision of programme theories, rather then concentrate on listing agreed hypothesis.

Second, the only way to grasp complexity is to '*prioritise*'. It is better to draw out and thoroughly test a limited number of key programme theories rather than achieving an approximate sketch of it all. Theory-driven designs are light and strategic in contrast with method-driven designs, trying to capture the whole. Evaluation cannot cover all the maps of programme theory created in stage one. One should concentrate on those components of the programme theory which seem likely to have the most significant bearing on overall outcomes and those segments of programme theory about which least is known. The selection of these components of programme theories to be analysed in detail can be the object of collective decision that involves evaluators and commissioners.

Third, evaluation should occur in '*on-going portfolios*' rather than on-off projects. Suites of evaluations and reviews should track programme theories as and wherever they unfold. Once the decision is taken that evaluation should take on sub-sets of programme theory, the optimal location for research becomes much more dispersed. Evaluation findings have to be reached on time in order to design further public interventions or have to allow for retrospective perspectives. Previous evaluations of the particular theories forefronted in the selection process at step two may retain their total relevance. In addition, well-chosen comparisons of particular programme theories across different policy domains (different programmes, etc.) can be relevant. Complex programmes require live, retrospective and prospective evaluations.

Fourth, whilst there should be some general monitoring of the outputs and outcomes of complex programmes as a whole, the main analytical effort should be directed at configurations made up of *selected segments* of the implementation chains across a *limited*

*range* of programme locations. Designs should be used that compare a selected portion of the implementation chains across a limited range of programme sites (different partnerships, diverse contextual circumstances, etc.) thus enabling answers to the 'realist' question *'what works for whom in what circumstances'*. Useful configurations to test the most pertinent theories may involve comparisons that go beyond the timescales and localities of the programmes at the centre of the evaluation exercise. A historical perspective may help to clarify the role of passing multiple interventions in a locality via qualitative accounts of veteran practitioners and area denizens combined with a quantitative record of local demographics and economics.

Finally, the most durable and practical recommendations that evaluators can offer come from research that begins with theory and ends with a *'refined theory'*. The proposed strategy of combining light overall monitoring with an intense dissection of a limited number of vital programme theories cannot tell us what precisely it was that led to the changes associated to project developments in local communities. The product of evaluation can be a kind of 'highway-code' alerting policy makers to the problems that they might expect to confront and some of the safest measures to deal with these issues.

**g) 'Revisiting' experimental Programmes: meta-evaluation and 'realist synthesis' when looking for 'transferable lessons'**

Given time constraints, 'real time' evaluations often have *little* influence on policymaking. Therefore, evidence-based policy is turning increasingly to systematic reviews of the results of *previous* inquiries in the relevant policy domain. The strategy developed in this work of *'revisiting'* experimental programmes can gain from the insights of the methodological debate about the best strategy of marshalling bygone research results into the policy process. *'Realist synthesis'*, as a model for evidence-based policy as proposed by Ray Pawson (2002 (a); 2002 (b)), will be adopted in this work as the methodological support when 'revisiting' evaluation results of experimental programmes.

'Realist synthesis' uses a *'generative' approach* to causation. It assumes that it is not Programmes that work but it is the underlying *reasons* and *resources* that they offer subjects that generate change. On the other hand, causation is understood as *contingent*. This means that the choices or capacities on offer in an initiative are acted upon depending on the nature

of their subjects and on the circumstances of the initiative. Data extraction in realist synthesis follows the interrogation *'what works for whom in what circumstances?'*. Thus, generalization relates to a *'transferable theory'* (*'this Programme theory works in these respects, for these subjects, in these kinds of situations'*). The policy community is *not* offered a 'best buy' (*approach 'x' or case 'y' seems to be most successful'*) (Pawson, 2002 (b), p. 342).

Remembering what was already introduced above (see 5.1.2. d)), the realist interpretation of programme effectiveness can be expressed as follows. The *causal power* of an initiative lies in its underlying mechanism (M), which represents its basic theory about how programme resources will influence the subject's actions. Whether this mechanism is actually triggered depends on context (C), the characteristics of both the subjects and the programme locality. Programmes will have diverse impacts, the outcome pattern (O).

Following this logic, it becomes clear that 'realist synthesis' offers a focus on the *review process* based on the *'programme's mechanisms'*. Given the 'generative' understanding of causation, evaluation is not restricted to knowing whether 'programmes work'. It is not programmes that work but the resources they offer to enable their subjects to *make* them work. In addition, it is this process of how subjects *interpret* the intervention stratagem that is known as the *'programme mechanism'* and it is the pivot around which realist evaluation revolves (Pawson, 2002 (a), p.342).

The relevance of 'observable' innovation in the framework of the conceptual and theoretical framework developed before has to be combined with the analysis of outcomes at project level. Analysing the outcomes of local projects in the context of 'revisiting' the evaluation of experimental programmes is related to the importance of exploring *causality* in the *constitution* of innovation. The relevance of the single project lies both in *what it tells about the world in which it is embedded (experimental programme, institutional context, etc.)* and in *what it tells about the possibilities of change (innovation)* given the *reasons* and *resources* offered by the programme.

As introduced above, it is the process of how subjects *interpret* the intervention stratagem that is known as the *'programme mechanism'* and it is the pivot around which realist evaluation revolves. Therefore, 'revisiting' is centred on how those subjects that made the programme

concrete *interpreted* the relation between the *causes* of actual contemporaneous *problem* configuration at local level (context-dependency of its concreteness) and the reasons for problem persistence (given the *causal powers* of state action, whether activated or not) in order to counteract the structure and mechanisms leading to the problem (absence, insufficiency or inadequateness of current state practice).

On the basis of this clarification, the project outcomes offer the possibility of learning *transferable lessons* from the Programmes about the identification of *conditions of possibility* for innovation (possible qualitative improvement).

The *'migration'* of strategic lessons learned with experience may occur both as a result of *'methodological transferability'* or as *'policy recommendation'* and become concrete given the causal powers to be activated by the agents concerned. Concepts and theories will be the point of departure. Theoretical refinement will enable the *'migration'* of the results of experience and be the basis for the legitimacy of *'strategic lessons'*.

### h) 'Realist synthesis' in practice

The 'inspiration' for 'revisiting' the programmes and their evaluation based on principles of 'realistic evaluation' provides the grounds for the main methodological options necessary to undertake the analysis.

It will deal with experimental programmes based on a limited number of local projects aimed at innovation in public response to poverty related problems. As was seen above, the concreteness of these programmes, their objectives, strategies and outcomes depended on the way the strategic challenges of the Programmes were interpreted in each context (locality); and incorporated in the ways of experimenting for innovation in the search for the responses for the local specificity of problems and in understanding the contribution of experimentation in meeting the overall programme's challenges.

'Revisiting' a programme can be understood as some form of '*retrospective cumulation*' and is based on the idea of drawing '*transferable lessons*' from the analysis. Trying to gather wisdom from a past programme (that may not even have been planned realistically aiming at cumulation) is currently called 'realistic meta-evaluation' (Pawson and Tyley, 1997, p. 117;

Pawson and Tyley, 1997, p. 149). It is also in this sense that 'realist synthesis' assumes that the transmission of lessons occurs through a process of theory building rather than assembling empirical generalizations.

When programmes are systematically reviewed using the same underlying mechanism, a theory can be produced based on the results of an analysis of the mechanism in a specific programme works; this theory is enlarged, amended and re-specified programme after programme in a process of *'theory-contingent transfer'*. Thus, as already noticed, 'realist synthesis' ends up with theory. Cumulative knowledge occurs through a process of abstraction. Generalizing from an evidence base is *not* confined to replicating 'best buys' and 'exemplary' cases (Pawson, 2002 (b), pp.347-349).

'Revisiting' a programme can also be inspired by considering basic ideas about conducting 'realistic evaluation'. These ideas can help design the concrete steps of the analysis to be developed. A 'realistic evaluation' essentially has two phases: *qualitative preliminaries* and *outcome analysis* (Pawson and Tyley, 1997, pp. 107-114).

The first phase involves *qualitative preliminaries* aimed at the search for CMO configurations in relation to the aims of analysis ('*what was it about the programme which seemed to have the most impact in changing the participants / problems / contexts / institutions'; 'what type of participant was most likely to be a success of being in the programme?'*). Given the concept-dependency of human action, this dimension aims at specifying the conceptual and theoretical frameworks of action that were underlying the design and implementation of programmes and projects. The analysis of documents produced in the context of the programme's developments can be a starting point. This is followed by direct collection of information by means of *'realistic interviews'* with decision-makers, practitioners (staff members) and participants once involved in the implementation of the selected projects of these programmes. Practitioners are asked to search for *memory* for cases, illustrations or communalities. Practitioners are also asked to search for memories about 'folk theories' which were *informing action* in project development as well as their memories about the relation between mechanisms and context in achieving desired outcomes. The principal task in 'realistic evaluation' concerns the generation of hypotheses about potential CMO configurations drawing on the folk wisdom of practitioners and the formal knowledge contained in the academic literature (Feinstein, 1998, p. 245).

The second phase involves an *outcome inquiry ('what was it about the programme that worked for whom?').* As the projects were part of experimental programmes, they were supposed to make an impact at local level (changes in problem configuration and identifying innovation possibilities in public practice that would not have happened otherwise, etc.) and to make an impact at national level (central incorporation of project's and programme's policy recommendations into current practice, identification of new perspectives for action in other contexts or by other social agents, etc.). Therefore, this second phase is based on the search for *changes that would not otherwise have taken place* ('net effects'), changes at individual / household level, changes at community / local context level and changes at institutional / national level. In experimental programmes, projects are supposed to produce changes that have to be analysed at three levels: they have to be identified as *'net effects' of project development*, they have to be *qualitatively assessed* in relation to outcomes of conventional practice (the 'added value' of innovation) and the *'conditions of possibility'* necessary for this innovation (qualitative improvement) to be achieved have to be identified (theoretical development) and become the basis of *transferable lessons.*

'Revisiting' the programmes introduces further relevant aspects in the analysis. The nature of the search for the conceptual and theoretical basis of the programme and the nature of outcome analysis gain a wider relevance and scope of analysis. Concerning the concept-dependency of action and the search for the implicit conceptual and theoretical assumptions of the model of action, the access to relevant information can be facilitated by the analysis of the documentation produced and 'realistic' interviews with decision-makers, heads of projects and practitioners as well as participants.

Evaluators of 'revisited' experimental programmes become relevant stakeholders whose potential influence in programme and project outcomes cannot be ignored. The role of evaluators of experimental programmes is even more relevant when evaluation is based on realistic principles. The relevance is further increased, when evaluation in these terms becomes a constitutive dimension of Programme outcomes. This is the case when evaluation is linked to *Programme animation* (a procedure aimed at building an evaluation culture) and when the evaluator actively promotes the *empowerment of local projects* in conducting *self-evaluation* following the same principles.

This issue becomes particular relevant 'revisiting' Poverty III. The author of this work was a member of the Portuguese 'Research and Development Unit' and simultaneously in charge of issues concerning both the animation of the Programme's overall strategic meaning and that of transnational thematic working groups at European and national level and the support to self-evaluation at project level. Later, he was also in charge of the Evaluation of Poverty III at national level and the thematic evaluation of Poverty III at European level. 'Revisiting' Poverty III inevitably involves the analysis of the potential role played by *this* particular evaluator in the very constitution of programme outcomes.

The nature of changes triggered at the time can be assessed after a longer period and the national impact of the programme can be enriched by incorporating greater knowledge about changes at national level, considered as an outcome of the programme. Various policy developments and design of national programmes, and a number of organizational developments and changes in the discourse on 'poverty' can be considered to be direct, or indirect, *'net effects'* of the programmes now being 'revisited'. The search for the *'threads'* becomes exciting research when society is understood as an open system and causality in social change is also understood as the complex outcome of personal-interaction at political, technical and everyday-life level.

**i) Towards a 'template' for 'realist synthesis'**

A 'template' for the 'realist thesis' of the evaluation of European experimental programmes will be proposed on the basis of previous work on this issue (Pawson et al., 2004).

*Clarifying the scope of the exercise*

Once again, we must recall the central question of this work: *'How can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in current territorial development planning practice?'*. 'Realist synthesis' will be the methodology used for the *cross evaluation* of the results of specific evaluation exercises to determine how they contribute to answering the above question.

The specific problem to be tackled (see 1.1.) was formulated as follows: *'How can the lessons learned from developing and evaluating particular European and national experimental programmes for poverty related issues contribute to widening the scope of intervention in the analysis of Municipalities' potential role in anti-poverty action?'*.

Realist synthesis requires *conceptual sharpening* and a precise definition of the *question* considering the nature of complex experimental programmes and the explanatory basis (rather than searching for final judgement) of the review. An explanatory orientation like the one we need will involve sub-questions that can be summarised as: *'What is it about this kind of intervention that works, for whom, in what circumstances, in what respects and why?*

That is why the previous clarification of questions to be pursued and conceptual sharpening require specific and adequate attention in a 'pre-review' stage. That would also be the case when the involvement of the *commissioners* of realist synthesis is suggested. In this case the problems to be dealt with by this work offer the sense for the undertaking.

However, in this case the 'commissioner' of 'realist synthesis is also the author of this work. Given the nature of the research question of this work and given its epistemological, conceptual and theoretical framework, specific questions will require additional clarification.

### *Refining the purpose of the review*

As the purpose of realist syntheses is *explanatory*, the nature of the programme theories to be chosen must be clarified. Alternatively, a review of the integrity of programme theory can be chosen (discovering weak points in the development of programmes, etc.); or a review to adjudicate between rival programme theories (discovering which rival theory best explains how programmes developed, etc.), a review of the same theory in comparative settings (discovering 'for whom in what circumstances', etc.) and a review of official expectations against actual practice (a particular case of reviewing for adjudicating rival theories, etc.).

A final decision is not needed in advance. It is important to note the differences in the relation between the explanatory basis of realist synthesis and the nature of the theories to be identified concerning the purpose of the review. Nevertheless, in this case the explanatory character of 'realist synthesis' is directed to *'adjudication'*. Given the formulation of this

work's key problem, it is relevant to clarify what it was about the programme that led to the achievement of outcomes (innovation).

### *Articulating key theories*

After defining the scope of the review and the nature of the explanatory basis, it is necessary to articulate the body of working theories that lie behind the intervention. As assumed above, all interventions carry an implicit set of programme theories. The identification of such theories is the 'pre-given' subject matter of the review (discussion with commissioners, policy makers and other stakeholders, literature, etc.). The aim is to search for the theories (expectations, rationales, etc.) on 'why the programme might work'. The *data* to be collected relates not to the intervention's effectiveness but to the range of prevailing theories and explanations of *'how it was supposed to work'* and, possibly, 'why things 'went wrong''. In fact, programmes rarely run smoothly and are subject to unforeseen situations due to context as well as to resistance, negotiation, feedback, etc.

Given the complexity of experimental programmes, the ideas raised by a theory mapping exercise will be quite diverse. The final task for the first stage in a realist review is to decide which combinations and which subset of theories will be retained for the synthesis.

Totally comprehensive reviews are impossible and the task is to *prioritise* the programme theories to be developed in the exercise. That is also why conceptual sharpening and refining the question is so central in 'realist synthesis'. Articulating the theories that are 'embedded' within programmes provides a way of recognising their complexity and then finding an analytical strategy to cut into that complexity.

Let us illustrate with 'partnership' which is proposed as a 'principle' in several programmes. The assumptions on which this 'principle' is adopted belong to a wide range of theories. However, in the case of this work *relevance* concerns understanding of Municipalities' potential role in anti-poverty action, namely, whether their relation with particular partners enlarges, or restricts, the full deployment of the 'causal powers' that can be activated by their initiative in this context (relation with decentralised statutory bodies, relation with civil society organizations, etc.).

Given the assumptions of realist evaluation on the nature of programmes (see 5.1.2. d)), the stage of 'theory mapping' and prioritisation is *not* a matter of abstract 'data extraction'. It requires active and ongoing dialogue with the people who develop and deliver the interventions. They are the people who embody and enact the theories that are to be identified, unpacked and tested.

In the case of this work, this aspect requires specific analysis. As the author of this work was also involved as *'animator'*, *trainer for self-evaluation* or *evaluator* in the programmes whose evaluations are reviewed, direct information can be obtained on the development of programmes but also requires understanding concerning the different *roles* to be played and the institutional context where each role was played. This point will be made clear when analysing the particular programmes.

### *Searching for relevant evidence*

There are four different search procedures in 'realist review'. First, there is a background search concerning the nature of available literature. Second, they track the programme theories (administrative thinking, policy history, legislative background, key points of contention, etc.). Third, they look for empirical evidence to test a subset of these theories. Fourth, there are additional studies that might further refine the programme theories that have formed the focus of analysis.

Realist reviews use search strategies that make deliberate use of purposive sampling in order to retrieve materials to answer specific questions or test particular theories. The review may include picking up useful ideas from different policy domains and stops searching when theoretical saturation is achieved (the theory under investigation meets no new challenges).
In the mechanics of searching, 'realist synthesis' reveals particular differences. In searching for relevant information, realist review makes use of administrative *'grey literature'* rather than relying only on formal research in the academic journals as it deals with the *inner workings* of programmes. As it emphasizes underpinning mechanisms of action, it may include a wide variety of empirical studies. On the other hand, as it looks *beyond* treatments and outcomes, the key words chosen to instigate a search are more difficult to fix and 'snowballing' is often likely to be more fruitful than putting specific words into a search engine.

*Appraising the quality of evidence*

In realist review, the *worth* of studies is established in synthesis. Quality appraisal occurs at this stage and not as a preliminary pre-qualification exercise. The quality appraisal concerns *relevance* (not whether a study covered a particular topic but whether it addressed a particular theory) and *rigour* (whether a particular inference drawn by the original researcher has sufficient weight to make a methodologically credible contribution to the test of a particular programme theory).

Realist review seeks to explore complex areas of reality by tailoring its methods to its highly diverse subject matter. Appraisal checklists cannot be the answer. The 'studies' are rarely the appropriate *unit* of analysis. Realist review may well choose to consider a few elements of a primary study in order to test a very specific hypothesis about the *link* between context, mechanism and outcome.

*Extracting the data*

In realist review, primary sources may do no more than identify possibly relevant concepts and theories. For these, 'data extraction' can be achieved just by marking the relevant sentences with a *highlighter pen*. Realist reviews register information more by *note-taking* and *annotation* than by 'extracting data' as such. By *tracking theories*, for example, documents are sourced for ideas and how an intervention is supposed to work. These are noted and further documents may reveal neighbouring, or rival, ideas. A final model is built of the potential pathways of the programme's theories.

Different studies may be used as one expects to identify several theories. Reviewers should develop a record of the different ways in which studies have been used or omitted. On the other hand, it should be noted that the different steps in realist reviews do not need to be linear. Studies are returned to time and again.

*Synthesising the evidence*

To summarize, realist reviewers perceive the task of synthesis as one of *refining theory*. Programmes are assumed to be theories and theories are complex. Reviewers perceive different roles for individuals, teams, institutions and structures. Furthermore, programmes pass through many hands, unfolding over time as they are implemented through highly elaborate chains.

Realist review starts with a preliminary understanding of that process by bringing evidence to the ways of acting associated with the initial theories. It begins with theory and ends with more refined theory. Synthesis contributes with 'fine-tuning' the understanding of how the intervention works. Synthesis corresponds to making progress in explanation. Realist synthesis does not claim that it is possible to grasp the full complexity of programmes but rather attempts to contribute with an improved understanding of particular claims. It is important to remember that realist synthesis focuses on the programme theory rather than on the primary study as the unit of analysis and that it needs to interrogate and refine theory as synthesis progresses.

*Conclusions, recommendations and dissemination*

Realist review corresponds to recent changes in the relations between reviews and policy making. Commissioners of reviews become more involved in the production of the research synthesis and reviewers are expected to bring their technical expertise closer to the policy question.
It is here that realist review finds a strong entry point because it raises the status of *'linkage'* from a recommendation to a methodological requirement. The tasks of identifying the question and articulating key theories cannot occur meaningfully without the involvement of practitioners and policymakers. It is *their* questions and *their* assumptions about *how* the world works that form the focus of the analysis.

The conclusions of a realist review should take be a revision of how a programme was initially thought to work. The end product is a *more refined* theory rather than a final theory. It is open to context concerning the scope of the policy implications of realist review.

Findings can be *transformed into recommendations* if adequate care is taken. Also, in considering dissemination and implementation we should be aware that the implementation of the findings of a realist review is a complex process involving multiple actors, multiple processes and multiple levels of analysis. Implementation is about individuals, teams and organisations, taking account of all the complex and inter-related elements of the programme theory exposed by the review and applying these to their particular local contexts.

## j) Applications, scope and limitations

The relations between realist review and the policy domain require some final comments.

### *Realist reviews and policymaking*

Explanatory evaluations throw light on decision-making. The influence of research on policy occurs through the medium of *ideas*. This is particularly so if an evaluation checks out rival explanations (adjudication) which then justify taking one course of action rather than another (politics).

In short, what is reproduced is a whole series of decision points which an initiative has gone through and findings are used to alert the policy community of the considerations that should inform those decisions.

### *Realist reviews and the wider evidence base*

The complexity of contemporary problems is calling for *increasingly complex* forms of state response. Multi-site, multi-agency and multi-objective complex programmes are a clear example. If they are to be understood and improved, adequate knowledge has to be produced on the basis of a multifaceted body of evidence. It is not a question of commissioning more evaluations. Policy makers' efforts to keep in touch with the evidence base for their decisions need the right contributions from an evaluation strategy. That is the kind of challenge realist review can best contribute to.

As real time evaluation only enables learning after the implementation has finished, lessons only can be learned after decisions have been taken. The evidence base in policy-making requires that learning is based on *previous incarnations* of bygone interventions. The realist *disaggregating* of a programme into its component theories provides the impetus for a new look at how the evidence base is constructed. The programme theory is retained as the unit of analysis. As mentioned above, the only way to summarise the evidence on such programmes is to review the primary sources not study by study, but programme theory by programme theory.

### *Realist reviews and the design of future interventions*

Realist reviews are intended to be used in decisions on whether and how to implement future interventions. However, there is no assumption that any future intervention will be configured in the same way as the interventions included in the review.

The policy advice of realist review is passed on *phase by phase*, *theory by theory* (the best legislative framework to handle such innovations, the staffing and personnel requirements of such initiatives, the internal opposition, resistance and likely points of negotiation in such schemes, levels of cooperation required with outside agencies in delivering such programmes, etc.).  Repeating, the next incarnation of the intervention may not resemble closely any of the versions whose evaluations provided the raw material for the review. In this sense, realist review is inherently creative, establishing a unique link to the creative design phase of policy interventions.

## 5.2. The European Programme Poverty III and local anti-poverty action and policy implications

Some evaluation exercises of Poverty III will be 'revisited' below. They will rely strongly on the personal experience of the author of this work as a member of the Portuguese *'Research and Development Unit'* (RDU-Portugal). The personal commitment of the author in the very development of this experimental programme can be considered to be the major source of insights about it. The personal involvement of the author of these lines in the programme makes the assessment of results a complex exercise. They have to be understood as something that *also*

was *made* happen by the role he played in the development of the programme. But instead of seeing just a difficulty in this point, the option has been made to assume the inevitable subjective character of this personal experience and make it explicit here.

The programme will be analysed from the point of view of the contribution of its principles, strategies and objectives to the outcomes whose relevance is given by the central research problem of this work and the epistemological, conceptual and theoretical framework introduced above. The major insights came from an intensive interpersonal interaction with the other member of the RDU, the heads of projects, members of the operational teams and remaining members of the programme structures (European Commission, Central Unit, RDU from other countries, etc.).

The text was prepared strongly relying on materials prepared in the framework of the development of the current programme's activities (RDU contractual reports, theme papers, specific reports, etc.) and on documents prepared by the European Commission, the Central Unit, the Research & Development Units (RDU) of each country and the local projects. The documents prepared by researchers engaged in trans-national thematic research and by RDU and project's members involved in trans-national thematic working groups ('Habitat', 'Local Economic Development', 'Economic Integration', etc.) will be also used.

### 5.2.1. The programme and its context

The *'Community Action Programme to foster the Economic and Social Integration of the Least Privileged Groups'* (1989-1994) is commonly referred to as Poverty III. It was built on earlier Community initiatives known as the First (1975-1980) and the Second (1984-1988) European Anti-Poverty Programmes. It was larger and more ambitious than its predecessors. It was composed by 41 pilot projects: 29 'Model Actions' and 12 'Innovatory Initiatives'. The 'Model Actions' were area-based and were invited to experiment on the basis of Poverty III principles and the 'Innovatory Initiatives' looked for responses to the situations of specific groups.

The recognition of the limits of conventional social policy in the late 70's lead the European Commission to initiate the promotion of experimental anti-poverty programmes that lasted from 1975 to 1994 (Poverty I 1975-1980, Poverty II 1984-1989 and Poverty III 1989-1994). These programmes aimed at contributing to a higher public *awareness* concerning today's problems of

poverty and social exclusion, promoting *innovation* in anti-poverty action and preparing *policy recommendations* at European, national and local level. In these programmes, action at *local level* was emphasized in what concerned specific anti-poverty action. And, as the demands and conflicts emerging from poverty are primarily linked to the local state, *Municipalities* were strongly encouraged to play an increasing role in anti-poverty action. As mentioned above, this phase was strongly influenced by a growing consensus according to which, to understand poverty as a *residual* phenomenon of growth and to understand anti-poverty action as *deprivation-oriented* income support will be *ineffective* and financially *unsustainable* by means of compensatory measures.

As was already politically recognized, reformulation of conventional economic, social and spatial policies is required if significant changes are to be achieved in the European context of poverty. This perspective reached its highest formulation in the White Books on *'Growth, Competitiveness and Employment'* (1993) and on *'European Social Policy'* (1994). The *interdependence* among policies was a key issue. The economic dimension of anti-poverty action was seen as a condition for overcoming deprivation-oriented income support (therefore the claim for *active* social policies and *beyond* social policies) and social cohesion was seen as a condition for global competitiveness.

Four Portuguese projects are included in POVERTY III. Three consist of Model Actions and one of an Innovative Initiative: *"Mundo Rural em Transformação"* (Almeida) (Model Action 22), *"Aldeias de Montanha Apostam no Desenvolvimento"* (Covilhã) (Model Action 23), *"Zona Histórica de Sé e São Nicolau"* (Porto) (Model Action 24) and *"Trabalho de Rua com Crianças em Risco ou Situação de Marginalidade"* (Lisboa) (Innovative Initiative 38).

The two rural Model Actions were situated in the regional periphery of the country. The urban Model Action covers two civil parishes of Porto in the town's historic centre, a highly degraded area. The Innovative Initiative was located in Lisbon and its activity was centred on the 'street children'.

The Portuguese projects developed innovative strategies that are likely to be adopted more widely. Important efforts have been dedicated to a deeper understanding about the reality of poverty and social exclusion as well as to the insufficiency of conventional statutory practice in

dealing with those problems. Some innovative solutions were tested as will be seen below and the projects showed that more adequate forms of practice are possible.

The "Covilhã" project faced a very troubled development almost since its very beginning and only found some stability shortly before the end of the 3rd contractual period. From the 'crisis' situation experienced by the project one can learn how complex it can be to involve in an European initiative, national social agents with conflicting rationalities or short-term 'alliances' far beyond their apparent political interests. The situation also showed how relevant roles the local civil parishes can play, even if in this case it was demonstrated in a negative way. Finally, it also showed the relevance of 'animation' in an experimental programme like this. The central role played by 'concept-dependency' leads to the fact that the same 'words' can be used in rather different ways and radical misunderstandings can blockade the experimental character and the global challenges implicit in a Programme like Poverty III.

### 5.2.2. Objectives, principles and procedures

Poverty III was conceived as an experimental programme explicitly aimed at innovation in anti-poverty action.

**a) Objectives of Poverty III**

It at aimed at contributing to a higher public *awareness* concerning contemporary problems of poverty and social exclusion, promoting *innovation* in anti-poverty action and preparing *policy recommendations* at European, national and local level. In these programme, action at *local level* was emphasized in what concerned the specificity of anti-poverty action.

**b) Programme's principles**

Poverty III proposed that experimenting for innovation should follow 'principles'. 'Multidimensionality', 'Partnership' and 'Participation' were those principles.

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*Multidimensionality*

Multidimensionality was suggested as guiding force for action. The causes of poverty and social exclusion were recognised to be multifaceted, so strategies to combat it should be multidimensional.

*Partnership*

Partnership was foreseen as a means of mobilising into a new relationship a wide range of bodies in a concentrated and concerted action against poverty. This had a formal expression as the projects hat to establish a 'Steering Committee' which took the direct responsibility of developing the project. These partnerships should involve local residents as well as employers and unions.

*Participation*

Participation should represent the active opposition to exclusion and offer an educational process. The direct involvement of the target groups was seen as facilitating the process of economic and social integration.

**c) Programme's assumptions**

Two basic assumptions underlie the design of Poverty III.

*Scale of intervention*

Poverty III was designed on the basis of the assumption according to which the widening of the territorial scale of intervention would be needed in order to contribute to better results in anti-poverty action ('natural scale').

*Concentration of resources*

Poverty III was also designed on the basis of the assumption that the concentration of resources could ensure better conditions for experimentation.

**d) Programme's structures**

The European Commission established the structures that would ensure the adequate development and management of Poverty III understood as experimental programme aimed at innovation in anti-poverty action. Poverty III was managed directly by the Commission with the support of a management and administration group (EEIG A&R (Lille and Brussels). This group engaged a number of European consultants and constituted a Central Unit which was in charge of evaluation, publications, research and trans-national exchanges. The Central Unit cooperated with a network of nineteen national experts who constituted 'Research and Development Units' (RDU) for one or more countries.

*The role of the RDU*

The 'animation' activities involved regular visiting of the projects working with partners (members of the 'steering committees) and staff members , organizing 'thematic working groups' with project's members on specific themes ('economic integration' and 'evaluation') as well as cooperating with the organization of 'thematic seminars' ('Poverty, Culture and Development', 'Partnership and Social Partners', 'Local Employment Initiatives and the Fight Against Poverty and Social Exclusion' and 'Participation'

The relationship between the RDU and the projects has passed through diverse phases. According to the various objectives of assistance to the projects, one can distinguish regular visits and meetings with the members of the steering committees, heads of the projects and members of the staff, sessions of problem-solving and thematic meetings.

With regard to the thematic seminars, the RDU tried to stimulate discussion, debate and analysis on the basis of common themes, thus contributing, in a more indirect way, to reinforcing the thinking on going experiences. Besides the topics suggested by the main principles and approaches of the programme, some initiatives have been taken to discuss existing experiences on poverty in different contexts and on themes closely related with it (for instance local development).

In short, the role of RDU was played between two directions: on the one hand, by playing attention to the principles and objectives of the programme and, on the other hand, by facing the particular situation of the projects. During the regular visits to the projects, the RDU suggested meeting diverse bodies either of the team (operational and the planning evaluation and research staff) or of the steering committee and management of the project.

**e) Programme's procedures**

*Programme's 'animation'*

Possibly, the most distinctive character of Poverty III relied on its internal 'animation' procedures. The European Commission established the structures that would ensure the adequate development and management of the programme. Poverty III was managed directly by the Commission with the support of a management and administration group (EEIG A&R (Lille and Brussels). This group engaged a number of European consultants and constituted a Central Unit which was in charge of evaluation, publications, research and trans-national exchanges. The Central Unit cooperated with a network of nineteen national experts who constituted 'Research and Development Units' (RDU) for one or more countries.   The 'animation' activities involved regular visiting of the projects working with partners (members of the 'steering committees'), heads of projects and  staff members; organizing 'thematic working groups' with project's members on specific themes ('economic integration' and 'evaluation'); and cooperating with the organization of 'thematic seminars' ('Poverty, Culture and Development', 'Partnership and Social Partners', 'Local Employment Initiatives and the Fight Against Poverty and Social Exclusion'  and 'Participation').

The European Commission, the Central Unit and the RDU met every third month and discussed the programme's development at European, national and project level.

*Programme's evaluation*

Evaluation played a very relevant role in Poverty III due to the experimental character of the Programme (O'Cinneide 1992). Evaluation played a relevant role *both* as a management tool and as a process of systematic analysis in relation to the project's and programme's achievements.

This understanding of the place of evaluation in Poverty III was already contained in the EC Council's decision of the 18th July 1989. On the basis of experimenting new anti-poverty strategies in the local pilot projects (model-actions and innovatory initiatives), evaluation should be able to provide information on poverty and lessons for policy makers).

Evaluation in Poverty III was closely linked to 'animation' at project level as well as at the level of the RDU and of the Central Unit. It was supposed to help to assure coherence in ideas and strategies to the whole programme linking its overall strategy as specified by the European Commission to the implementation of the programme by the projects.

Evaluation in Poverty III had a different emphasis from, for example, evaluation concerning the structural funds. It is an ongoing evaluation to ensure the Programme's coherence. The diversity of projects and of local and national contexts, the integration of action and evaluation, the decentralisation of resources and responsibility, and its explicit policy relevance all contributed to define the distinctive feature of Poverty III. Evaluation in the Programme used mainly qualitative criteria.

Poverty III was currently evaluated at local, national and Community level. The success of evaluation in Poverty III was strongly dependent on specifying and clarifying the crucial questions concerning the above mentioned three levels.

*Evaluation at national level: the role of the RDU*

Evaluation exercises took different forms and emphasis according to the kind of evaluation problems to be solved. The guidelines and questions suggested by the Central Unit were taken as the framework of reference for the following notes.

The functions of the RDU follow the evaluation 'model' of Poverty III. Evaluation at national level has a different character from self-evaluation at project level and from global evaluation at European level. The analysis of the specificities of national context, the promotion of self-evaluation results in order to assure legitimacy and credibility to the programme's results and the evaluation of national conditions concerning the preparation of "transferability" and policy impact can be said to be the crucial issues to be kept in mind. The comments below are based on the experience of the RDU Portugal.

*Support to self-evaluation*

Self-evaluation at project level plays a crucial role in the evaluation of Poverty III. First of all, the RDU had to ensure that the very idea of self-evaluation would be understood and accepted in the framework of the programme's development. Secondly, the RDU had to ensure that self-evaluation was being developed, that the most adequate methodologies were followed and that their results were integrated in planning activities.

In order to prepare the evaluation of Poverty III at the national level, the RDU Portugal discussed with the projects the specificity of its role in evaluating the projects and the programme within the national context. Several meetings have been organized, an inter-project working group on the theme was 'animated' by the RDU and a systematic debate was held by the RDU aiming at a global and common understanding of the role of evaluation issues having in mind the national contribution to the global experimental effort associated to this initiative of the European Commission.

The RDU prepared together with the projects specific guidelines to the self-evaluation activities and asked the projects for additional information concerning their local context and activities. The RDU put an important emphasis on the role played by the conceptual and theoretical framework of reference followed by the projects. To analyze potential changes in the poverty situation of specific groups or to evaluate the coherence of the objectives and strategies of locally based anti-poverty action needs clear concepts and theoretically based assumptions. Furthermore, as Poverty III is based on local projects, the relationship between 'impoverishment' at the individual or at the household level can hardly be isolated from general phenomena of 'regional disintegration' at the level of the local community. The concepts of 'poverty, 'deprivation' and 'local underdevelopment' (Henriques 1990a, 1990c) had to be first clarified in order to achieve coherence in evaluation. On the other hand, the success of evaluation needed the formulation of precise questions and this depended on the problems raised by action.

Concerning self-evaluation activities, the specific contribution of the programme's principles should be analysed in the context of three specific issues. In conformity with the guidelines offered by the Central Unit, the following additional issues have been suggested by the RDU:

- the coherence of objectives and strategies should be analyzed in order to identify the specific contributions of alternative strategies of articulating social action, economic integration and local development;

- the 'net effects' of the project's activities should be assessed by means of 'triangulation' combining qualitative and quantitative methods (Bamberger et al 1986; OECD 1990); qualitative analysis should be given priority as a starting point to identify causality connections in assessing "induced" actual changes in the poverty situation of the members of the target groups or of the territorial community as a whole; quantitative analysis should provide information concerning the extension of the identified relations by means of causal and structural analysis (Sayer 1984); displacement and substitution effects should not be forgotten;

- the implementation process of project's strategies should be analyzed within a global understanding and a broad concept of "resources management and mobilization"; what has been called the EC 'affluence' of Poverty III projects should be counteracted by means of demonstrating that eventual better results of the projects when compared to more conventional approaches may be less dependent on their affluence than on the quality of the methodology followed; "invisible" and "informal" resources should be identified; the potential mobilizing effect of partnership, "multiplying" European and national financing should be analyzed with detail.

*Data collection from projects*

The RDU have to collect data in order to assure the project evaluation at the national level. Beside the contractual reports prepared by the projects, the RDU may need additional information. In cooperation with the projects this information should be collected.

Concerning the information needs of the RDU Portugal, the projects were asked to report about:

- changes in the local context identified as being related to the local impact of the single market as well as initiatives of the European Commission being developed in the project area (specific programmes);

- success stories of the project's action where its "impact" should be described and analyzed; success stories to be chosen should be particularly adequate to show the potential quality of the most innovatory aspects of the project (according to project's criteria);
- examples of "net effects" favoured by the Programme's principles;
- changes in the functioning of local institutions, not being directly involved with the project's activities, but that can be identified as an indirect influence of the project;
- examples of replication of the "project's discourse" (political speeches, local leaders, media, etc.);
- examples of the understanding (and misunderstanding) of the programme's and project's rationale by local leading social agents;
- local initiatives that may be considered to be an indirect result of the animation activities developed by the project in the local community.

### 5.2.3. Overall 'strengths' and 'weaknesses' of Poverty III in Portugal

It is significant that the projects made possible the creation of new organizations where new ways of negotiation and diverse complementarities towards objectives and strategies have been explored. One should mention as an important contribution of the organizational structure, the emphasis on the need of more participating bodies and practices as well as the appeal for an active involvement of civil society (via diverse institutions, organizations, groups and social movements) in combating poverty and exclusion. A synthetic overview of the strengths and weaknesses of Poverty III will be recalled in this moment (RDU 1993; RDU 1994).

**a) Major strengths**

The projects have shown an important capacity to gain a rich and irreplaceable *knowledge* about the complexity of interdependent economic, socio-cultural and institutional factors leading to 'impoverishment and social exclusion.

The projects also gained knowledge about the internalization of those constraints in such a way that the poor and excluded are put in a position of *reproducing* by their behaviour and attitudes the very mechanisms of their own impoverishment and exclusion (negative attitudes of families

and children towards the usefulness of school; school abandonment and children labour, volunteer unemployment because of official wages above the poverty line, etc.).

The projects showed by their gained knowledge that there are reasons for *greatest concern* in what relates to the economic effects of the accomplishment of the internal market and of the economic and monetary union.

Dramatic changes in the rural world associated with agricultural common policy, bankruptcy of firms and industrial restructuring are phenomena that start now to gain a wider dimension. The late evolution of the Portuguese economy is illustrative. However, the crucial point to stress is the tension between the absolute need of state intervention and the dramatic *insufficiency* of welfare policy to face the enormous challenge that is approaching. The projects show with very well prepared examples how these issues combine in everyday life of the poor and excluded.

The projects also showed how major changes in anti-poverty policy were *blocked* by *conventional* assumptions, ideas and methodologies underlying welfare policy. At least as important as the role of financial resources in financing statutory intervention, new *concepts* and new *methodologies* would help to reach crucial changes in favour of the poor and the excluded.

Anyway, in contradiction with some ideas still prevailing in the country, the reinforcement of the role of the state in combating poverty seems to be *inevitable*. The very low level of pensions, the economic dependency of poor peasants and small farmers to assure the commercialization of their products at final market consumer prices and the dependency of wage labours from institutional regulations concerning not only low wages but the hole range of constraints that unable them to have the right to welfare mechanisms (unemployment subsidy, pension, social protection in illness, etc.) are just a few examples.

However, these few examples are enough to illustrate the *interdependent* character of social policy, economic policy and regional policy and to show the inevitability of an actively promoted development policy that can assure that kind of answers in an integrated way at local level;

The projects also showed that an active involvement of the kind of NGO's that are in Portugal currently associated with the delivery of social services (IPSS) is neither *enough* to assure a higher representation of the poor neither a *better quality* in services provided to the poor. They showed an important limit in anti-poverty fight also due to their reproduction of the Portuguese tradition of associating anti-poverty action with deprivation oriented charity. Those organizations are strongly *dependent* on state financing (80% of their overall budget). They cannot substitute state intervention in fields were the poorest cannot have access to their services and where constitutional rights cannot be forgotten. They showed an important difficulty in acting as partners in anti-poverty fight and often fight for a status of legitimate representative of target groups in order to have access to programme resources.

Poverty III projects also showed in their day to day experimental activity how the very nature of conventional state organization and policy making is *not* currently facilitating anti-poverty fight. Social policy does not facilitate project's objectives and strategies aiming at the promotion of development (the links between social action and development animation, when job creation cannot be assured by the labour market, vocational training is not prepared to other forms of activity and potential resources of poor people remain under mobilised, etc.). Economic policy does not help to articulate with social policy the available and conventional instruments (the access to credit in order to follow the animation of entrepreneurial initiative among poor people, etc.).

At local level, projects were confronted with the *lack* of social movements with which the values, assumptions and concerns of Poverty III might have been shared with. The public and political debate still refers to poverty as a residual phenomena caused by the backwardness of the country and, as such, a residual problem conceptually associated with misery and consequently to be fought against by means of social policy and charity by the civil society.

The projects also revealed that one of the most important *strengths* of Poverty III was its *'innovative'* character. Even if many professionals and fieldworkers do not consider some projects activities as particularly innovator, the programme revealed an important capacity to introduce a space for debate and practice in the national context where national innovation had the opportunity to gain another visibility, could be mentioned in relation to a new terminology and could be 'legitimated' by the European initiative.

The innovative character of Poverty III actually associated an open space for debating innovation in social policy and for analyzing 'conditions of possibility' for the emergency of 'social experiments' that could gain model character in discussing possible alternative development 'styles' within the European structural framework.

The *local* character of Poverty III projects was also one of its major strengths. The projects revealed a good capacity of associating global and structural issues with their local specificities and lived multidimensional aspects. Local projects demonstrated that it is possible to assure an adequate methodology to increase the knowledge about structures and mechanisms of 'impoverishment' and social exclusion, about the nature of the insufficiency of sectoral and segmented conventional statutory practice and about the 'experimentation' of new models of intervention assuring answers to poverty and exclusion.

In organisational terms, Poverty III contributed to innovation. The claim for independence and autonomy of the projects lead to the experimentation of *new* institutional solutions. It was very important that the projects could give evidence that 'it works' and that it is possible to create new organizations on a territorial basis by means of which negotiated and complementary objectives and strategies can contribute to a more efficient functioning of statutory organizations (demonstrating that a better functioning is not necessarily a question of higher budgets) and a more effective way of dealing with traditional and emergent poverty and exclusion.

The projects also proved that different *party-political* arrangements are possible and that negotiated forms of organizing the *multilevel* differentiation of public competencies between the central state and the local state are also possible. Furthermore, the projects opened the way for more *participatory* practices and to an active involvement of the different institutions and organizations of the civil society in the fight against poverty and exclusion.

In a restructuring and eventually recessive structural global economic context, this kind of social innovation may lead to an active involvement of the two sides of industry *as well as* other organizations of the social economy (associative insurance organisations, cooperatives, associations, etc.). The negotiation of collective dismissals following restructuring processes could be integrated in such a way that new job creation for unemployed might be linked to specific solutions prepared in such a framework.

*Multidimensional* approaches were actually experimented by the projects. This lead to a better understanding about the need and the possibility of closer intersectoral cooperation, central-local cooperation in statutory practice and the possible identification of ways aiming at a full commitment of the civil society, namely of those organizational forms corresponding to the exercise of citizenship by the poor.

The innovative character of Poverty III associated to an explicit concern with the poor and the excluded created an open space for '*social experimentation*' and for *hope*. The terminology used by the projects ('life project', II38; 'hope project', MA24) in association with the experimentation of different forms of participatory involvement of the poor in the project's activities contributed to that perspective of change and social progress. The local development perspective introduced by the Programme in order to locally 'induce' territorial changes able to assure persistent changes in the poverty situation of the target groups was crucial.

Another major strength of Poverty III relies on its explicit experimenting of possible roles and involvement possibilities for the *civil society*. The poor were themselves considered to be *agents* of social reproduction and to be the agents of the reproduction of values, concepts and attitudes that are based on dynamic forms of community interdependency, household division of labour, passive resistance strategies and survival strategies which are not based on dominant values and ideas. Poor communities develop a particular knowledge and wisdom concerning survival needs in an excluding society. Poverty III created the opportunity for bringing together multidimensional perspectives concerning "*Weltanschauungen*" and putting in question any form of ethnocentricity which may not lead to plain understanding of the citizenship of the poor and the excluded in an open, democratic and multicultural society.

**b) Major weaknesses**

The kind of *knowledge* needed by the challenges issued by Poverty III has *difficult* answers by means of *conventional* research to be developed in the context of project activities. Disciplinary divisions as well as positivistic traditions create an important obstacle to the possible usefulness of conventional research to the project's objectives and strategies when they tried to develop multidimensional approaches.

The full implications of the *local* character of Poverty III projects were not sufficiently debated. This issue is particularly important, as, in relation to Poverty II, Poverty III should test a higher concentration of resources and a wider territorial scope of intervention. The appeal to link solution-actions to preventive-strategies in the projects, created an enormous challenge of assuring the conceptual integration of anti-poverty strategies with locally induced persistent territorial changes.

This has not been assured up to now in the scientific debate and it combines the complex analysis of statutory practices 'producing' *as well as* combating poverty and exclusion; important difficulty in assuring the integration of the fight against deprivation (to change living conditions) with the fight against poverty and exclusion (to change the resource base of the poor as well as their role in society in terms of citizenship) and with changing the economic, socio-cultural and institutional excluding processes.

To achieve *actual* changes in the poverty situation of the target groups cannot be dissociated from the possibility of introducing changes in the process by which the local community is integrated in the spatial division of labour. This means the possibility of locally reinforcing the possible *control* over 'regional disintegrating' economic, socio-cultural and institutional mechanisms as well as the possibility of *locally 'inducing'* the control of local resources and the community animation towards initiative, innovation in production and small scale solidarity.

As a target oriented approach, Poverty III introduced *too little* about the conceptual and policy problems of local and regional development. This is even more true in what relates to urban projects where the assumptions relying conventional ideas, concepts and theories assume there is not a development problem to solve as urban areas, by definition, are considered to be 'developed' and the spatial origin of the spatial diffusion of the benefits of growth.

Anyway, it is important to stress, that Poverty III was based on the assumption that project's strategies were supposed to assure 'induced' changes in the persistent poverty and exclusion situation of the target groups. Therefore, it assumes that anti- poverty fight may correspond to the need to use local competencies in order to assure an effective fight against 'exogenously' induced impoverishing and excluding processes. So, the role of *local governments* (the only entity with local territorial competencies concerning the control of the use of resources) is central in Poverty III assumptions.

This also means that Poverty III may be associated with *tensions* between central and local governments and that party- political different majorities between central and local governments may lead to particular forms of understanding and reacting upon that tension; spatial differentiations in the position of the very same parties also reflect the complexity of the territorial organization of sectoral interests in society in the way they are reflected in relation to the state or within the same state.

The innovative character of Poverty III did *not* appear sufficiently articulated with national specificities of poverty and social exclusion and conventional anti-poverty action. In Portuguese conditions, where welfare policy still reveal dramatic insufficiencies, the promotion of the involvement of civil society could be understood just as a form of substituting state responsibility concerning fundamental rights. The essential effort has to rely on *statutory practice* as traditional poverty is still dominant, representing a very high percentage of the population and it cannot be demonstrated that it is only due to a problem of development and backwardness.

As the state participated in a dominant way in Poverty III partnerships, the innovative possibilities of the projects were *dependent on* the specific rationality of the dominating 'partners'. As the 'steering committees' had the formal power to dismiss the heads of projects and project's staff members, the actual results of projects experimenting possibilities was very much dependent on how Poverty III assumptions and principles were understood and linked to the specificity of the local context. Innovator practices that may question more conventional ones of relevant partners may become difficult to be further developed.

As partnerships were supposed to represent the institutional form for institutional cooperation (multisectoral or multilevel) with the eventual participation of the target groups and social partners, the tensions between central and local governments tend to be reproduced *within* partnerships. Poverty was too much based on the assumption that there will be 'good-will' to assure institutional cooperation; more attention had to be thrown to the identification of those territorial entities that may be able and prepared to animate or claim for an integrated experimental form.

The tensions between central and local governments reproduce contradictory sectoral interests in society; the assumptions and implicit values of Poverty III relied on the possibility of anti-poverty fight when this fight is *not* the result of organized poor themselves. The

development of their participation possibilities as well as there capacity to assume a plain exercise of their rights, has to admit the possibility that *other* organized interest are able to play that role.

However, the actual project's organization reflected the assumptions that there will be *enough* good will of statutory organizations; it was missing a focus on the *potential* and *limits* of anti-poverty combat if exclusively based on *local* competencies and resources.

It is crucial issue concerning the active role of local authorities and the possibility of linking anti-poverty action with their development efforts. That can easily be the case if committed local governments represent a local *majority* of poor and excluded citizens and promote the mobilization of their local communities in order to face the negative effects of macroeconomic or sectoral policies or to face an inadequate national policy response to the European challenges of the accomplishment of the internal market or the economic and monetary union.

The assumptions, values and concepts on which Poverty III was based relate to the possibility of opening a space for social experimenting models of an understanding of development issues that *cannot* be dissociated from fundamental social issues. This way of reasoning corresponds to a way of reasoning that is not conventional and just a few individuals that are in a position of playing an important role in Poverty III were able to understand. Thus, decision-making in Poverty III projects, and therefore the major challenges introduced by the Programme in the country, were dependent on particular *individuals* that could *not* be in a position of giving the needed response.

### *5.2.4 Programme's outcomes at national level: experimentation and innovation in Portugal*

Poverty III is an experimental programme aiming at the promotion of innovation in anti-poverty action. Its experimental character is directly related to the specific competencies of the European Community in this domain. Before addressing more global issues concerning experimentation, it will be important to start with a brief overview of the understanding of experimentation and innovation in Portuguese projects. An overview of experimentation and innovation in Portuguese projects was already presented elsewhere (Henriques 1994) as contribution to the thematic evaluation of Poverty III on this issue (Abou Sada 1994).

**a) Experimentation and innovation in Portuguese projects**

Experimentation and innovation are understood in different ways in the Portuguese projects. The RDU asked the projects to identify the aspects considered to be the most innovative from their own point of view.

*'Almeida' project*

The project stressed:

- the development 'model' and strategy followed (development 'model', integrated planning, linking integration of target groups to local development, resources concentration, partnership, involvement of local associations at the level of the villages, etc.);
- The animation methods used (mobilization of local leaders, municipalities, associations, welfare services, seminars, etc.);
- The creation of new structures already tested elsewhere (vocational training, agriculture advice, development agency, cultural animation, centre for informing youngsters about vocational training possibilities, eco-museum, etc.);
- the conceptualization of mobilization and valorisation of resources (local research, identification of levels of deprivation and development potentials, building of a partnership with priority to local associations, 'food on wheels', technical support, etc.);

*'Porto' project*

The project identified as major fields of innovation:

- the creation of a communitarian residence and the methodology followed to assure its participative self-management;
- the creation of the Community Centres of Information and Reception (CIAC), organizations that are based on intersectoral coordination and are enabling a household oriented approach instead of an individual oriented approach;
- the rationale for the relodging process in the project area, offering new differentiated criteria based on needs, deprivation and rooting in the project area;

- the animation of workshops (film, video, music, etc.) which are revealing to be unique opportunities to animate the participation of the target population, to develop a critical understanding about their reality and to introduce informal opportunities for learning and having access to vocational training, etc.

*'Lisbon' project*

Asked to identify its most innovatory aspects, the project showed in its report for the 4th contractual period the parts of the text which are considered to reveal the project's understanding of innovation:

- the contact with street children based on a 'centred' approach, on the quality of the interpersonal relation between the street animators and the street children and on the assumption that this quality will facilitate its 'change' towards an alternative 'life project'; the contact with the families of the 'street children' in order to help them to accept the 'new' 'life project' of their children;
- the creation of non conventional services (street school, street nurses, etc.);
- the building of an informal partnership as a result of their animation of local institutions working in network;
- the organization of regular self-evaluation meetings including the whole operational team (street animators, technicians, project leaders);
- the 'economic integration' of the street children already developing a new 'life project' by means of receiving training working in firms;
- the community residence for youngsters stabilized in the so called 'integration phase'.

**b) The sense of 'experimentation' and 'innovation' in Portuguese projects: some short comments**

'Experimentation' and 'innovation' are hard to define in absolute terms. Anyway analyzing the way they are being understood in Portuguese projects, one may find quite different approaches:

*"Almeida" project*

Innovation is understood as an opportunity to bring to the local 'underdeveloped' context a combination of professional expertise already tested elsewhere with ideas of the members of the planning and programming team aiming at the creation of new approaches at national level.

The crucial aspects associated with innovation are not considered to be an expected result of experimentation. 'Exogenous' experts are the source of the innovation to introduce in the local context. Even the preparation of an eventual alternative development 'model' for rural areas was based on the involvement of national experts with very little knowledge about the local context and the specificity of the challenges of Poverty III.

There is a formal openness to evaluation among the members of the technical team and of the 'steering committee'. Impact evaluation is being difficult to accept.

*"Porto" project*

Innovation is understood as an opportunity of animating the full range of ideas and perspectives developed and debated among highly skilled and engaged professionals in the domain of social service and sharing a 'professional culture' closely linked to the global changes lived in the country after April 1974.

Experimentation is basically associated with the animation of new solutions and very much dependent on the skills, imagination and commitment of the members of the technical team.

The operational team is quite open and engaged in evaluation. This position cannot be found among the members o the 'steering committee'.

*"Lisbon" project*

Innovation is understood as the opportunity to give form to ideas developed by the project leaders along their personal and professional lives and very much influenced by a deep understanding of the limits of conventional administrative and bureaucratic approach to social problems.

The project reports mention the word 'experimentation'. However the attitude of the project leaders towards evaluation is not coherent with it.

**c) Experimentation and 'crisis' in Portuguese projects**

The two most important 'crisis' lived by the Portuguese projects were directly linked to the experimental character of the programme:

*"Covilhã" project*

Misunderstandings concerning the nature of the challenge implicit in Poverty III lead national authorities to interference in the project development that almost caused its closing. It was not accepted that infrastructures could not be directly financed by an anti-poverty programme and it was not accepted that the budget of the project would only finance activities.

*"Porto" project*

The local expression of a central decision from the Portuguese government lead the leading partner of the steering committee to a decision which was against the experimental character of the action that was being developed.

*"Lisbon" project*

The project lived important 'crises linked to the role of staff members in trying to introduce the debate about fundamental issues concerning the project. Also the relationship with the RDU has recently known negative developments that may be related to the emphasis that is being put on the need of actual results from evaluation.

**d) Experimentation and the 'strengths' and 'weaknesses' of Poverty III in Portugal**

Some aspects concerning the 'strengths' as well as the 'weaknesses' of Poverty III in Portugal can be also related to its experimental character.

*Strengths*

The projects are revealing that one of the most important strengths of Poverty III is exactly its 'innovative' character.

Even if many professionals and fieldworkers do not consider some projects activities as particularly innovator, it is revealing an important capacity to introduce a space for debate and practice within the national context where, eventually, innovative aspects concerning national specificities may gain another visibility, may be referred to with a non conventional terminology and 'legitimated' by the European initiative.

The innovative character of Poverty III actually associates an open space for debating innovation in social policy and for analyzing 'conditions of possibility' for the emergency of 'social experiments' that may gain model character in discussing the actual expressions of possible alternative development 'styles' within the European structural framework.

In organisational terms, Poverty III is actually contributing to innovation. The claim for independence and autonomy of the projects are leading to the experimentation of new institutional solutions.

It is very important that the projects are proving that 'it works' and that it is possible to create new organizations on a territorial basis by means of which negotiated and complementary objectives and strategies can contribute to a more efficient functioning of statutory organizations (a better functioning is not necessarily a question of higher budgets) and a more effective way of dealing with traditional and emergent Poverty and exclusion.

However, it also proves that different party-political arrangements are possible as well as negotiated forms of organizing the multilevel differentiation of public competencies between the central state and the local state.

Furthermore, it opens the way for more participatory practices and to an active involvement of the different institutions and organizations of the civil society in the fight against Poverty and exclusion.

The terminology used by the projects (*'life project'* in "Lisbon" project; *'hope project'* in "Porto" project) in association with the experimentation of different forms of participatory involvement of the poor in the project's activities contributes to that perspective of change and social progress.

The local development perspective introduced by the Programme in order to locally 'induce' territorial changes able to assure persistent changes in the Poverty situation of the target groups seems to be one of its richest dimensions within the Portuguese context.

*Weaknesses*

The innovative character of Poverty III does not appear sufficiently articulated with national specificities of Poverty and social exclusion and conventional anti-poverty action.

In Portuguese conditions, where welfare policy still reveal dramatic insufficiencies, the promotion of involvement of the civil society may be understood just as a form of substituting state responsibility concerning fundamental rights.

The essential effort has to rely still on statutory practice as traditional Poverty is still dominant, representing a very high percentage of the population (about 30%) and it cannot be demonstrated that it is only due to a problem of development and backwardness of the country.

As the state participates in a dominant way in Poverty III partnerships, the innovative possibilities of the projects are dependent on the specific rationality of the dominating 'partners'.

As the 'steering committees' have the formal power to dismiss the heads of projects and project's staff members, the actual results of projects experimenting possibilities is very much dependent on how Poverty III assumptions and principles are understood and linked to the specificity of the local context. Innovator practices that may question more conventional ones of relevant partners may become difficult to be further developed.

**e) Experimentation and specific European anti-poverty action: issues for a debate**

*Experimentation and local action*

The local character of Poverty III projects associated to its experimental orientation towards the promotion of innovation in anti-poverty action introduces a very rich approach. Actually the social and spatial logic of 'impoverishment' processes can only be studied in the context of real interactions.

However this has fundamental methodological implications. As a method, local analysis corresponds to the attempt to address the complexity of spatially intersecting causal processes, thus paying attention to the spatial ranges of causal elements. Understood as such, it is a methodological approach which offers the opportunity of addressing a territorial approach to regional development issues and, by doing this, offering a methodological possibility of examining processes and interrelations of causal entities in different spheres (formal economy, civil society, state, etc.).

They correspond to processes which cannot be reduced to matters of territorial scale of analysis and intervention. The 'local' character of projects expresses itself as the most adequate methodology to link 'structuration' and 'action' in understanding the relation between global structures and mechanisms and local 'impoverishment' and 'social exclusion' and in understanding the rationality of statutory forms underlying its 'production', its official perception in discourse and the chosen forms of anti- Poverty action.

The Portuguese projects are gaining a rich and unique knowledge about the complexity of 'impoverishment' and social exclusion, namely, in what concerns the relationship between  the functioning of global structures and mechanisms (low income, precariousness, unemployment, etc.) and the 'survival strategies' of the poor ('volunteer' individual unemployment in order to have short term access to money to pay medical care through the informal economy, prostitution being abandoned and substituted by drug traffic, parents stimulating school leave in order to maximize short term access to money, etc.).

By means of being able to analyze actual behaviour and attitudes in the context of the 'existential reason' and 'practical consciousness' of the poor, the projects are more able to identify the possibility for persistent changes in relation to unmet basic needs, deprivation and resource basis. Analyzing those conditions of possible change, recommendations can be made about non-local action in the domain of policy.

*Experimentation and Poverty III principles*

Experimentation is clearly being stimulated in the Portuguese projects by principles like multidimensionality and participation. But partnership can play a blockading role.

Anti-poverty action has a heavy 'symbolic' weight. The very idea of 'experimentation' can be hard to admit. If it is a domain of action with priority there is no 'time' for 'experimentation'. It is to 'serious'. Also because the issue is supposed to be sufficiently known and the kind of action which is needed is also admitted as clear. There is no space for a possible 'non-success'.

The individuals representing the formal partners are seldom prepared to the kind of challenge implicit in Poverty III. They also are seldom invited to participate in trans-national animation activities of Poverty III. The need of introducing fundamental changes in welfare policy is seldom understood. It is seldom understood that poverty is not only a problem of 'backwardness'.

According to national conditions, the problem is seen as a consequence of insufficient statutory responsibility in social protection and development promotion. It has been very difficult for partners and target groups to understand that projects should not have an answer concerning infrastructure, for example.

But Poverty III terminology is being adopted. However, it is being adopted often as a way to legitimate conventional practice with 'new' words. An example for that may be the adoption of multidimensionality when referring to inter-sectoral coordination in response to deprivation. Issues concerning resources or citizenship remain excluded.

Anyway, the partners representing the local state and the local civil society do not represent the majority of partners in Poverty III projects. Partners more likely to reproduce a local territorial rationality are not dominantly represented. This means a difficult articulation of the local territorial identity of target groups and the institutional and organizational innovation possibilities in order to assure in the future the local self-sustaining anti-poverty strategies and their integration in local development processes. This may reinforce an attitude towards the local character of the projects more likely to understand it as local arena for 'exogenously' induced strategies without the local self-empowerment possibilities.

The role of this kind of partners seems to be crucial in terms of Poverty III as institutional cooperation is not likely to happen spontaneously, as the participation of the target groups has to be stimulated and some form of territorial animation and demand has to be organized and institutionally represented in order to achieve coherent and integrated multidimensional anti-Poverty action.

However, the projects are also proving that partnerships may be transformed by the very development of the project's strategies and that they may be seen as objectives to reach and not strictly rigid points of departure. The partner's rationalities may change as the individuals representing them also may change in the course of action itself.

Small partnerships, directly involving local social agents with local territorial rationalities may contribute to some further development in this direction and gradually integrating the whole representative local social agents. Formal links and more complex articulation possibilities can be raised and the experimentation of 'negotiation' and 'mutual interest' and coordinating action may lead to new forms of developing central-local, intersectoral and state-civil society action possibilities in anti-poverty combat, development promotion and territorial planning.

Individuals representing partners are seldom in the position of assuming the full responsibility of the challenges issued by Poverty III. However, they have the power to dismiss the head of project. This is particularly problematic to the experimental character of Poverty III. Especially in a country where a National Anti-Poverty programme was simultaneously being developed. This experimental character was very difficultly understood.

So, the innovator results of Poverty III are dependent on the possible perception that the members of the steering committee may have about them. There was the permanent attempt to interfere with project's development in order to reach specific objectives. To have indirectly access to project's financial resources or to gain political visibility of activities being developed in their territories are some of the strategies.

It is important to notice that conventional practice is linked to local political informal power relations. Innovator practices, especially when participation is actively promoted, contribute to possible local unbalances.

Furthermore, as the notion of progress among the populations, and especially among target groups, is very much associated to conventional practice, partners that follow a political   party rationality are very unwilling to be associated to solutions that do not correspond to traditional expectations. It is not too much to remember that welfare state never has reached full accomplishment in the country.

Finally, it has to be remembered that neither partners are independent from each other nor do the so-called 'Private Institutions of Social Solidarity' (IPSS) exhaust the whole range of possible forms of the participation of the civil society in the fight against Poverty and exclusion. Actually, those 2000 organizations see their budgets totally dependent on national statutory financing (80%) and assure yearly savings in the amount of about 30 million ECU in welfare services (elderly care, children support, etc.) to the central state.

*Experimentation and transferability*

In Portugal, transferability is still mainly referring to the involvement of professionals. Some aspects also refer to the role played by the persons representing the formal partners. Some results of the projects are being introduced in the represented institutions as a result of the personal change of those persons and their possibilities of influence within the represented institutions. New actions in other contexts are also being inspired by developments going on in Poverty III projects.

The 'transferability' of results does not seem to be related to the transposition of a finished 'product'. It seems to be related to generalization possibilities based on imagination and exemplarity. It relates to the demonstration of the possibility for hope, though the actual solutions may inevitably remain context-dependent. As action is concept-dependent, transferability remains associated to the social usefulness of the results of research based on critical theory.

But even innovative ideas were not understood as such by relevant national agents. A 'communication strategy' was needed if project results were supposed to be useful in the national context. The rationale for the project innovative results had to be presented in the framework of the programme rationale as well as in the context of the national debate and the issues felt as having priority. If politicians should be the 'target group' of such a 'communication strategy' their rationale had to be very carefully analysed (financial resources involved, politic and 'symbolic' function of anti-poverty action, legitimating issues, etc.).

But 'transferability' may also be understood as the simultaneous identification of sources of material and structural constraint related to processes that can be generalised to other contexts. Should 'transferability' of Poverty III results be actively promoted and 'translated' into the 'language' of national specificities, traditions and priorities?

*Experimentation and evaluation*

Evaluation offered a little contribution to experimentation in Portuguese projects. To reach these objective results had to be achieved in adjusted time and the quality of the results had to be adequate.

However, evaluation played an important role in experimentation. It is still an open question how to assess net effects and how to analyze causality in evaluating the impact of an action. The evaluation of intervention in open systems raises difficult methodological questions concerning the very nature of the problems to '(re)solve' and the unanticipated and perverse effects of action. Could the projects have been stimulated to solve this kind of problems in their evaluation activities?

*Experimentation and local research*

Local research is not clearly oriented to experimentation in the Portuguese projects. There is little articulation between research and action, research is mainly disciplinary, there is little causal and process analysis and no analysis of the interdependencies between global and local aspects of impoverishment and social exclusion is being developed. However, the reasons why it is so are not, probably, specific from the country or the projects.

Actually, the kind of research needed does not correspond to conventional practices. It touches the 'paradigmatic transition' that the social sciences are living. Let us have in mind typical research questions considered relevant at project level: 'How does a process of 'impoverishment' and social exclusion work in a specific project area ?'; 'What produces a certain change ?'; 'How is a certain observed change in the Poverty situation of the target groups related to the projects activity ?'; 'What did the poor actually do ?'
This kind of questions cannot have an answer within the hegemonic scientific paradigm.

In this framework, the local character of projects or 'multidimensionality' as a programme principle, relate directly to the 'new' knowledge which is thematic, not disciplinary. Thematic and total, and being therefore unavoidably local. A knowledge about 'conditions of possibility' for hope in what relates to life projects of specific social groups. What is needed is intensive rather than extensive research, causal analysis and the identification of substantial rather than formal relations

But, 'conditions of possibility' for 'hope projects' and proactive agency need a clear understanding of material and structural constraining structures and mechanisms. If local research should be useful to experimentation, needs to assure not only an understanding of local specificity, but also an understanding of local phenomena as concretisation of global structures and mechanisms. It is knowledge about the space-time functioning of processes.

And research results cannot be seen as a *'reified'* output (a 'report') if they are supposed to have a direct feedback on action. The results of local research are about people, about 'knowing subjects'. Knowledge is constitutive of human action (the poor, the staff members, etc.) rather than external to it.

The emancipatory content of science can only become so if it does not remain scientific knowledge, if it can be incorporated in the common sense practices of the target population and the staff members. Can a specific anti-poverty European programme contribute to *'another'* science more sensitive to the real problems of life, in particular, of the real problems of the poor and excluded?

### *Learning from the projects: the case of "Porto" project*

The project introduces important innovation in anti-poverty fight. The experience of creating the 'Communitarian home' for the elderly, the experience concerning the socio- educative and socio-cultural animation of the children and youngsters (socio-educative centre, the video, film and music workshops, etc.), the experience of inter-institutional cooperation developing the urban renewal project for a part of the project area (where the specific needs of the poor according to their culture and ways of life were taken into account) and the experience with the inter-sectoral organisation of services ("CIAC") at the scale of small local territorial units (one in each local civil parish) are examples of innovation to be taken into account.

It can be learned from the project:

- inter-sectoral coordination of action 'centred' on local communities, families or individuals is possible and it can be favoured by a combination of political decision, professional competency and personal commitment of technicians (the several working groups created in the project area, close interaction of partners and technicians around subprojects and specific 'key- problems', etc.);
- inter-sectoral *coordination* is possible and it seems that it actually can be favoured by institutional and organizational innovation adapting new functioning procedures to actual needs of the population and the 'target-groups' (the creation of the Foundation for the Historical Centre of Porto);
- partnership, as a principle of action, may contribute to the promotion of that kind of cooperation; however, according to project's practice, more than a rigid concept, partnership should be understood as a *process* of change in political and institutional aspects; this change also touches, and can be favoured, by the *personal* development of those persons formally *representing* the partners; it can be identified a change in attitude of individual members of the 'steering committee' expressing a *new awareness*

concerning the problems of poverty and exclusion as well as the insufficiencies of current statutory practices to cope with them;

- participation, taken as a principle, can facilitate an actual promotion of personal development, citizenship and collective self-empowerment possibilities with results in increasing autonomy and organizational initiative capacity.

### 5.2.5. Programme's outcomes: 'Economic Integration' in Portugal

The formal designation of Poverty III includes the expression 'economic integration' in its title. As already introduced elsewhere (Henriques 1994), it was understood in Portuguese projects in contradictory ways. This fact reflects the complexity of the issue, namely in what concerns the conceptual limits of conventional thinking concerning the nature of the 'economic' in a market regulated society.

If one clarifies the distinction between the concepts of 'poverty' and 'deprivation' it becomes more clear that 'economic integration' deals with the resource basis of the poor households in order to reinforce their capacity to meet basic needs. This means that the access to money resources is *not* the only way to ensure the satisfaction of needs. Use value production is another dimension of the creation of wealth already addressed by the classical economists.

On the other hand, conventional professional practices in the domain of anti-poverty action remain mainly oriented to 'social action' and 'social integration'. The limits of this approach are being recognized by the professionals in the field.

So, the RDU proposed the Portuguese projects to deal explicitly with the problems of 'economic integration' establishing a clear distinction between the problems of labour market reintegration and the problems of all those that will by no means have this alternative. This is the perspective that has been developed within the inter-project working group on 'economic integration'.

Conventional response to 'economic integration' is mainly oriented to individual vocational training. This meaning that the individual increased capacity to meet the changing demands of production will place excluded people in a better position in order to be reintegrated in the labour market. The RDU suggested the working group to face this basic logical limit of the approach: in a context of growing unemployment, the reinforced individual capacity to compete in the labour

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market, in order to gain an easier access to a job is associated with a high probability that someone may become poor because of loosing the access to this very same job and because of this very same reason.

Considering the experimental character of Poverty III and the responsibility of the projects concerning their model character this kind of paradox should be directly addressed. Lasting changes in the poverty situation of poor households seem to require economic, socio-cultural and institutional changes in the whole local context. The creation of additional jobs is then the key problem to solve, although the most difficult one.

Therefore, local action concerning 'economic integration' should be addressed to the creation of new jobs. This can occur by means of attracting external capital and entrepreneurial initiative or by means of promoting the animation of local small scale entrepreneurial initiative, the full mobilization of financial resources (small savings) and the eventual mobilization of public funds aiming at the animation and support of this kind of initiatives. A systematic support to the need of reinforcing the competitiveness of local small firms and productive organizations from the autonomous sector (local employment initiatives, cooperatives, etc.) can be included in this approach.

On the other hand, 'economic integration' should be addressed to stimulate income earning activities of small farmers, to stimulate product innovation, to stimulate productivity and to help to organize commercialization processes.

Finally, 'economic integration' would also mean the support to use value production improving autonomy and self-consumption in household economy and enabling decreasing dependency on the market and thus increasing their saving capacity.

**a) Economic integration' in Portuguese projects**

'Economic integration' has known different approaches in the Portuguese projects.

In "Almeida" project, the animation of a local development project, the preparation of an integrated development plan and the creation of a 'Local Development Agency' established the framework for the other initiatives. The promotion of employment occurred by means of

promoting infrastructure (industrial zone) in order to 'attract' exogenous investment and by the animation of entrepreneurial initiative (Local Employment Initiatives and formal local entrepreneurship). The productivity of small scale farming has been supported by small infrastructures to increase water supply (small scale dams). A community oven was recuperated in order to preserve cultural values and facilitate the self-production of bread by the elderly.

In "Covilhã" project, the experimentation of new cultures in glass houses was promoted in order to experiment possible forms of diversification of production for self-consumption (new healthy products) and to experiment new business possibilities, namely, aiming at the promotion of 'Local Employment Initiatives'. The animation of an association of honey producers, the valorisation of renewable energies and the animation of small scale initiatives associated to rural tourism are other aspects to which attention is being paid.

In "Porto" project, 'economic integration' is being basically promoted via the animation of small groups to which specific training is being given already oriented by a productive project associated to Local Employment Initiatives. 'Employment Clubs' were created to identify possible jobs in the formal labour market of the local community and to match them with potential candidates within the target population. An information office for this purpose was organized in the project area. In the ongoing urban renewal process, spaces have been created to ensure the organization of future small scale productive activities.

In "Lisbon" project, 'economic integration' is being promoted by extending the partnership to employers in the community. Protected jobs have been created with the official support within a specific programme for the incentive of 'learning by doing' approaches.

So, 'economic integration' is understood in several dimensions:

- formal employment as an instrument to have access to monetary resources;
- self-employment and employment in the autonomous sector, as an instrument to aim at personal development, citizenship and 'empowerment' and also improving the access to monetary resources adding value to informal skills, vocational abilities, creativity, group dynamics, cultural dimensions, territorial identity, etc.;
- valorisation of small scale productive capacities (local market oriented small scale business, small scale farming, etc.);
- valorisation of use value production.

**b) Paradoxes in 'economic integration': lessons from Poverty III in Portugal**

A joint understanding of the 'economic' and the 'social' in anti-poverty action is particularly welcome by professionals traditionally involved in anti-poverty action. 'Economic integration' is felt to be a crucial dimension of anti-poverty action without which conventional 'social action' touches unavoidable limits. Yet, the promotion of 'economic integration' is conventionally understood as promotion of vocational training and centred upon individual integration. In a context of increasing unemployment, this approach seems to be a zero-sum game, as was mentioned above.

'Economic integration' seems to have to be based on a contextual approach where the creation of new jobs and the valorisation of underemployed resources play the central role. But this also means that the central dimensions of 'economic integration' lie *outside* the 'economic'. Cultural, social and institutional aspects play a much more relevant role in the animation of entrepreneurship, management strategies and power relations concerning the use and control of local resources.

On the other hand, local formal small scale entrepreneurship and self-employment and local employment initiatives within the autonomous sector may play a central role in the creation of new jobs. However, they hardly can emerge 'spontaneously'. Animation efforts are crucial and they relate back to a local development project and organizational animation structures (anti-poverty projects, local development agencies, Municipalities, etc.).

Decentralization in production and job creation may be promoted by this way. Yet, this approach cannot avoid centralization in commercialization. Local agencies are supposed to play a key role supporting decentralized small scale business even if lasting only during an initial phase.

Decentralized production, in the form of small scale firms and local employment initiatives need to ensure their economic and financial viability by means of an efficient production and specific advantages. But the way to ensure this kind of viability requires specific management strategies. Conventional strategies have been designed to solve problems of profit oriented efficiency and accumulation. Small scale firms and local employment initiatives have different problems to solve. They have to ensure a maximimal valorisation of labour with relative small capital. To achieve the self-financing of subsistence of their members is the problem to solve. Their

competitiveness cannot occur by means of low prices. Innovation, unique products and non-price factors have, probably, to play the most important role. Market oriented production may also mean the use of innovation to take advantage of monopolistic positions in the market and avoid competition reinforcing strategic positions in 'niches'.

Valorisation of resources needs simultaneous territorial competencies and capacities to control resources (pollution, withdrawal of water resources by large scale mono cultural plantations, etc.). This means that the valorisation of local resources can only be maximal if associated with the capacity to influence formal competencies in land use.

Finally, 'economic integration' needs a crucial role of conceptual restructuring. Notions as 'market' and 'competition' need detailed analysis in this context. They were not created to deal with problems of ''economic integration' of poor households'. The very notions of 'human resources', 'labour market' or 'land market' should be used with caution in the context of anti-poverty action.

POVERTY III has an important responsibility in the production of discourse about poverty and anti-poverty action. This means that conventional approaches should be carefully analyzed before its wider use in this context. An unavoidable effort towards conceptual restructuring may be needed in order to improve the very capacity to understand the problems and improve action. The concept-dependency of human action and the role of institutions in the production of concepts cannot be forgotten.

'Economic integration' is just an example of an issue needing conceptual restructuring. Let us keep in mind the following examples:

- The notion of 'market' exchanges versus institutionally built transactions: a market oriented local employment initiative or social enterprise means the absence of public authorities in building economic circuits, the absence of human interaction in market transactions or the priority to non-price factors in productive efficiency?
- The notion of 'economic' in relation to production and consumption: a shift of resources in favour of poor households relates to consumption or production issues? This is a crucial aspect in discussing minimum income policies.

- The notion of 'economic' in relation to money resources, consumption practices and unmet basic needs: stimulated priorities in the media reinforce the dependency on money resources or on use value production? Have poor households to be excluded from stimulated priorities if they succeed in survival? Will this mean that survival is not possible without a 'critical' distance towards hegemonic values?

'Economic integration' leads to a clear confrontation with the classic concern with the very concept of wealth: the capacity to buy due to the accumulation of exchange values versus the autonomy towards the need to buy. This means 'critical' distance concerning hegemonic values.

In a context of increasing unemployment and decreasing welfare protection, 'economic integration' touches the very heart of the tensions caused by the priority to growth in society. According to hegemonic values and cultural patterns poor households can only reach 'economic integration' if they are in position of *not* following dominant values in their practices and 'survival strategies'. Poor people are 'social scientists', experts in survival. Therefore, they also show in their practices how counter-hegemonic their practices have to be in order to meet basic needs with the least possible dependency on the market for their consumption needs.

### 5.2.6. Programme's outcomes: local development in Portugal

The author of these lines has been in charge of the coordinating the thematic evaluation of *'Local Development and Poverty III'* (Henriques 2004a) at European level. The text that follows below is a reformulation of the contribution about the Portuguese experience (Henriques 2004b).

### a) National context

Portugal is a semi-peripheral society which suffered complex changes along the last twenty years that affected it in different and complex ways. Portugal remains one of the countries in Europe where poverty touches a higher percentage of its population.

The welfare state in Portugal is still far from the performance reached in other European countries. In 1994, though unemployment was still low, as compared to average figures in Europe, about 60% of the unemployed and 95% of the young unemployed do not receive any unemployment subsidy. On the other hand, the average unemployment subsidy remained below

the minimum wage. Among the Portuguese pensioners, 70% received less than 50% of the minimum wage.

Though having a weak 'welfare state' and a weak civil society, Portugal offers a very reach 'welfare society'. Family structures and neighbourhood relations offer an enormous potential for self-help and protection. Portuguese traditions reveal a historic concern with the poor in society with about 2 500 non-governmental organizations developing their activities with financial support from the central state. The relation between formal and informal activities occurs often within households as a result of their 'survival strategies' and intra-household family strategies of division of labour. 40% of all the industrial workers belong to households where at least one member works in agriculture in activities linked to self-consumption.

Local development is being an important issue in the practice of local governments and knows as well relevant initiatives under the initiative of the central state. Portugal has a strong municipals tradition and many Municipalities have developed very innovatory and interesting approaches to development promotion. The territorial identity of the Portuguese people is local and Portugal has not a strong tradition in regional policy. The country has not political regions and never pursuit a coherent regional development policy before its formal European integration. Following a constraint established by the Portuguese Government, the Portuguese Municipalities are supposed to prepare their Master Plans ("Planos Directores Municipais") in order to be able to profit from the structural funds. Those Master Plans deal explicitly with local development strategies and they have been an important instrument to promote the debate.

Local development has also been the object of an important and well structured national programme to support 'Local Employment Initiatives' created in 1986. About 2 500 firms and 8 000 jobs have been created since than in a very efficient way. Each job was created with a financial cost equivalent to 20% of the conventional job creation within the 'first European framework of support'. The programme contributed to the mobilization of a remarkable potential of entrepreneurial initiative having no access to capital by the conventional means, contributed to the additional creation of jobs (about 30% of the jobs initially created) and revealed 'spontaneous' non-conventional management strategies based on innovation and 'strategic flexibility' particularly adequate to this kind of firms.

Given the high percentage of poor people in the country and given the unequal 'space-time' constitution of processes of impoverishment and social exclusion across the country, local contexts often correspond to situations where a majority of the local population may be considered as poor and excluded. In several of those contexts, interesting forms of cooperation among the central state, the local governments, employers associations and organizations of the civil society can be found, often engaged in anti-poverty strategies named in a non-explicit way. It is important to remember that the small and medium firms represent an enormous role in employment creation (about 75%) and that the very small firms represent 90% of all the new firms born along the 80's. Alone the very small firms acting on a local basis represent about 20% of all the jobs in the country.

Portugal reveals the advantages of a semi-peripheral society to analyse and experiment new possibilities for the economic and social integration of the poor households. This may enable a better understanding of the role of social policies for global competitiveness and their strong links to the reinforcement of local action in state policy and the possible role of the state in promoting the self-organization of civil society. The pre-modern characteristics of the Portuguese society may well be also seen as possible anticipatory features of a post-modern European society.

### *The Portuguese projects*

The Portuguese projects achieved relevant results linking anti-poverty action to development promotion. The theoretical ideologies and the technological culture of the dominant professional groups in the project's staffs (social workers, sociologists, economists, teachers, etc.) did not help from the very beginning to identify clear action possibilities establishing bridges between these two fields of traditional intervention ('economic' and 'social').

Anyway, the three Model-Actions dealt explicitly with local development promotion. As a result of its very development, also the Innovative Initiative stresses the need of local development concerning the 'residence communities' of the 'street children' in order to reach lasting changes in their 'life projects'.

The projects and the RDU developed three thematic working groups where these issues were discussed on a regular basis: 'Anticipation and 'Synergism'', 'Economic Integration' and 'Evaluation'.

### *"Almeida" project*

*Poverty, social exclusion and 'local underdevelopment'*

In the initial research developed by the project, poverty and social exclusion were identified among single parent families (isolated elderly mainly widows, lonely women due to mail out migration, etc.), bad housing and health conditions (high morbidity, lack of public services, etc.), low educational levels (high illiteracy and early school leave, lack of public services, etc.) and high dependency on low income either from pensions or poor results from small-scale farming activity.

The causes of this situation have close relations with 'regional disintegration' processes. The out migration of the population, the withdrawal of small-savings through the banking system and the underemployment of local resources due to the non-emergence of local initiative are some examples.

*Anti-poverty strategy and local development*

The documents of the project often mention local development as the strategic framework where the anti-poverty action has to feet in. As poverty and social exclusion are understood as the result of the underdevelopment and backwardness of the region, the project started its activities preparing an 'Integrated Development Plan'. This plan should contribute to the involvement of all the relevant institutional agents in the region (Municipality, civil parishes, local and regional bodies of the central state, firms, etc.) in order to achieve an overall lasting medium-term contextual change.

The plan was accepted by all the local agents in a consensual way and the project concentrated on specific target oriented actions.

Simultaneously the project started a systematic process of animation of all the existing local associations at village level. Those associations would contribute to the animation of their local communities (animation of citizenship, awareness concerning social rights, etc.) and ensuring a balanced approach to development linking socio-cultural to economic aspects in anti-poverty action. The renovation or building of the associations was a method to animate the local communities to mobilize and valorise their underemployed resources (small savings, volunteer work, furniture offered, etc.). The local associations should contribute to the animation of self-organized solutions to local problems at village level and develop influence in decision-making in what concerns their local 'territorial interests' (bringing public services near the populations, etc).

*Evaluation*

The animation of local initiative and capacity building of local agents lead both to the organizational skills to attract 'exogenous' resources (applying to national and European programmes) and to the mobilization of local resources by the role of small scale entrepreneurship (small scale farming, new small scale industrial activities, Local Employment Initiatives, etc.).

The local associations changes their legal status in order to diversify their activities and included in their plans activities initially delivered by the project (meeting point, 'food on wheels', elderly care at home, etc.). With their local dynamic development they are also contributing to the animation of local small scale economic circuits (absorbing local agricultural production to prepare meals, etc.).

A 'Local Development Agency' was created aiming at the animation, support and training of local entrepreneurship (formal conventional small firms, Local Employment Initiatives, cooperatives, etc.), the search for new activities and qualifications (cultural animators, social visitors and development agents, etc.) and trying to develop the capacity to profit from all national (Local Employment Initiatives) and European programmes (NOW, HORIZONT, EUROFORM, etc.).

The use value production has also promoted (agricultural production for self-consumption, community oven to prepare bread, etc). Traditional crafts were promoted, linking Local

Employment Initiatives to tourist development (ceramics, religious clothes, etc). The rehabilitation of the community ovens was meant to valorise their cultural value and reinforce local identity, to promote social cohesion and solidarity as a meeting point for everyday collective arrangements and to increase the disposal income of pensioners, peasants and small scale farmers from the market dependency of their bread consumption. Small dams were built with the psychological effect of reducing precarity in the access to water for cattle and land, with the economic effect of increasing land productivity and of favouring groundwater conservation and regeneration. An archaeological charter contributed to tourist development, and a genealogical charter for cattle contributed to promote the quality and identity of traditional regional products (cheese, etc.).

The creation of basic social facilities is being a tool to ensure additional job creation (homes and day centres for the elderly, etc.) for opening the possibility for youngsters to remain in the region.

The animation of the local communities at village level and the mobilization of underemployed resources has been a major achievement of the project in its strategy to face deprivation, and to animate local initiative to valorise local resources and attract exogenous resources. The need to reinforce the coherence and to animate the 'synergism' among the several project's actions lead to the creation of the local Development Agency.

The attraction of exogenous entrepreneurship and capital was not achieved in satisfactory way. A single textile factory came to the region (300 jobs) but went bankruptcy. Some lack of commitment from institutional agents made it impossible to finish the preparation of the industrial zone.

Training was most successful when linked to the identification of new activities (new public services according to local unmet needs, etc.) and to the direct animation of small scale conventional and non conventional entrepreneurship (LEI).

Even in poor communities there may be revealed unexpected resources when the actions developed at project level correspond to actually felt unmet needs. Exogenous financial resources may not play the most relevant role in mobilizing the 'endogenous potential' of a local community to fight against poverty and social exclusion.

***"Covilhã" project***

*Poverty, social exclusion and 'local underdevelopment'*

Poverty and social exclusion are identified with low pensions and isolation of the elderly, with unemployment, low wages and low income from small scale farming, unemployment of youngsters, and low formal education and professional skills.

The causes of poverty and social exclusion are identified with unemployment and precariousness due to changes in the world market and industrial restructuring (mining, textile); with decreasing opportunities for small-scale farming and with geographical isolation, ageing and low pensions among the elderly due to out migration and lack of infrastructures and public services.

Agriculture is not a dominant activity anymore and remains a complementary activity for households with members with a job in industry or services, unemployed or in precarity, for self-consumption or market oriented small-scale production.

*Local development and anti-poverty strategy*

The basic anti-poverty strategy of the project relies on the idea that deprivation can be best fought combining capacity building and development of human resources with the mobilization of natural underemployed renewable resources.

*Evaluation*

New organisations have been created like the association of the honey producers, a housing cooperative, a cooperative for the integrated development of the territory of one of the civil parishes and the 'association for the rural integrated development' of the region (RURIS) which will support the development of the project's strategy after POVERTY III.

New activities (resources centre, capacity building among managers of local associations and local volunteer welfare organizations, etc.), new products (new cultures, new products from wood, biomass, eolic energy, alcoholic products derived from wild plants from the forestry, etc.),

new technologies (glass houses, etc.) and new commercialization procedures (association of honey producers, marketing and promotion of regional identity, etc.) were experimented.

New activities have been developed exploring the potential of the audiovisual. A training course for youngsters in journalism prepared them to work in local newspapers (with wide distribution among migrants abroad) or local radio stations and aimed at the development of the possibilities of a deeper 'critical' understanding of the relations between poverty and social exclusion and the possibilities for change in the local context.

Small scale entrepreneurship has been animated and Local Employment Initiatives were created (traditional cheese, traditional sausages and traditional cakes, etc.). Tourist development was promoted by preparing tourist tours and undertaking the rehabilitation of monuments and houses.

### *"Porto" project*

*Poverty, social exclusion and 'local underdevelopment'*

Poverty and social exclusion touch mainly the elderly, the children, the youngsters and the women in the local context.

The central processes related to poverty and social exclusion are linked to the labour market (unemployment, precarity, underground economy, etc.), to the educational system (school failure, early school leave, etc.), to the social security (low pensions, low coverage of unemployment subsidies, etc.) and to the housing policy (urban renewal, etc.) and health system (lack of public services, difficult access to public services, income dependent access to drugs, etc.). The existential experience of 'impoverishment' and exclusion stimulates 'survival strategies' which reinforce exclusion (illegal activities, drug trafficking, etc.) and is associated with physical, psychological and emotional consequences that lead to the loss of working habits and promotes particular values and norms.

The project analyses poverty and social exclusion in the local context as multidimensional and cumulative processes with a structural nature reinforced by conjuncture factors and by local specific factors associated to local community, to the particular households and to the concerned individuals. As direct causes the project identifies, unemployment, precarity, low wages, low

pensions, inadequateness of the educational system and training programmes, insufficiency of health services and insufficiency of social protection in general.

The persistence and reproduction of poverty and social exclusion is also understood in the context of the economic, social and functional relations that the local context establishes with the urban centre and the metropolitan area of Porto and to the changing role the project area is playing in the context of urban restructuring in Porto. Urban deterioration and lack of infrastructure were first associated to the changed location of the harbour of Porto. Afterwards, a new attention and attitude towards the environmental quality of the historic centre stimulated functional change and this lead to the reinforcement of urban rent mechanisms and to the consequent acceleration of the 'economic death' of the buildings. The local context offers also a spatial concentration (control) of marginal activities (drug trafficking, prostitution, etc.) and a particular clear expression of the negative and perverse effects of national policies. These also contribute to the persistence and reproduction of poverty and social exclusion in the local context (social policy, employment and training policy, urban and housing policy, etc.).

*Local development and anti-poverty strategy*

The anti-poverty strategy followed sees local development as constitutive of the very strategy. Contextual change is needed and the promotion of citizenship, awareness concerning social rights and basic changes in attitude and behaviour are needed for the very perception and identification of resources to be mobilized in order to meet basic-needs. On the other hand, according to the project's philosophy, it is also because the project is engaged in development promotion that anti-poverty combat is defined as a priority. Development promotion is understood in a global perspective, where priority is given to the 'target-groups' and the project's actual intervention is oriented to the so called 'empty' spaces of current institutional intervention. The project assumes clear limits in local action to deal with social problems which are considered to have a structural nature.

Four strategic domains for action were identified: urban renewal, employment and training, education and socio-cultural animation and cooperation among local institutions. The project should address itself to the social spaces where institutions fail to cover and where structures and networks of social relations are missing to cope with the problems caused by poverty and social exclusion.

*Evaluation*

Anti-poverty combat is coherently integrated in the project's concept of development promotion. Urban rehabilitation was coupled to global strategies and actions to promote the economic and social integration of the poor households. The Municipality was confronted by the project with the need to control urban speculation and to control the local process of urban restructuring (new pubs and restaurants without links to the local population). In the relodging process at 'Lada' quarter, innovative financial and legal measures have been experimented and it was shown that it is possible to ensure to the relodged households the access to their homes in full property. In the urban renewal process at 'Banharia' quarter, urban functional integration was preserved (functional mix, small spaces preserved to enable small-scale workshops and business possibilities, 'community residences' designed to meet the residential needs of isolated elderly, etc.).

The active promotion of citizenship and of awareness concerning social rights was coupled with the search for new public services (Centre for Integrated Community Action CIAC, 'community residence' for isolated elderly, centre for free meals, etc.) and with the valorisation of cultural and local identity and with the mobilization of local associations. The experimentation with CIAC proved that it is possible to reach a much higher efficiency by public services when intersectoral cooperation is coupled with a community and household 'centred' approach (not only individual centred delivery of services or subsidies). The experimentation with the 'community residence' also showed that it is possible to find alternatives to conventional practice with a higher quality and needing less public resources (16% less when compared to the conventional alternative).

The challenge of promoting economic integration among those that have decreasing opportunities in the formal labour market is a very complex and demanding one. Employment clubs, training and the animation of Local Employment Initiatives are examples of experimented ways. The 'workshops' introduced informal training with the support of new technologies (audio and video, cinema, music, informatics, etc.) and contributed to animation, capacity building and search for new activities and possible employment opportunities. A Local Employment Initiative was created by this method offering services in the domain of video productions.

Preventive strategies and actions were mainly oriented to children and youngsters promoting school success (Socio-Educative Centre, linking formal knowledge to the local problems, etc.) and promoting pre-vocational training by means of adding value to existing informal functional skills ('workshops', etc.).

The strengthening of social networks and the self-organization of households have been specifically promoted among the relodged population aiming at the development of citizenship and collective self-empowerment concerning the need for self-management of their new housing environment.

The Municipality of Porto is applying for European funding in order to benefit from the results of the project and develop its experience at the scale of the whole historic centre.

### 5.2.7. Programme's outcomes: 'Local Development' in Poverty III at European level

Local Development was central to Poverty III: the projects were to experiment with innovative organisational models of anti-poverty action within a given territory. Both the economic and social aspects of poverty and social exclusion should be approached on an integrated basis and the projects should promote the participation of the target population. Projects should be able to bring solutions to the most acute situations and they also should focus on the possibilities of contextual change.

The Programme's first annual conference was dedicated to this theme: *'Local Economic Development and Employment Initiatives in the Fight against Poverty'*. Odile Quintin in the opening session of the conference explained the reason for choosing the theme: it places the emphasis specifically upon the role of *actors* and *local initiatives* in combating poverty. In this sense, there may be found to be a close relationship between local development and anti-poverty action. However, it is clear that practice in this field is strongly dependent on how the *concepts* of poverty, social exclusion and local development are defined, and *cannot* be reduced to matters of territorial scale of analysis and intervention. The social and spatial logic of impoverishment processes can only be studied in the context of concrete interactions. In this respect the *'local'* character of projects gives itself to the study of 'structuration' and 'action' in understanding the relation between global structures and mechanisms and local 'impoverishment' and 'social exclusion' as well as in understanding the processes underlying their 'production', the way they appear in discourse and the consequences for the chosen form of anti-poverty action.

The text that follows below is strongly based on a text published elsewhere on the same issue (Henriques 1994). Giving the 'revisiting' nature of the exercise the text is reproduced as it was written then.

**a) Anti-poverty action and local development: conceptual and historical aspects within the European tradition**

Local development in Europe is mostly influenced by issues raised by 'community development', 'regional development' and 'locality studies'. Throughout the 1960s, community development saw its influence growing in the public debate. Working with groups and organisations involved in a voluntary capacity, addressing individuals' problems on a collective basis and seeking to understand and work on the external reasons for their existence, promoting participation, helping people acquire confidence, skills, knowledge and greater awareness of their life, promoting empowerment and effective organisation, 'community development' has been a major source of influence in local development approaches.

At the end of the 1970s, local development issues started to receive more attention within the regional development debate following critical appraisal and growing dissatisfaction with the results of the 'functionalist' approach. It became central to 'endogenous' regional development strategies. Local development could only be restricted to the observation of 'spontaneous' processes: it was precisely the non-emergence of local development which was to be understood as the crucial policy issue to address.

According to the assumptions of 'endogenous' regional development strategies, local development can be promoted, or hindered, by central as well as by local authorities. It is understood as a method to promote 'another' kind of regional development. From such an approach, changes in the social and economic status of poor households cannot be dissociated from the possibility of inducing lasting contextual changes concerning the mobilisation, valorisation and control of local resources. Anti-poverty action thus becomes indistinguishable from regional development and requires organisational structures aiming at developing and coordinating activities and mobilising authorities and agencies to make more effective use of local resources.

The gaining pace of industrial restructuring processes in northern Europe contributed to the rise of restructuring theory on the social sciences' agenda in the 1980s along with a growing awareness about the role of local research in understanding such processes. The issue became defined as that of the extent to which 'local proactivity' can modify the effects of major social and economic forces and achieve 'locality effects' of combinations of spatially variable phenomena.

As a method, local studies address the complexity of spatially intersecting causal processes, thus paying attention to the spatial ranges of causal elements. It applies a territorial approach to regional development issues and, in so doing; it offers also the possibility of examining processes and interactions of causal entities in different spheres (formal economy, civil society, state, etc.). That is, it directly addresses issues linking 'structuration' to 'agency' in the production or reproduction of poverty and social exclusion.

**b) Anti-Poverty Strategies and local Development in POVERTY II: an overview**

Many POVERTY 3 projects have experimented with strategies which focus on attracting resources into the area and on mobilising resources hitherto under-utilised. This approach has much in common with local development. Different types of local initiative have been promoted. Below are outlined the different strategies that were carried out.

*Fighting poverty, addressing 'Local Underdevelopment': the role of Partnership, Local Development Agencies and Local Development Projects*

Several Poverty III projects have led strategies and carried out actions relating to 'local underdevelopment' which address the 'non emergence' of local initiatives to counteract structures and mechanisms leading to the erosion, under or over utilisation of local resources which have prevented poor households from satisfying needs. Projects were aware that lasting changes in the situation of the 'target groups' could not be brought about without local contextual changes taking place. They have developed interesting and useful experimentation dealing with key issues in local development: the creation of local organisations, enlivenment of local development projects and methodological input in territorial planning.

*Local organisations*

Several projects have created new local organisations or introduced changes in their structures in order to reinforce their organisational capacity. Indeed, bringing about necessary changes in attitudes and behaviour needs these kinds of bodies: community work for development projects, applying for funding from European or national programmes, encouragement and assistance for entrepreneurial initiative, getting schools involved in pilot experimental projects, etc.

In Belgium, a 'Neighbourhood Development Society (or Agency)' (B.O.M.) was created in Antwerp to encourage integrated local development in combining local and 'exogenous' resources and ensuring coherence and rationality in the management of available resources. The Business Centre and the Technological Centre for Antwerp were set up by the project to enter the rationality of the business world, attract entrepreneurial initiative and capital and organise quality training.

In Denmark, an Employment Committee was created by the Samiko Project in Copenhagen in order to ensure that unemployed people benefit from the local urban regeneration process as well as training of 'green caretakers'. Specialised training was designed in such a way as to meet the labour needs of the contractors in the urban renewal activities: Enterprise Moen on the island of Moen was set up to link business promotion (especially rural tourism) to the upgrading of skills and training of unemployed citizens. The action aims to foster collective responsibility for the problems of the area and to create an organisation through which the above-mentioned objectives could be co-ordinated in conjunction with the participation of local people.

In Burgos (Montes de Oca), Spain, the project recognises the role that local organisations can play in promoting the participation of local groups in local development processes. 'Regional identity' was promoted through a network of local organisations (the Lord Mayor's committee, family organisations, an employers' association, co-operatives of shopkeepers, etc.) that were represented on the Steering Committee of the project. This Steering Committee is in turn considered to be central to the network.

In France, the project Mosaique (Doubs,) took a leading role in setting up the 'Groupement d'Employeurs pour l'Insertion et la Qualification' (GEIQ) which brings together local and regional employers often working in the same sector. Its aim is to facilitate the development of

training provision and thus of occupational integration by better co-ordinating the different steps involved in integrating individuals into the labour market (training, work placements). This is an approach which is considered to be absent from current employment policies in France.

In Italy, the role of Agency in local development and anti-poverty strategies has been a key issue in current debate. The projects and the RDU developed an agency model, 'agency as network', which is presented as an alternative to what are known as 'Traditional Development Agencies' (e.g. local development agencies, employment agencies, etc). The 'agency as network' is a structure for strengthening the dialogue between 'social demand' and 'institutional supply' at the same time as acting as a co-ordinating centre that designs, monitors and evaluates projects and initiatives. The 'agency as network' model is successful in working with its users, but its drawback is that it has no institutional, legally bound, spending powers. This has led the Italian projects to open up negotiations with traditional agencies as partners in Bucaneve project or 'collaborators' in Alto Belice project.

The three Portuguese projects have been instrumental in setting up new local organisations. In Porto, the Foundation for the Historic Centre was created to ensure an adequate institutional framework to the current urban renewal process; a Centre for Integrated Community Service (CIAC) was set up in order to increase the quality and efficiency of public services on an intersectoral basis, using a household- and community-centred approach; a Socio-Educational Centre was created to establish better links between educational policies and the development of occupational skills. In Almeida, a Local Development Agency was created by the project which aimed at reinforcing local capacity to support and develop entrepreneurial activities and at developing appropriate training. A Federation of Local Associations was also founded in order to develop links between the Local Development Agency and the empowerment and self-organisational capacities of local village associations. In Covilhã, a Resource Centre was set up to contribute to the capacity building and development of the potential role of non-profit volunteer organisations (IPSS) in productive activities (small farming, agricultural production for self-consumption, Local Employment Initiatives, associations of honey producers) and welfare activities (care for the elderly, child care, cultural associations).

*Enlivenment of local development projects*

Local development initiatives are a central feature of many of the projects: their underlying principle is based on the assumption that the local appearance of deprivation can best be addressed by strategies aimed to promote contextual change rather than at those targeting individual situations. Those projects offered a 'framework of meaning' for community mobilisation, a reason for hope and concrete proposals for investment in the community as well as the use of endogenous resources.

B.O.M. project, Belgium, tries to act as a co-ordinating body for local agencies that focus on particular issues or needs of target groups. As such, the project addresses three main domains: the socio-economic activities (employment and economic development), the housing and socio-cultural (social network building, communication between inhabitants, recreation) activities. This organisation aims to mobilise and valorise local resources (identified as small-scale entrepreneurial activity, a concentration of shops and a number of empty and available buildings), combining them with 'exogenous' resources in a coherent way. Economic actions (actions with a material effect) are linked to the measures taking place on a larger scale, via the Business Centre (development of new economic activity in conjunction with the support offered by the Centre) and the 'Antwerp Technological Centre' (ATEC) (vocational training and job search).

In Denmark, on the island of Moen, 'Samiko' project is working to reinforce the local business situation through initiatives of an occupational, local, cultural and economic nature. For Enterprise Moen, 'local development energy and motivation are coupled with promoting a consensus'.

In Spain, the Montes de Oca project explicitly identifies itself as an 'integrated rural development programme', and, as such, it is based on the assumption that a development project should be developed and sustained locally. In Girona the project explicitly aims at local contextual change in a way which promotes the integration of the excluded. This project's development initiative can be understood as a way of increasing the effectiveness of societal performance by co-ordinating the means needed to stimulate economic and social processes which facilitate the integration of poor and excluded households (e.g., changing attitudes and behaviour encouraging the participation of the target groups, training activities).

In Ireland, FORUM (Galway, Connemara) proposed a plan for tourism development based on the principle of integrating low income households into the tourism economy ('community based tourism') as distinct from a pattern of development which is based on high capital spending ('corporate-led' tourism). The way in which the project undertook the planning of local tourism development (consultation, seminars, participation) helped the local community to take collective action for a form of tourism which would be of most benefit to small-scale local providers.

In Italy, both the projects Bucaneve and Alto Belice explicitly used local development as a framework to guide their anti-poverty strategies. For Bucaneve, only through 'new' development could some of the local economic activities and the quality of the public social services be improved and the 'curative policies' that worsened the marginality of the area and which contributed to overcoming passive attitudes amongst the population and its leaders. This idea was extended by Alto Belice, who recognised that only lasting changes in the way local resources are used could lead to the social and economic integration of the least privileged groups. These projects highlight the idea that the fight against poverty cannot be dissociated from local development. However, they underline the fact that those lasting changes had to be brought about within a culture of individualism. Alto Belice's response was to set up a structure which created a new, common identity and overcame individual identities.

In Portugal, local development promotion was a fundamental part of the anti-poverty strategies of all three Model Actions. In Porto, changes of attitude and behaviour are considered to lie at the heart of such strategies. The overall change aimed at was to be achieved by promoting citizenship, raising awareness of social rights and strengthening local culture and identity with a view to ensuring collective autonomy and self-empowerment. In Almeida, the project put forward a 'Development project' which was implemented via its 'Integrated Regional Development Plan'. In Covilhã, the project set up several specific projects based on a global perspective of mobilising the regional 'endogenous potential' by linking human resources to natural resources, exploring new potential activities for rural areas and exploring the potential for renewable natural resources (wind energy, solar energy, bio-mass, new cultures, etc.).

**c) Area-based planning and local development projects**

A number of projects developed concrete planning proposals and played a crucial role in their regions in introducing an anti-poverty dimension into conventional territorial planning.

In Belgium, B.O.M. takes part in the development of a 'Strategic Plan for the Region of Antwerp' as a response to signs of regional economic decline. The plan is initially an initiative of the Chamber of Commerce of Antwerp and the BOM plays a part in it as far as it concerns the problem of socio-economic development of neighbourhoods. This plan corresponds to a rather ambitious project; it involves several partners and is halfway. The intention is that it will become a basic document for policymaking in the socio-economic field.

In Denmark, Samiko places Enterprise Moen within the framework of the municipal programme which is described as a 'strategic development plan', consisting of four policy domains: business, tourism, culture and housing. These policy fields were formulated during local consultation processes and later ratified by the local council.

In Portugal, Almeida played a major part in area planning through its 'Integrated Development Plan' (local authorities, local and regional bodies of the different sectoral departments of the central state, local firms and associations). The plan was marked by consensus and was adopted by all of the local bodies as the framework for their own activities.

In the United Kingdom, the Liverpool project has an urban policy officer, who has been working with local groups in 'popular planning' exercises in which the local community decides its priorities for proposed new developments, including road plans, building styles, shop locations, etc.. The Brownlow project took the view that local economic agencies had not produced an integrated social and economic strategy for Brownlow which took sufficient account of the needs of the disadvantaged and produced its own substantial 'Economic Plan' for Brownlow. The Department of Economic Development intends that Brownlow Community Trust will have an input into its strategic plan for a housing and commercial centre for Craigavon town. The Pilton project is increasingly involved in the planning process relating the development of the North Edinburgh Area Renewal Strategy, which is a commercial and infrastructure development involving local municipalities which are members of the Pilton Partnership Board.

*Anti-poverty strategies and 'selective regional closure', linking the 'economic' to the 'social': control over local resources, fostering local initiative and the role of the household economy*

Anti-poverty strategies are to a great extent dependent on local action to address local underdevelopment. They require local capacity to control the use of resources and to develop initiatives emanating from the private sector and from the 'autonomous' sector. The non-emergence of local development initiatives prevents local communities from reinforcing their capacity to control the use of local resources and protect themselves from 'regional disintegration'.

*'Control' of 'regional disintegration'*

The absence of political will, the destruction of community life and individual egocentric rationality promoted by dominant values do little or nothing to contribute to addressing common problems manifested at an individual level or finding collective solutions. Dominant values as they exist do not contribute to a critical consciousness as to the reasons why basic needs are not met since they stimulate an interpretation of needs exclusively based on individual consumption according to the structural needs of capital accumulation.

Local development offers the possibility for mobilising local resources while according priority to unmet basic needs of poor households. It is assumed that the use of local resources can be constrained by locally defined priorities. It is also assumed that local production may be partially related to the local consumption structure and that consumption patterns, as locally defined, can adequately meet basic needs in the community. Local development is furthermore based on the assumption that local solutions to local problems can rely on the possibility of unpredictable expressions of human behaviour. Certain attitudes and behaviour may create the possibility for arriving at collective solutions in 'local communities' even if those solutions do not involve or imply 'utility maximising' individual behaviour (local development societies, associations and co-operatives, etc.). Thus, alternatives to conventional 'economic rationality' are presumed possible just as intellectual, emotional and affective aspects of human behaviour are assumed to be interdependent.

The implications of this, in contrast to classical economic theory's model of Homo Economicus, is that changes in attitudes and behaviour can take place and that human reactions to material stimuli have to be considered as unpredictable: human beings are knowledgeable agents.

## *Lessons from Poverty III*

Several projects have shown that it is possible to influence local agents to ensure that resources are allocated in such a way which allows poor households to meet basic needs. We can cite examples of local agents who are constrained by locally defined priorities: scarce resources deployed according to locally defined 'strategic advantages' and under-utilised resources mobilised to solve unmet basic-needs. That is, projects have been able to gain control over or lever influence on local institutions and bodies to the benefit of the least privileged groups.

In Belgium, the strategy led by the B.O.M. (MA 01) was one which looked to 'exogenous' resources to promote change. 'Control' over resources was perceived in a double way: a) control over 'exogenous financial resources', allocated by (mainly) the Flemish Anti-Poverty Programme; the city was faced with the consequences of their neglect for too much a long time, of the area, and was willing to accept the proposals of the B.O.M. to develop high-profile projects that should develop structural solutions; b) in terms of an invitation-strategy towards the entrepreneurial world to engage in the local economic development, whether by supporting specific training schemes (of Atec e.g.), or by concrete participation in the development and management of the local 'business centre'. This double strategy was the consequence of a well-planned concept of economic 'reanimation' of the neighbourhood. The underlying perspective was that, as a result of a new economic activity in the neighbourhood, people should get inspired. This inspiration should lead to new perspectives for the people of the neighbourhoods themselves: a new believes in their surroundings and in their proper chances. This inspiration should reach politicians, agencies, etc. who could see new challenges for the neighbourhood. This perspective can be seen as the indirect way in which the BOM tries to struggle against the decline of the area, and the growing impoverishment that goes with it. The more direct way of anti-poverty struggle lies in the specific projects that have been developed such as the Woonwijzer, Werkwijzer, Sportcentre, Wijkkrant, etc. (helping people to renovate their houses, supporting people in finding their way in the labour market (between all sorts of regulations, training schemes and jobs), looking for a way in handling the permanent tension between

Belgian and north African youngsters, making a newspaper of the neighbourhood in order to combat the negative image to the area, etc.

In Denmark, SAMIKO project in Copenhagen, created a 'local examination body' under the auspices of the Employment Committee. The purpose of this body was to ensure that the national and local authorities and the voluntary bodies co-ordinate their work with unemployed people in the local community. The 'local examination body' has a proactive attitude in relation to the contractors bid for contracts for renovation work; it also aims to ensure that unemployed people receive the training needed which meets with the needs of the contractors.

In France the Lord Mayors of the Steering Committee of the Mantois - Val de Seine project negotiated with firms currently undertaking infrastructural work (housing, public works) to employ a larger proportion of local unemployed young people. This idea is also being followed up in other parts of France where calls for tender include the contractual obligation of involving local workers, and firms are being chosen on the basis of not only economic criteria, but social criteria as well. Acting together in a co-operative and coherent way, the Mayors are actively helping to empower their municipalities to influence the firms to become more aware of the interests of the local population ('territorial interest').

Among Irish projects, 'control' is related to increasing their influence over the decision-making process concerning the local infrastructure and the provision of social facilities (roads, transport, health and social services, etc.).

In Italy, the debate on the 'Agency-network' model recognises the drawback due to the lack of institutional power. This type of agency is therefore inconceivable outside a formal partnership between private and public bodies. The lessons of this model in the Italian context point to the danger of a division of labour dependent on public sector's control over the financial resources and decisions. The private bodies' role is being limited to one of the implementation of these decisions. It is also pointed out that financial security is a necessary prerequisite for a project to play an active role in such a network.

In Portugal, the control over local resources was an issue of great concern to the Porto project in a context of urban speculation and urban (functional) restructuring.

In the United Kingdom, the model actions have been active in promoting the participation of the local community in local economic regeneration and development plans. The Liverpool project is a member of the City Challenge board and has been active in providing information to the local community about housing redevelopment and the building of a new hospital in the area. The Brownlow project produced its own 'Economic Plan' for Brownlow and was active in lobbying the Northern Ireland office for urban development resources for Brownlow. The Pilton Project has been active in the restructuring and further development of North Edinburgh Training and Enterprise, which provides training courses to local people and which has overlap at board level with the Pilton Partnership.

*Mobilizing resources and developing local initiatives: new products and new firms, 'community businesses' and 'social enterprises' within the formal and the 'autonomous' sector*

Local initiative is supposed to play a crucial role in the mobilisation and valorisation of local resources. However, conventional small-scale entrepreneurial initiative is not guaranteed to emerge spontaneously, especially in regions with little or no history of entrepreneurial activity. Difficult access to capital and information and internalised social segregation make small-scale entrepreneurial initiative very difficult. Entrepreneurship cannot be seen simply as a drive for pecuniary gain: financial and economic aspects appear less important than social, psychological and cultural ones. This means that particular efforts to support and develop the community will be required: inducing changes of attitude and behaviour, stimulating ideas, turning a good idea into a concrete project, preparing for bids for funding, etc.

Initiatives from the 'autonomous' sector are a necessary part of local development as unmet basic needs, wants and demands of poor households may remain unanswered if their satisfaction is exclusively dependent on formal entrepreneurial initiative, particularly in a context characterised by mass unemployment. Households should therefore be encouraged to take an active part in local development and in their own social and economic integration. Material and existential problems raised by unemployment and alienation from the locality inhibit the possibility of action. Loss of hope contributes to inhibit individual and group initiatives. Development activities have to be complemented by social protection measures which guarantee a basic standard of living.

The non emergence of initiatives may be explained by a variety of factors: the non existence of development issues as a political priority as well as of the political conditions necessary for clear leadership among different elected parties and the priority given to national rather than to local issues. The dominant influence of 'functionalist' regional development assumptions, based on spatial diffusion processes, do not contribute to a clear understanding of the role that local authorities can play in local development. Passive reaction or active adaptation to exogenously determined restructuring processes, aiming at the inwards attraction of exogenous capital is the more common interpretation.

### *Lessons from Poverty III*

Many projects have based their actions on the assumption that the conditions necessary for local resources to be mobilised were local entrepreneurial initiative and local initiative from the 'autonomous' and (local or central) state sectors.

In Belgium, the B.O.M. recognised the existence of local resources (geographical location, a tradition of small businesses, a high concentration of shops, of multi purpose buildings, etc.), but assumed that no lasting contextual change was possible without an inflow of 'exogenous' resources. Based on that assumption, emphasis was laid on generating economic activity to compensate for the shortcomings of social measures; the project has accordingly targeted the business community in order to attract entrepreneurial initiative and additional financial resources into the area. The Business Centre has played a central role in the project which has entered the 'rationality' of the business world and which presented B.O.M. as a professionally managed and credible organisation.

In Denmark, B.I.K. is experimenting with 'alternative activities' guided by the concept of 'useful work' and training to create new jobs which meet local needs in associations, NGOs, tenants' associations, social service agencies, etc. This strategy falls within the Third Labour Market approach. SAMIKO has been developing a training course adapted to new demands in the labour market ('green caretakers') aiming to skill the unemployed to meet the demands of the contractors in the renovation process.

In Girona, Spain, the informal sector is being 'integrated' into mainstream commercial activity. In Montes de Oca (Burgos), the project has focused on creating co-operatives and employers' associations.

In Germany (Munich, WOHNforum), the target groups are being encouraged to participate in the design, planning and self-organisation of urban renewal activities in co-operation with the local authorities.

In Greece, the Argyroupolis project created two associations, one of deaf people and the other of elderly. The first association gave rise to a small cooperative printing plant.

The Thessaloniki project also encouraged the creation of a cooperative by single parent women.

In France, the national context has been favourable to the development of new activities and job opportunities with low productivity under the 'services de proximité' initiatives. The French projects are developing their activities in this domain in a context where central government is playing a key role in supporting the development of local employment initiatives and helping to ensure their economic and financial viability via the tax system ("avantages fiscaux", "cheques-services", "contrat emploi-solidarité", "exonération des charges sociales", etc.). The state is also promoting innovative economic structures like "entreprises d'insertion", "associations intermédiaires", "régies de quartier", "chantiers-écoles", etc. In Calais, the project created an association "les jardins-solidarité" which produces vegetables that are sold at a low price to another association "les restaurants du coeur" which provides free meals for local poor people. Those working in the former association (15 people) are working (under "contrats employ-solidarité") on municipal land granted to the project, the latter association receives gifts from households and public grants which enable them to offer free meals. What is remarkable here is that this 'economic circuit' is possible due to the overall national context. In le Doubs, the association "Jardin de Cocagne" comprises 100 members who pay an annual fee which buys them the 'right' to consume organically-grown agricultural produce. A network of local organic growers is being created in order to improve their chances of economic survival. Also in le Doubs, the GEIQ is contributing to a change in the attitudes of local entrepreneurs in the tourism and catering industries by undertaking quality training and employment opportunities linked to the promotion of tourism. Finally, co-operation among the local municipalities to offer stable

jobs for locals in carrying out their statutory duties (environmental protection, maintenance, etc.) should be mentioned.

In Ireland, PAUL has supported job-training and small-scale production ventures. The emergence of small-scale entrepreneurship was mainly due to the influence of the national area-based response initiatives: the project provided financial incentives and training to small-scale entrepreneurs. FORUM has carried out activities centred on the promotion of fish farming and the preparation of a plan for tourism development which included low income households. The shellfish farming project was promoted through the constitution of local co-operatives and the incorporation of the state agency for fisheries development in a supportive role to these cooperatives. State capital and professional expertise were linked to local cooperative organisations.

In Italy, the debate on the 'Network Agency' Model showed that co-ordinators play a special role: being both suppliers of techniques and practical leaders they are responsible for specific actions and are involved in the overall design of the project. Previous experience in the public sector seems to be recommended. Service Centres have been created to support the cutlery firms in Bucaneve, Italy and tourism in Alto Belice. A consortium of tourist agencies has also been created in Alto Belice, as well as the creation of small businesses and the promotion of an entrepreneurial culture. More specifically, training and a consultancy desk supporting the entrepreneurial activities of young people in the south were set up in Alto Belice; an association for cultural services and for agricultural co-operatives and a network between local craft workers for training in the workplace in Tor Bella Monaca, Rome (MA 18).

In Portugal, Almeida assisted local projects with their applications for 'exogenous' funding (national and European programmes) as well as helping them to generate local resources through the development of innovative local entrepreneurial activity (supporting the shift of local capital from former border related activities to new activities contributing to diversifying local production; attracting 'exogenous' capital and human resources; Local Employment Initiatives) and small scale farming and use value production for self-sufficiency (rebuilding community ovens, increasing land productivity building small dams, promoting local products). Covilhã promoted the mobilisation of the regional endogenous potential by means of a joint promotion of human and natural renewable resources. Capacity building through training, the search for new activities linking product innovation to the mobilisation of under utilised resources (biomass,

wind energy, new products transforming wild plants from the forestry, etc.) and to the experimentation of new technologies (greenhouses, etc.) and promoting the regional identity through the commercialisation of local products (association of honey producers, etc.). Porto (MA 24) mobilised local groups around specific training projects, combining formal technical skills with the valorisation of informal and functional skills and personal development. 'Workshops' with young people were also organised, leading to the creation of a Local Employment Initiative (VIDEO productions).

In the United Kingdom, the Liverpool project has promoted a local labour scheme for contractors to the new hospital and other buildings which have enabled 35 local people to get construction-related jobs. The Brownlow project has been active in instigating and supporting a range of training courses, for example, non-traditional training and information technology, language and business skills training for women and they also support a local job counselling and job placement service. The Pilton project has supported a careers officer post inside the local secondary school to assist disadvantaged local young people in getting the best advice, information and support with career choices and job-search. Through the Business Support Group of large and small companies, the school received financial support for an 'Education-Industry Compact' which offers every sixteen year old in the school work experience and a training place or job offer. The Business Support Group also provides 'careers taster' days and job-search skills for the school. The project developed also a 'one-stop shop' for local job-seekers which provides a range of services.

***Experimenting with new relations between the state and civil society: central and local welfare provision and fostering self-organisation and self-empowerment to cope with socio-communitarian disintegration***

Solidarity may be seen as the expression of cultural and economic resistance to an external threat and is related to the affective, emotional and cognitive bonds that result from the involvement of poor households in their own 'survival strategies'. But solidarity may also be 'constructed'. Local development is based on the assumption that by bringing together individuals to share problems, aspirations or projects, 'interests' communities' can be built. These communities can undertake the defence of the 'territorial interest' and act as a dynamic source encouraging the whole community to actively participate in local development processes.

Encouraging and supporting the 'autonomous' sector can be considered a 'social space' favourable to the promotion of solidarity and participation. If forms of organisation do not appear spontaneously following the identification of a problem, the promotion of small scale self-organisation particularly within the 'social economy' (associations, co-operatives and friendly societies) may be a starting point.

*Lessons from Poverty III*

Several projects have developed forms of collective self-empowerment aimed to reinforce the self organisation capacity of civil society. The examples cited below demonstrate the potential role of the state in fostering new relations between the state and civil society within a context of the restructuring of the Welfare State.

In Belgium, B.O.M. aimed to reconstruct the area's social space. In all of the actions there exists real interest in (re)building the social network by means of socio-cultural initiatives: local newspaper, tea-room/coffee shop in combination with an information centre, preparation of a general neighbourhood development plan.

In Denmark, B.I.K. perceives its actions as striving to develop bottom-up democratic citizen oriented and grass roots participation as an alternative or supplement to top-down municipality administered activation schemes.

In Germany, the project in Hamburg systematically works with citizens' groups and towards developing networking and cooperation. The project has become an integral part of the districts in which it works, shifting its focus from an individual perspective to a broader local community and political perspective (e.g. anti racism). In Munich, WOHNforum is encouraging the communities of the inhabitants participating in the renovation projects to form self management structures and to foster community self help.

In Greece, the Perama project created three associations: 'Women from the Neighbourhood', 'Single-Parent Families' and 'Group for the Support of Families of Drop-Outs'.

In France, the project in Besanτon (le Doubs) is supporting the population to develop specific activities. The 'network for knowledge exchange' ('réseaux d'échange de savoirs') aims to facilitate the free circulation of relevant information concerning everyday needs (e.g., do-it-yourself home maintenance) or job hunting. A group was formed to organise collective acquisitions, which developed into a small supermarket; a restaurant is run along cooperative lines and a launderette was set up.

In Ireland, FORUM, and PAUL have set up and supported self-help groups for elderly people, women, single parents, unemployed people and young people. Both projects distribute local newsletters.

In Tor Bella Monaca, Italy, a group of unemployed young people was set up which is involved in leisure activities for children. The Bucaneve project was instrumental in bringing about co-operation between the association for cultural services and the social services for the elderly as well as with the local Tourist Board. In Alto Belice (MA 20), the Bureau for young business people co-operates with the local volunteers' associations to set up a cooperative and a 'social undertaking'. It also organised the set up, coordination of and training provision for local volunteers groups, some of which have been involved in formal economic activities.

In Portugal, Almeida has successfully experimented with new public services ('meals on wheels' for isolated elderly people), supported local groups and co-ordinated their regional platform. Covilhã organised a resource centre aiming at capacity building and the reinforcement of the potential role of volunteer welfare organisations in the project area. In Porto, a new organisation bringing together different public services (CIAC) in the area was set up creating the opportunity for a more efficient use of public resources centred on targeting households. A 'community residence' was created with great success and its self-management was promoted with the support of the project and in which local groups were involved. Self-organisation and self-management have also been encouraged among the re-housed families in the renovated district.

In the United Kingdom, the Liverpool project has an urban policy officer that has been advising local voluntary groups who have formed Housing Associations which develop and manage housing estates. For example, the 'Freedom of Choice Housing Association is a group of mainly black women, many of whom are single parents, who have designed and will manage a small

housing scheme of family homes which is now in the process of being built. The Brownlow project supports the work of the Unemployed Workers Centre and the project has a full-time member of staff who has worked with several groups of the unemployed developing courses, childcare and cultural programmes for the unemployed. The Pilton project has developed a childcare action group of local women which has visited childcare projects (including Poverty III projects) in Belgium and which has employed community architects to assist in the design of their building which will offer childcare facilities for children aged from 0-16 years.

### 5.2.8. Programme's outcomes and key-messages

Poverty III was a very complex and rich programme with plenty of insight possibilities concerning the search for *lessons* for Municipal anti-poverty action in this 'revisiting' exercise. The lessons once prepared in the framework of thematic evaluation exercises of the programme will be recalled below.

**a) Overview of general outcomes**

The following ideas can be summarized:

- Poverty III contributed to an increased *awareness* concerning poverty and social exclusion and to its relations to ongoing economic, social and institutional restructuring at world, European and national level; Poverty III contributed to establish a clear distinction between deprivation, poverty and social exclusion and to highlight the complexity of its causes and successful anti-poverty action.
- Poverty III contributed to a better discussion of the *'crisis'* of the welfare state; the reasons for the inadequacy and insufficiency of current statutory practices could be identified and discussed; Poverty III contributed to clarify the difference between the 'crisis' of the welfare state and the 'crisis' of the model of funding and of some of the methods of intervention of the welfare state; Poverty III contributed to clarify how 'solidarity' and 'social justice' may remain empty words if not associated to a clear understanding of the irreplaceable role of the state at national level in promoting social protection (access to unemployment subsidy, level of pensions, minimum income, etc.).
- Poverty III contributed to show the possibility of an increased effectiveness and efficiency in public action based on its principles and organizational model; stimulating

new practices and offering new 'frameworks of meaning', Poverty III contributed to show that more important than funding, conceptual restructuring and political will can lead to better results in anti-poverty action than conventional practice; Poverty III also contributes to offer credibility to the debate about the restructuring of traditional central state practices (the artificial division between 'social' and 'economic' policy, shifting resources instead of cutting the social budget, etc.), the restructuring of central-local competencies and resources (shifting resources, promoting more flexible regulation procedures, etc.) and the restructuring of state-civil society relations (partnerships avoiding the externalization of social costs and promoting the diversity and quality of self-sustained participation of the excluded, etc.).

## b) Poverty, 'economic integration' and anti-poverty action

A joint understanding of the 'economic' and the 'social' in anti-poverty action is particularly welcome by professionals traditionally involved in anti-poverty action. 'Economic integration' is felt to be a crucial dimension of anti-poverty action without which conventional 'social action' touches unavoidable limits. Yet, the promotion of 'economic integration' is conventionally understood as promotion of vocational training and centred upon individual integration. In a context of increasing unemployment, this approach seems to be a zero-sum game, as was mentioned above.

'Economic integration' seems to have to be based on a contextual approach where the creation of new jobs and the valorisation of underemployed resources play the central role. But this also means that the central dimensions of 'economic integration' lie *outside* the 'Economic'. Cultural, social and institutional aspects play a much more relevant role in the animation of entrepreneurship, management strategies and power relations concerning the use and control of local resources.

On the other hand, local formal small scale entrepreneurship and self-employment and local employment initiatives within the autonomous sector may play a central role in the creation of new jobs. However, they hardly can emerge 'spontaneously'. Animation efforts are crucial and they relate back to a local development project and organizational animation structures (anti-poverty projects, local development agencies, Municipalities, etc.).

Decentralization in production and job creation may be promoted by this way. Yet, this approach cannot avoid centralization in commercialization. Local agencies are supposed to play a key role supporting decentralized small scale business even if lasting only during an initial phase.

Decentralized production, in the form of small scale firms and local employment initiatives need to ensure their economic and financial viability by means of an efficient production and specific advantages. But the way to ensure this kind of viability requires specific management strategies. Conventional strategies have been designed to solve problems of profit oriented efficiency and accumulation. Small scale firms and local employment initiatives have different problems to solve. They have to ensure a maximal valorisation of labour with relative small capital. To achieve the self-financing of subsistence of their members is the problem to solve. Their competitiveness cannot occur by means of low prices. Innovation, unique products and non-price factors have, probably, to play the most important role. Market oriented production may also mean the use of innovation to take advantage of monopolistic positions in the market and avoid competition reinforcing strategic positions in 'niches'.

Valorisation of resources needs simultaneous territorial competencies and capacities to control resources (pollution, withdrawal of water resources by large scale mono cultural plantations, etc.). This means that the valorisation of local resources can only be maximal if associated with the capacity to influence formal competencies in land use.

Finally, 'economic integration' needs a crucial role of conceptual restructuring. Notions as 'market' and 'competition' need detailed analysis in this context. They were not created to deal with problems of ''economic integration' of poor households'. The very notions of 'human resources', 'labour market' or 'land market' should be used with caution in the context of anti-poverty action.

Poverty III has an important responsibility in the production of discourse about poverty and anti-poverty action. This means that conventional approaches should be carefully analyzed before its wider use in this context. An unavoidable effort towards conceptual restructuring may be needed in order to improve the very capacity to understand the problems and improve action. The concept-dependency of human action and the role of institutions in the production of concepts cannot be forgotten.

'Economic integration' is just an example of an issue needing conceptual restructuring. Let us keep in mind the following examples:

- The notion of 'market' exchanges versus institutionally built transactions: a market oriented local employment initiative or social enterprise means the absence of public authorities in building economic circuits, the absence of human interaction in market transactions or the priority to non-price factors in productive efficiency?

- The notion of 'economic' in relation to production and consumption: a shift of resources in favour of poor households relates to consumption or production issues? This is a crucial aspect in discussing minimum income policies.

- The notion of 'economic' in relation to money resources, consumption practices and unmet basic needs: stimulated priorities in the media reinforce the dependency on money resources or on use value production? Have poor households to be excluded from stimulated priorities if they succeed in survival? Will this mean that survival is not possible without a 'critical' distance towards hegemonic values?

'Economic integration' leads to a clear confrontation with the classic concern with the very concept of wealth: the capacity to buy due to the accumulation of exchange values versus the autonomy towards the need to buy. This means 'critical' distance concerning hegemonic values.

In a context of increasing unemployment and decreasing welfare protection, 'economic integration' touches the very heart of the tensions caused by the priority to growth in society. According to hegemonic values and cultural patterns poor households can only reach 'economic integration' if they are in position of *not* following dominant values in their practices and 'survival strategies'. Poor people are 'social scientists', experts in survival. Therefore, they also show in their practices how counter-hegemonic their practices have to be in order to meet basic needs with the least possible dependency on the market for their consumption needs.

**c) Anti-poverty action, socio-economic change and local development: towards innovatory anti-poverty action and local development for a new European social policy for global competitiveness**

There are sufficient examples within Poverty III to illustrate the local dimension of a new European *social policy* for *global competitiveness* base as well as to illustrate aspects of a

*spatially* diversified and local *specific* socio-economic *anti-poverty* policy. The role of Municipalities in both situations can be clearly seen.

- Poverty III is fostering interesting, innovative and useful experimentation in linking anti-poverty action to local development. The projects are proving that it is possible to increase the access of poor households to new resources, to mobilise under utilised resources and to valorise their own resource basis in order to meet their basic needs. In this way the scope for what is normally considered anti-poverty activities (relief of deprivation) is enlarged. This is proof that the principles of the Programme are contributing in a positive way to this result. The national contexts seem to be playing a very relevant role in projects' results, namely, in what concerns the role played by the state.

- There are signs that several projects are linking economic to social integration, demonstrating the possibilities at a local level of a 'social policy for global competitiveness'. Given the spatial diversity and local (multidimensional) processes and situations of poverty and social exclusion, the Programme is also experimenting with more flexible statutory regulation procedures and with increasing the capacity for local response to foster the economic and social integration of poor households.

- The following aspects can be highlighted: the context-dependency of encouraging conventional entrepreneurial activity given the contribution of very small, small and medium size firms to global competitiveness and employment (local development projects, fostering an entrepreneurial culture, direct support for groups); the context-dependency of promoting the competitiveness of individual firms due to the role of 'synergism' in innovation and competitiveness (the promotion of quality in traditional products, search for new products, experimenting with new technologies, promoting the 'regional identity' of products, fostering co-operation among producers for commercial purposes, etc.); the context-dependency of formal education and vocational training in linking relevant knowledge and strategic information to local productive specialisation and restructuring, to technological culture, to an increased learning capacity and adaptation to change, thereby encouraging innovation and productivity (the promotion of formal education and experimentation in teaching methods by linking school to the world of work, specific training programmes, etc.); the context-dependency of the search for new economic activities linking local resources to unmet local needs, of developing innovative entrepreneurial initiatives (co-operatives, 'social enterprises', 'enterprises

d'insertion', etc.) linking their productive potential to conventional entrepreneurial activities (input/output relations, sub-contracting, services, etc.) and to institutionally built economic circuits (public services, non-governmental organisations and churches, creating associations linking producers to target consumers, etc.).

- There are only a small number of projects dealing explicitly with local development in a systematic way. However, several projects gradually introduced changes in their strategies and actions dealing with particular aspects of local development, often due to their developing understanding of 'multidimensionality', to their growing awareness of 'economic integration' in a context of growing unemployment, to their deeper understanding of the relationship between bringing about change in the individuals' situations and the need for lasting contextual change at local level, and to their search for sustainable strategies, actions and results. The emphasis of Poverty 3 on evaluation and self evaluation may have contributed to a particular awareness in the way it identified not only outputs but also lasting 'net effects' of projects' strategies and actions.

- In many more projects the shortcomings of conventional anti-poverty action exclusively based on 'social integration' are directly addressed. 'Economic integration' is perceived as a crucial dimension without which conventional 'social action' is less effective. Although 'economic integration' is often understood as the promotion of vocational training aiming at individual integration into the formal labour market, many projects are reaching beyond this and engaging in direct job creation. In the current context of growing unemployment, reinforcing individual capacity to compete in the labour market may merely displace unemployment and poverty onto others.

- However, direct job creation in a context of growing unemployment in the formal labour market is highly dependent on the promotion of conventional and non-conventional small-scale entrepreneurial initiative. It needs continuous efforts to bring about a change in attitudes, behaviour and values, to identify new activities and project ideas, preparing concrete, productive projects from a range of ideas and accessing funding when capital is not available. Cultural, social and institutional factors play a more relevant role in fostering entrepreneurial activity and management strategies in the allocation of local resources than economic aspects alone. In these cases, conventional incentives to investment (cheap credit, subsidies, fiscal incentives, etc.) are not enough. The projects thus demonstrate how 'economic integration', in fact lies outside the field of economics as conventionally understood.

- On the other hand, small-scale entrepreneurial activity linked to initiatives from the 'autonomous' sector (Local Employment Initiatives, cooperatives, self employment, etc.), rarely if ever emerge 'spontaneously'. The projects highlight the necessity of political effort and its relationship to a development project, namely, to a coherent project for the mobilisation and valorisation of local resources and stimulating 'synergy' between them (input/output relations, sub-contracting, cooperation in export promotion, etc.). The projects show how decentralised small scale opportunities for production and job creation are heavily dependent on the existence of local agencies, assuming the defence of 'territorial interests', centralising commercialisation and promoting innovation and strategic flexibility.

- The creation of jobs by the means of small-scale initiatives requires clear and appropriate management strategies, which should ideally combine a small amount of available capital with human resources (the quality of labour). The competitiveness of those activities depends to a very large extent on systematic innovation in quality and products, adoption of appropriate technologies, non-price factors in their commercialisation strategies and organisational innovation aiming at flexible specialisation. Rising to this kind of challenge requires training linking technical know-how to informal skills, functional knowledge and personal development. Therefore, the projects are showing how the competitiveness of these activities is very much dependent on the 'competitiveness' of local systems, on close cooperation and development of economic relations between the 'mainstream' firms, organisations from the 'autonomous' sector, use-value production and an intensive development of local 'synergy' and cooperation among local agents. This is a field where the need for conceptual rethinking or innovation is needed by the projects. A number of examples were cited where the notion of 'market' does not do justice to the 'institutional creation of economic circuits' undertaken by the projects.

- The projects that are explicitly involved in local development as a strategy to fight poverty tend to understand it as a way to overcome the 'backwardness' of their region, to help them to profit from inter-regional relations and national growth and preserve their regions from 'regional disintegration' induced by the same inter-regional relations and growth mechanisms. Anyway, it is important to notice that, in both cases, key dimensions in local development are always addressed either directly or indirectly: the need for 'local development agencies' conceived both on a territorial basis and on a network basis; the need for control and mobilisation of local resources; the need to reinforce social cohesion and community ties and to increase the quality of interpersonal

relations (small scale solidarity, etc.); the self organisation and empowerment of civil society. 'Partnership' and 'participation', as key principles, are central to progress in this domain.

- The need for 'local development agencies' is based on the need for local organisations which develop 'animation' activities and which can influence decision making. The role of 'agency' is also present to the extent that dominant values, ideas and beliefs must undergo fundamental change in order to make alternative solutions possible. Fundamental changes in attitudes and behaviour among poor households might be needed and promoted according to contra-hegemonic values if lasting solutions are to provide a sound basis for the future. This is related to the 'learning' of citizenship and social rights but also to the problems of interpersonal conflict-solving in collective productive and reproductive organisations (cooperatives, very small firms, etc.).

- The approach adopted to the management of resources is therefore key to linking *'economic'* to *'social'* integration, whether understood in terms of organisational capacity to gain access to 'exogenous' resources or in terms of becoming aware of the 'endogenous potential' of local communities and poor households in order to find innovative ways of meeting their basic needs. Since 'resources' may be understood as constitutive of the very notions of poverty, 'agency' can be seen to play a central role in identifying ("Wahrnehmung") and valorising existing resources as well as raising awareness of citizenship and social rights in relation to 'exogenous' resources.

- *Conceptual* innovation is needed in projects' practices. It appears that conventional values, ideas and beliefs mainly related to the *'economic'* dimension of integration are probably having a limiting effect on the projects' potential results. Notions like, *'market'*, *'competition'* or *'economic and financial viability'*, originally developed for conventional and formal economic entrepreneurial rationality, are *not* conducive to identifying the whole range of possibilities for wealth creation linking the mobilisation and valorisation of local resources to anti-poverty action. Conceptual innovation is therefore fundamental to a better understanding of the *problems* which in turn can lead to better *action*. The *concept-dependency* of human action and the role of *institutions* in the production of concepts cannot be overlooked.

**5.3. The Community Initiative 'Employment & Adapt' (Integra strand), access to employment and the 'empowerment' of the poor**

In the Community Initiative Employment & Adapt (1999-2000), the author of these work was in charge of following the European debate on experimenting with 'empowerment' as a 'principle' in employment policy and was in charge of coordinating the evaluation of the contribution of the four Portuguese projects involved in this thematic activity within the INTEGRA strand. This results have been already published elsewhere (Gicea 2000).

*5.3.1. The programme and its context*

At the end of five years of innovation and trans-nationality, the European Social Fund's Adapt and Employment Initiatives presented their thematic activities and strategic lessons (CEC 2000).

Launched in 1995 and operational until the end of the year 2000, the two Initiatives were based on the following principles:

- transnationality: projects must be partnered with projects in other Member States which are focused on similar or complementary priorities;
- innovation: in the context of national and regional practice and priorities, projects experiment with new ideas or methods, or with new combinations of existing ideas, methods or collaborators;
- local involvement: projects should involve a wide range of local individuals and organisations, both public and private, so that this combined knowledge and experience can be focused on the development of appropriate training, guidance or employment provision.

The projects should have a multiplier effect: the programme's experiences should be recorded, evaluated and widely disseminated through expert and professional networks and to the public.

*5.3.2. Objectives, principles and procedures*

The Community Initiative 'Adapt and Employment' was launched in 1995 and was based on the following principles:

- 'trans-nationality' projects must be partnered with projects in other Member States which are focused on similar or complementary priorities;
- 'innovation': in the context of national and regional practice and priorities, projects experiment with new ideas or methods, or with new combinations of existing ideas, methods or collaborators;
- local involvement: projects should involve a wide range of local individuals and organizations, both public and private, so that this combined knowledge and experience can be focused on the development of appropriate training, guidance or employment provision.

The programme activities were organised around thematic activities. At the end of 1997, the Commission and the representatives of the Member States agreed a common strategy for Thematic Activities which would apply to the final phase of Adapt and Employment.

This strategy was intended to strengthen the role of the two Initiatives. The thematic activities were organised around Thematic Focus Groups and these have met a number of occasions during 1998-1999. They have taken account of the views and experience of project promoters and participants, they have promoted or organised national or European conferences and events and the results of their work have also been reflected in publications.

*Empowerment*

It was in this context that a Thematic Group on 'Empowerment' was created. Given its Anglo-Saxon origin, the term does not find immediate equivalents in other languages and cultures. It was relevant to develop some debate at European level in order to build a common understanding of the risks and opportunities attached to an empowerment perspective.

As can be read in the above cited report, it was understood that 'empowerment' can help tackle an important factor of exclusion: the lack of participation by excluded people in decisions affecting them, at various levels. It is a dynamic process that offers a new vision of what inclusion processes are about. It recognises the relative absence of power and influence experienced by excluded people and groups. It also gives first priority to the development of new capacities and new opportunities, so that excluded people are able to play a full role in the management of personal, social, economic and political aspects of life. It requires a willingness on the part of other actors in society to give recognition to excluded people' experience, skills and aspirations. It also requires willingness to change structures and professional practice to allow for their full participation in decisions affecting them.

The Thematic Focus Group in *'Empowering the excluded'* was able to bring together various national understandings of 'empowerment' and of other closely related notions. INTEGRA programmes and projects used two related notions of empowerment:

- Self-empowerment as a final objective closely linked to the capacity to make independent choices: self-determination, self-management, self-help, citizens' approaches or initiatives.
- The process of promoting progress towards self-empowerment: giving more autonomy, giving the power to fulfil the rights and responsibilities of a citizen, building the capacity of voluntary groups and associations, promoting participation in decision-making.

In all cases, 'empowerment'-based actions are about *changing* power relations. As introduced elsewhere debating the concept of power has relevant implications to the concept of 'empowerment' (Henriques 1999). In the Report one can read how it was conceived the changing of the 'balance of power' involved in the promotion of 'empowerment': *"on the one hand, those who have little or no power, such as excluded people, can acquire the capacity, to have informed opinions, to take initiatives, make own decisions, and influence change ; on the other hand, those who operate from a position of power can redeem some of their power, authority and influence by entering into open negotiation with other actors, changing their attitudes, adapting rules and reorganising decision-making processes"*. Empowerment based approaches for employment and inclusion will therefore require a two-sided dynamic in

which both the way excluded people organise themselves and the way social, cultural and employment systems allow them to play 'a full role' in society.

In the context of INTEGRA, 'empowerment'-based objectives are present at different *levels:*

- at the level of *individual* job seekers participating in projects;
- at the level of the target *groups* that face similar challenges in returning to employment;
- at the level of the *project* management and;
- at the level of the local *systems* and *structures* that affect progress towards employment and inclusion.

Starting from the practice level, exemplary projects were therefore identified that developed the capacity and opportunity of individuals and groups to play a full role in economic and social life, taking into account psychological, social, economic and political aspects of empowerment. Empowerment, in the context of combating social exclusion, is a means of counteracting the loss of social identity, the risk of dependency, the lack of participation by excluded groups in work and society.

In response to this, European Union policies to combat exclusion have promoted the integration of economic and social policies. Integrated approaches have been developed by a number of Member States and rely on building partnership between all concerned, including excluded groups themselves.

Empowerment approaches go a step further. They constitute a radical departure from approaches to solidarity based on philanthropy, charity or traditional forms of social protection that tended to increase the risks of dependency. They consist in an appropriation of the process of change by excluded people and groups. European Union policies to combat exclusion have widely acknowledged the need such active participation by excluded people at all levels. This requires a process of empowerment to enable all actors to work together more effectively.

### *5.3.3. Programme's outcomes and key-messages*

By analysing the experience obtained in the Portuguese projects of the 'INTEGRA' strand of the Community Employment Initiative in the field of 'empowerment', we can structure strategic reflections around two distinct perspectives: opportunities provided to deal contextually with the complexity of relations between employment and inclusion and opportunities provided to deal with this complexity at different levels.

Actions undertaken to benefit employment and inclusion based on an empowerment approach permit a contextual response to the inter-dependence found and contribute to focusing priorities of public action on the opportunity-creating conditions in the action. Those messages have already been introduced elsewhere (Gicea 2000):

- they can be based on the need for in-depth and empirically detailed knowledge of the various local contexts in the expression of the employment problems, and on the need for strategic forward action before the problems occur, with a view to facilitating pro-active attitudes towards the formal employment system (creation of new professions, creation of new jobs, etc.);
- they can embody the interdependence between cognitive and affective and emotional aspects in the construction of pro-active attitudes at the collective and individual levels (critical awareness of the problems and acquisition of functional competences in the context of identifying opportunities, self-understanding to deal with depression and anxiety in the construction of hope and the positive mobilisation of aggression to deal with discrimination, etc.);
- they can embody the interdependence between individual, collective and community/society aspects in the construction of organisational conditions essential to sustain pro-active attitudes (facilitating the inter-personal relations and the construction of conditions for collective action, integration of functions of animation, organisation and access to capital in the mobilising of new business initiatives, creation of new opportunities for jobs and inclusion, etc.).

At the individual level, the perspective of training is broadened with a view to individual reinsertion in the employment system:

- formal knowledge and competences are no longer restricted to the cognitive level; personal development, self-esteem, autonomy, involving simultaneous changes at the cognitive, affective and emotional levels give a broader perspective to the notion of employability;
- the acquisition of knowledge and personal capacities is no longer restricted to its functional dimensions; critical awareness about the origins of the sources of employment problems ("conscientização") is recognised as a necessary process; this must be prior to construction so as to give specific knowledge and competences in building a life-project which takes a pro-active position towards the formal employment system.
- in a context of early obsolescence of knowledge, life-long learning assumes that hope is maintained as well as attitudes and behaviour that are favourable to the personal response to the increasingly unpredictable challenges of our times; these are individual attitudes and behaviour which assume that anxiety, anguish and depression have been overcome in the experience of the growing structural threats to individual psycho-emotional balance.

At the collective level, the perspective associated to the identification of target groups as the reference for public action is developed:

- with the de-structuring of social categories which has accompanied globalization, target groups will exist less and less prior to public action ('organizational outflanking') and will increasingly be the contingent result of public action (construction of interest communities, empowerment to organize collective action); the local identity gains strength as the opportunity for a collective identity towards the contemporary de-structuring of conventional social identities;
- the collective capacity for initiative and organization, expressed in the additional creation of work posts, is highlighted (development associations and agencies, small businesses, cooperatives, etc.) in the construction of individual and collective pro-active attitudes towards the formal employment system.

At the community level:

- the above mentioned individual and collective dimensions are facilitated by the political recognition of the fostering of citizenship and the responsibility of the small scale territorially based political organisation (local authorities, etc.);
- the recognition of the formal competences and assignments and the granting of financial resources are inseparable from providing the individual and collective with employment capacities from an empowerment perspective.

At the social level:

- the assumption of the experimental nature of adopting empowerment as a principle and the policy attention on proposals emanating from the projects allow the results to be generalised through the production of specific legislation; this leads to the formalisation and generalisation of practices (formal recognition of the training of mediators, formal recognition of new professions, etc.);
- the generalization of results leads to power also being weighed in terms of assignments, competences and resources so that the sub-national territorially based public bodies can act; in this way, political communities are involved with a view to their sustaining the actions themselves ;

At the project level:

- the organisational model and the management model to be followed at project level become more ambitious; they presuppose the participation of potential beneficiaries in the conception of actions, in the decision-making process and in the individual and collective organisation of exercising the civil responsibility for its implementation;
- the construction of self-sustaining conditions for actions in the context of a concrete emancipation project is a criterion which becomes crucial to the construction of partnerships; the partnerships stop being recognised as starting points for the action and start being perceived as the outcome of collective effort to create self-sustaining conditions of territorially based individual and collective action.

## 5.4. The Portuguese Urban Renewal Programme and territorial integration in 'distressed urban areas'

The author of these lines was in charge of coordinating the mid-term evaluation of Portuguese 'Urban Rehabilitation Programme' (PRU) (2000-2001) (DGDR 2001).

The Portuguese PRU programme was directly influenced by the Community Initiative URBAN. The projects were selected from a group of projects the initially tried to be involved in URBAN. The PRU programme was financed by the Portuguese Government and by the European Investment Bank. Given the direct relation between URBAN and the PRU the mid-term evaluation mentioned above followed methodological assumptions as if PRU had been conceived as an experimental programme. Like URBAN it was assumed that PRU would aim at innovation and would follow principles such as 'partnership' and 'territorial integration'.

### 5.4.1. The programme and its context

Since the Communication from the European Commission 'Towards an Urban Agenda in Europe' in 1997 an increasing concern can be observed with the fact that a majority of European citizens live in urban areas. But if cities are centres of economic growth, they can be at the same time concentrations of social, environmental and economic problems. The URBAN Community Initiative is an instrument within EU Cohesion Policy, dedicated to the regeneration of urban areas and neighbourhoods in crisis that was created in 1994 in its initial form (URBAN I).

A particular feature of the URBAN initiative is the high degree of involvement of the *local authorities* in the day to day implementation of the projects. Advised by local community groups and in partnership with the national or regional authorities and the European Commission, the local governments play a central role.

### 5.4.2. Principles, assumptions and procedures

The Portuguese Urban Rehabilitation Programme was directly inspired by the URBAN I Community Initiative. In Portugal, it was developed by the same managing authority.

'Partnership' and 'territorial integration' are the two central 'principles'. The projects were invited to experiment with simultaneous action in different domains. The 'physical', the 'social' and the 'economic' should be tackled simultaneously. The underlying 'theory' was very much influenced by Poverty III. URBAN I was launched in 1994, and received a strong influenced by the developments in Poverty III. Lasting changes in poverty situations required contextual change. This should be experimented in 'distressed urban areas' where the most severe signs of social vulnerability could be found.

The programme was managed with little priority to 'animation' activities. They have been restricted to a few thematic seminars together with URBAN projects and bilateral meetings among PRU projects.

### 5.4.3. Programme's outcomes and key messages

The rich experience which has been obtained through the Urban Rehabilitation programme raises some final reflections.

**a) The Urban Rehabilitation programme and Experimental Public Action based on Territory-Based Local Action**

Public policies have become increasingly territorial and this is linked to appealing to local action of municipal initiative. As the same time, public action Programmes based on local projects have increased substantially.

These programmes do not cover all the territory in Portugal, that is, "all the localities" and they implicitly assume territorial selectivity reproducing either the assumption that social problems have a territorial expression that "explains" their structural origin (problems of the localities), or that their capacity for initiative and organisation (in presenting its application) in more needy locations is neglected and animation can be neglected where these projects were most necessary.

A thorough explanation is required of the foundations and potentials of the methodological specificity of experimental public action through local projects formed on the basis of adopting criteria of territorial selectivity and spatial concentration of resources.

Further exploration is often required of the potentials for a perspective of action where the starting point is the recognition of localities as territorial units that offer a context of real social interaction for the analysis of relations between the structuring and agency (voluntary action) in the local materialization of social problems.

Full value is also not always given to the potential of a perspective of action which allows additional knowledge about the conditions which provide opportunities for "locality effects" to be induced voluntarily and for the preparation of recommendations for the restructuring of local, national and European policies.

From this perspective, the wealth of the experience being obtained in the scope of the Urban Rehabilitation Programme justifies further analysis.

**b) The 'Physical', 'Economic' and 'Social'**

The physical, the social and the economic are not watertight categories: they are intermingled. Their separation was socially constructed.

A social dimension of the physical is clearly recognised in the Sub-Programme's action: giving the municipal action credibility through the physical deeds, changes in individual and collective self-esteem associated to the improvement of public space, housing, toponomy and door number as a means of counteracting a stigmatised image, etc.

The Sub Programmes also demonstrate the recognition that the potential contribution of the physical deeds to Urban Rehabilitation does not take place simply through their physical realisation. The facilitating conditions assured by the physical deeds only fulfil their potential through the forms of social appropriation to which they can be associated.

Changes on the social level are therefore necessary to fulfil the potential contribution of the physical deeds for urban rehabilitation. The potential contribution of deeds at the physical level for urban rehabilitation is not automatically fulfilled through its construction. This potential contribution is only achieved through community animation activities than can facilitate alterations in the individual and collective appropriation of the physical.

**c) Local technical, proximity and interpersonal relations structures**

The above mentioned induction of social change assumes community animation. It assumes inter-personal relations between technicians and the participating beneficiaries.

The quality of the interpersonal relations facilitating this kind of change may not be within a techno-professional scope and may call on the human qualities and personality traits of the technicians involved.

The rehabilitation potential of the physical is achieved through the social and the economic. But the nature of the social change that facilitates this does not emerge spontaneously. Community animation becomes indispensable for the (re)construction of the life of the relations. A key aspect in public action for urban rehabilitation is the creation of organizational conditions for the empowerment of the local communities and to allow specific public responses; this serves as an alternative to sectoral and techno-bureaucratic responses.

**d) Preparation of an "Urban Rehabilitation Policy": Perspectives for Possible Short term and mid term Action**

Some final reflections aim to contribute to the creation of an "Urban Rehabilitation Policy". The wealth of experience that is being obtained can help find a potential Urban Rehabilitation Programme which serves as the basis of a National Policy for Urban Rehabilitation.

Our existing knowledge of the specificity of the relations between the overall economic restructuring process and the restructuring of the urban system may be considered insufficient given the semi-peripheral nature of Portuguese society and the specific problems of the Run Down Urban Areas (central or peripheral locations of subsidiaries of multinational companies in the framework of the New International Division of Labour, spatial implications of the spatial dysfunction of management and control functions and production functions, involving foreign investment in the land market and in the promotion of real estate, financial globalization and land and real estate investments, etc.).

In terms of the production of knowledge about the urban system, the Programme contains a number of possibilities for the analysis of the abovementioned relations. Based on the analysis of the Sub Programmes used as case studies, like the experiences already obtained in the United Kingdom [8] or in Europe in the scope of local development and the fight against social exclusion[9], it would be admissible to make an in-depth analysis of the Portuguese situation in the Urban Areas in Crisis using the situations of the Sub-Programmes of the Urban Rehabilitation Programme.

**e) National Observatory for Urban Rehabilitation**

Equally, the opportunity could be taken to set up some Observatories (national Observatory for Urban Areas in Crisis or a network of Local Observatories) with the purpose of identifying the relations between the overall economic restructuring processes, European integration and urban restructuring in the cities and the urban metropolitan areas of the national urban system, to evaluate municipal policies and territorial planning processes (MDP and Strategic Plans) for the identification, valorisation and dissemination of the most relevant experiences.

Research in this field requires considerable coherence at epistemological, conceptual and theoretical levels and methodological procedures which are rather different from the more conventional scientific practices.

A national entity with this mission could assure that this effort of animation and coordination takes place. It could fit the efforts for development into a central and national framework, in the ambit of observatories, the experimental programme and a municipal network (to be formed from the current promoters of the Sub-Programmes) and it could be assigned with the preparation of strategies and action based on the experience obtained and the resulting recommendations.

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[8] BAGGULEY, P., MARK-LAWSON, J., SHAPIRO, D., URRY, J., WALBY, S., WARDE, A. (1990) Restructuring: Place, Class and Gender (London: Sage); COOK, P. (1985) The Changing Urban and Regional System in the United Kingdom, in Regional Studies, Vol. 20.3, pp. 243-251.

[9] MOULAERT, F. et alt. (1991) Integrated Area Development and Efficacy of Local Action Feasibility study for Animation & Recherche in the context of POVERTY III (Brussels: European Commission).

Another possible consideration would be the opportunity to valorise the Urban Rehabilitation Programme as an Experimental Programme specifically directed towards action-research in the fields considered most relevant to the subsequent grounding of an "Urban Rehabilitation Programmed" based on the national semi-peripheral specificity (experimental Programme to raise awareness, for innovation and as a foundation for recommendations).

The Programme could be the beginnings of a *"Municipal Network for Urban Rehabilitation in Distressed Urban Areas"*. This would test methodologies and instruments of territorial planning which tried to meet the needs of finding specific and overall answers to competitiveness and employment, for the economic and social integration of people and groups suffering from exclusion and for urban development.

A methodology of analysis and intervention was used based on the 'local' of the Poverty III Programme projects, for example, to draw up policy recommendations at local, national and European level.

This methodology opened up prospects for central state action as well as for the national coordination of all influential agents at this level, with a view to improving the responses to the problems of competitiveness (innovation in products and services, in commercialisation, organisation, management, animation of ´synergies' in the relations between enterprises and education, training and research institutions), of poverty and social exclusion (articulation of the guaranteed minimum income with new forms of paid activity, production for self-consumption, innovation in architectural planning adapting refocusing efforts to unconventional productive functions in the home itself and access to urban space for locating small business initiatives, etc.) and of urban development (physical rehabilitation, collective facilities and urban spaces which facilitate the collective organisation of initiatives of the civil society, economic animation of residential areas, etc.).

## 5.5. The Community Initiative Equal and tackling *discrimination* and *inequality* in the field of employment

The author of these lines was involved in the Community Initiative Equal (2003-2005) in an intensive way. He was in charge of the 'animation' of the National Thematic Network on *'Pathways to Training and Integration of Underprivileged Groups'* and followed the

European efforts to coordinate the diverse national thematic networks organised around the 'employability' pillar of the European Employment Strategy. On the basis of the contributions of the 19 projects represented in the network, he coordinated the preparation of a *'Living Document'* which contains a brief overview of the main results of the projects, their thematic organisation and transversal key messages that can be understood as the specific outcome of the National Thematic Network as such (Equal 2006).

### 5.5.1. The programme and its context

EQUAL (2000-2006) is part of the European Union's strategy for more and better jobs and for ensuring that no-one is denied access to them. Funded by the European Social Fund (ESF), EQUAL tests new ways of tackling discrimination and inequality experienced by those in work and those looking for a job. EQUAL co-finances activities in all EU Member States. It builds on the work of the Community Initiative ADAPT and EMPLOYMENT - Now, Horizon, Integra, Youthstart (1994-1999).

EQUAL is part of the European Union's strategy for more and better jobs and for ensuring that no-one is denied access to them. Funded by the European Social Fund, this initiative is testing since 2001 new ways of tackling discrimination and inequality experienced by those in work and those looking for a job.

EQUAL co-finances activities in all EU Member States. The EU contribution to EQUAL of 3.274 billion EUR is matched by national funding. EQUAL differs from the European Social Fund mainstream programmes in its function as a laboratory (principle of innovation) and in its emphasis on active co-operation between Member States. Two calls for proposals for EQUAL projects in the Member States have taken place so far, the first one in 2001, the second one in 2004. Responsibility for the implementation of the Community Initiative programmes in the Member States lies with the national authorities.

*5.5.2. Objectives, principles and procedures*

*Objectives*

The Communication from the European Commission establishing the guidelines for the Community Initiative Equal (2000/C 127/02) clearly defines the aim of Equal: *"The aim of Equal is to promote new means of combating all forms of discrimination and inequalities in connection with the labour market, through transnational cooperation. Equal will also take due account of the social and vocational integration of asylum seekers.*

Defining the policy context of the Initiative, the Communication reminds how the growing interdependence of Member States economies led to the inclusion of a new Title on employment in the Amsterdam Treaty and situates Equal as part of the European integrated strategy to combat discrimination focusing on the labour market.

Equal activities are structured on the four pillars of the European Employment Strategy: Employability, Entrepreneurship, Adaptability and Equal opportunities for women and men. In addition EQUAL has a separate theme which addresses the needs of asylum seekers.

*Principles*

Following the European tradition in developing experimental programmes, EQUAL follows key principals: trans-national co-operation, innovation, empowerment, thematic and partnership approach, dissemination and mainstreaming to ensure that EQUAL informs policies and practice:

- *Partnership:* to bring together key actors (local and regional authorities, training bodies, public employment services, NGOs, enterprises, social partners) in Development Partnerships (DPs) on a geographical or sectoral level to tackle discrimination and inequality.
- *Thematic approach:* to concentrate actions on thematic fields in keeping with the European Employment Strategy.
- *Innovation:* to explore and test innovative approaches in formulating, delivering and implementing employment and training policies.

- *Empowerment:* to strengthen capacity building by making all relevant actors, including beneficiaries, work together on an equal footing.
- *Transnationality:* to render it possible for individual DPs and national authorities to learn from each other and co-operate productively across borders.
- *Mainstreaming:* to develop and test new ways of integrating best practices into employment and social inclusion policies.

*Procedures*

Each Member State has chosen the thematic fields within which it wishes to explore and test new ideas in co-operation with other Member States. Member States have considered the national priorities on which they wanted to focus activity and where they thought they could benefit most from working with other countries.

The aspects to be developed concern the development of the EQUAL Community Initiative in Portugal (about 100 projects). On the basis of the personal experience of animating the Portuguese National Thematic Network on "Employability" (19 projects) and of following evaluation exercises in two particular projects some ideas are developed concerning the challenge of formulating proposals for *methodological transferability* and *policy recommendations* on the basis of the achievements of a few number of *local* projects.

*5.5.3. Programme development: the role of the 'National Thematic Networks'*

EQUAL provides a range of resources, including support to National Thematic Networks (NTNs), to assist the transfer of good practices that have emerged from its Development Partnerships (DPs) into mainstream policy and practice. The NTNs have a key role to play in this mainstreaming process, as they provide a structured framework for identifying innovative good practice that responds to policy needs, and they also help to establish links with policy makers and other stakeholders.

They offer opportunities for DPs to discuss and validate the most promising outcomes of their work and assist them in the dissemination and mainstreaming of these products and methods. The NTNs thus enable effective dialogue between those promoting innovative activities and

those responsible for the development of policy. This practical support to mainstreaming is a new feature in the Human Resources Initiatives of the European Social Fund.

The NTN 1, *'Pathways to Training and Integration of Underprivileged Groups'* started its activity in early 2003 and ended in December 2004. It was based on past work on the concept of *'pathways to integration'* which implies that successful integration into the labour market - particularly for the most vulnerable groups - is based on a multistage integration process which may take place at several levels. The approach integrates different types of expertise and involves processes of co-ordinating the contribution of diferent public services and employers.

'Employment' pathway projects have experimented with a focus on meeting individual needs. They involve developments in employment, education and training systems as well as in organisational and institutional models to ensure integrated action.

### 5.5.4. Programme's outcomes and evaluation results: the National Thematic Network on 'Pathways to Training and Integration'

We introduce below key-messages of the 'Partnerships for the Development' represented in the National Thematic Network 1.

The experience of the Equal projects represented in Thematic Network 1 corroborates the perspective in which the promotion of job access based on approaches guided by 'integrated pathways' of training-insertion' effectively facilitates responses which are adequate to the growing diversity in situations of inequality and discrimination in job access.

The approach of the action promoting job access by *'integrated pathways'* has implicit the notions that one should look for *individualised* approaches which are integrated and supported by local social agents capable of facilitating the construction of real and persistent solutions by means of *inter-institutional cooperation (local partnerships)*. The 'integrated pathways' approaches combine different types of instruments, different social agents are involved simultaneously, the approaches are centred on the individual, the organizations or territories and the direct connection with employment is explicitly contemplated in the action.

More recently, with the growth of unemployment, the approaches by 'integrated pathways of training-insertion' have come to incorporate the direct job creation with actions promoting entrepreneurialism in self-employment and their own enterprise initiative. In these cases, the identification of the products and business opportunities, the ensured technological options or the commercialization strategies to be put in action, all concur towards the mobilization of the participant's previous experience. The acknowledgement and valorisation of the informal, personal and social competencies (in addition to qualifications and formal training) take on a central role.

On the other hand, the approaches by *'integrated pathways'* became a part of the organizational forms which facilitate the integrated action as well as the creation of new public services specifically oriented towards this type of intervention. The potentialities of the new information and communication technologies (ICTs) allow new possibilities of action to be explored. These are possibilities beyond its instrumental character and which refer to the social conditions of their appropriation. Organizational changes and adequate training of the professional become necessary.

Finally, approaches by *'integrated pathways'* are very demanding from the point of view of the competencies of the professional involved in the action. The 'profile' required for this type of action challenges the presuppositions of conventional teaching and places demands to be overcome by *specific training*.

The Equal projects included in Thematic Network 1 developed experimental work in these domains; they permit a clearer perspective of the potentialities of a public action grounded on this type of approach in a generalized way.

**a) Integrated pathways and person-centered approach**

The projects show how it is possible to reinforce the potential contribution of approaches by *'integrated pathways of training-insertion'* when priority is given to the '*animation*' of the changing of attitudes and behaviours (affective and emotional aspects of motivation)

*Discrimination and inequality problems in job access*

Leaving school too soon, the resulting low formal qualifications and the lack of motivation of the youngsters to qualify and acquire professional skills, all make the promotion of job access in these circumstances particularly difficult.

The educational and professional training systems still do not offer sufficient and adequate responses to the needs of the youngsters in these circumstances. The results of the methodologies of intervention, centred exclusively in the acquisition of knowledge associated to cognitive skills of an exclusively functional nature, have not been proven sufficient

The acquisition of skills, guided towards professional performances should be accompanied by the acquisition of knowledge which will facilitate a critical perception of the constraints and possibilities subjacent to the construction of personal projects for insertion in active life. The acquisition of cognitive skills should not, therefore, deplete the content of education and professional training. It is about ensuring change of attitude and behaviour favourable to the acquisition of new skills *'learning throughout life'*; changes are also situated on an affective and emotional level and can presuppose the acknowledgement and validation of informal skills obtained from life experience.

*Europe, lifelong learning and the interdependence between formal, non-formal and informal education*

This is the direction which the European Youth Forum has been taking regarding the relationship between training and the acquisition of new skills for the 'empowerment' of youngsters.

The Forum states that, in order to actively participate in the changing contemporary world, young people need skills which will allow them adaptability, flexibility and capacity for critical thought[10]. And it goes on to state that training is much more than the pure acquisition of new skills. It is also the opportunity to experiment and discover new ideas and develop a

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[10] YOUTH FORUM (2003) *"Empowerment through Training: A Policy on European Level-Training for the Promotion of Sustainable and Inclusive Youth Organisations"*, Adopted by the Council of Members, 25-26 April 2003, Brussels.

critical mind. The acknowledgement and validation of informal skills and the promotion of attitudes favourable to learning throughout life are equally present in its perspective.

Also, the conclusions of the application of the 'empowerment' principle in the promotion of employment have allowed this type of conclusions[11] to be reached. The change of attitude regarding lifelong leaning becomes imperative. Knowledge and formal skills are no longer restricted to the cognitive sphere. The personal development, self-esteem, autonomy, involving simultaneous and interdependent changes in the cognitive, affective and emotional spheres, lend a wider perspective to the notion of employability.

On the other hand, the acquisition of knowledge and personal capacities is no longer restricted to its functional dimensions. The critical awareness of the origin of the employment problems (*Awareness-raising*) has shown to be a preliminary and necessary condition to the construction of the meaning of specific knowledge and skills in the construction of a pro-active affirmation project in view of the formal employment system. Finally, in a context of precocious obsolescence of knowledge, lifelong learning presupposes hope and meaning are maintained, in attitudes and behaviour favourable to the personal response to the contemporary challenges which are increasingly unpredictable. It concerns attitudes and individual behaviour which assume that anxiety, anguish and depression have been overcome in the experience of the growing structural threats to individual psycho-emotional balance.

The relationships between formal and non-formal education and the relationship between them both and *'lifelong learning'*, have also been object of explicit attention by the Council of Europe[12] and by the European Union Institutions. The reflection proposed in the 2001 White Book 'A New Impetus For European Youth'[13] is particularly expressive of that attention: *'Many young people abandon the educational system and professional training without having acquired formal qualifications; that ratio is still high in the European Union. However, motivating young people to stay in the formal educational and training system is not the only possible solution. Combining studies, work and free-time activities with experiences of informal, non-formal and formal learning may contribute towards improving*

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[11] Henriques, J.M. (ed.) 2000, *''Empowerment': Avaliação de Projectos Locais'* (Volume I e II), Gabinete de Gestão das Iniciativas Comunitárias Emprego & Adapt, Lisboa.
[12] Bois-Reymond, M. 2003, *"Study on the Links Between Formal and Non-formal Education",* Council of Europe: Strasbourg.
[13] Commission of European Communities *"Um Novo Impulso à Juventude Europeia"* COM (2001) 681 Final, CEC, Brusseles.

*the quality and increase the effectiveness of education and training, rendering them more attractive to young people.*'

The document broaches the need to renew learning and teaching approaches (approaches mostly centered on students, greater attention given to the quality of the teacher-student relationship, greater participation of the young in education, greater attention to motivation for lifelong learning, etc.), education not limited to skills which are subject to referendum by the market (oriented towards socialization, integration and personal fulfilment, etc), and the complementarity between formal and non-formal learning (learning carried out simultaneously in formal, informal and non-formal contexts, etc.).

Together with the White Book, the Communication of the European Commission "*Make the European Space of Lifelong Learning a Reality*"[14] and the Copenhagen Declaration[15], are all documents of reference in this matter

### The experience of the Equal projects from Thematic Network 1

The Equal projects show *how* the acquisition of personal and social skills ensures greater success for the acquisition of cognitive skills when placing pathways of socio-professional insertion into perspective.

On the other hand, the projects also show *how* the acquisition of functional skills (vocational training) is made easier by the acquisition of cognitive skills which facilitate a critical perception of the real possibilities of insertion through the employment system and which facilitate a conception of life projects of which job access is a part.

Different projects developed experimental activity in this field including: "*Da aventura ao Trabalho*" ('*From Adventure to Work*') (controlled risk activities), "*Formemprego*" ('*Trainemployment*') (Career Education'), '*Polypus*' and '*Trampolim*'.

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[14] COM (2001) 678 Final, 21.11.2001.
[15] European Ministres Declaration on Education and Training, Copenhagen November 29 and 30, 2002.

*The case of the 'Polypus' Project*

The '*Polypus - Future Opportunities*' project ([www.polypus.org](http://www.polypus.org)) (Caldas da Rainha, Peniche, Óbidos and Bombarral) showed *how* it is possible to perfect public response in the field of fighting discrimination and inequality in job access through a methodology based on flexibility, informality and proximity when working with young people.

The project recognises as a reference problem the existence of young people in a situation of early  school leaving, together with a low level of personal and social skills, weak professional experience and lifestyles characterized by lack of occupation and disorganization of routines (with possible manifestation of deviant or criminal behaviours).

In the face of these problems, it recognises that the *current responses* are absent, insufficient or inadequate. The educational system does not find adequate solutions to stop students dropping out, the professional training model in effect does not correspond to the needs of this population, the career guidance is nonexistent and there are no adequate responses to the problems and expectations of the youngsters. The opportunities for the acquisition of professional skills become scarce. The lack of articulation between social agents s also noteworthy; they would be potentially relevant in facilitating employability, job access and for personalised technical supervision of the  training and working experiences of the young so as to prevent situations of dropping out and the reproduction of failure.

The project conceived and implemented an innovative methodology of intervention which develops in three stages. The young are involved in a path of change, with a view to their socio-professional insertion and the action of the technicians is supported by a group of pedagogical instruments created by the project:

- Manual "*Methodology Approach, Involvement and Monitoring of Young People in Integrated pathways of Orientation-Training-Insertion*".
- 'Board Game' entitled *"Polypus Game - Dare!"*.
- Brochure *"Young people at risk of socio-professional exclusion, Short Reflections"*.

The project considers that the innovative character of its approach would have benefited from participating in the transnational project 'Adventure@work', which included an adaptation to an intervention methodology developed by the Catholic University of Lovain.

The *experiment* conducted by the project showed the possibility of associating the flexibility of the responses to the young peoples' problems, allowing to respond to both the different needs presented by young people (motivational, formative, occupational, etc) and the characteristics of the different entities involved. It is an intervention methodology which privileges the informality and the proximity in the approach and involvement of young people.

The project presented a Technical Pedagogic Resource entitled *Methodology of intervention for Young People at Risk of Socio-Professional Exclusion* as 'Equal Product'.

The project reveals positive *results* expressed by an alteration of behaviours and attitudes in the young and in their route towards obtaining school certification. This is considered to be the first step of the empowerment route towards work insertion.

In the facilitation of the results, the project identifies a group of *conditions*: the commitment of a young technical and interdisciplinary team, the *articulation* between the entities responsible for family support and the entities involved in the promotion of employability, the existence of *physical equipment* which allow the installation of services oriented towards the acquisition of professional experiences and the possibility of ensuring personalised technical support of the formative and labour experiences so as to prevent situations of dropping out and the reproduction of failure.

### *The case of the ´Trampolim' Project*

The Project 'Trampolim - Individual Paths of Insertion' (Porto) showed *how* it is possible to perfect public response in the promotion of job access for young people between the ages of 15 and 21 years old, residing in underprivileged urban areas, who dropped out of school without finishing minimum mandatory schooling and who do not possess minimum employability skills.

The project identifies the reference problem as the difficulty of job access by young people with low schooling levels, residing in urban areas in 'crisis'. These are situations which conjugate lack of interest and maladjustment to school, lack of academic success, accumulated failures and dropping out of school, the absence of professional areas of interest to young people, low self-esteem and self-confidence, precarious socio-economic conditions, absence of models for the construction of a life project different from the original socio-economic frame and living in an urban context which facilitates drug addiction and delinquency. According to the project, the recent evolution of unemployment and the precarious access to jobs contribute to their increased difficulties of professional insertion.

In a setting with this type of multiple difficulties in accessing training and employment, the *current responses* are not sufficient or adequate to the specific necessities of this target group. For this group of young people, the learning courses are not found to be very effective, as can be seen from the high drop out rates. These courses were also shown to be very limited; the majority of the offers demand schooling levels superior to the 4th or 6th grade of basic schooling, which are not common among this type of young people. Meanwhile, there are no alternatives to Recurrent Teaching, which is proving to be inadequate. Adding to the difficulties inherent to the project's target group, there are other difficulties in job access and training related to the absence and lack of public responses for young people particularly vulnerable to poverty and social exclusion.

The project conceived and implemented an innovative intervention methodology with young people and their families as well as with the educational institutions, namely Direcção Regional de Educação do Norte (Northern Regional Education Board) and with companies willing to accept young people involved in training in a real working situation and for possible job opportunities. The *innovative* contribution of this intervention model is in the association between the creation of *proximity structures* of reception, orientation and support in the (self)construction of professional and personal projects by the young people, with the development of an intervention methodology centred on the construction of individual pathways of insertion, organised in three stages: diagnostic, differentiated program of training and individualised support and conception of a learning program with particular emphasis on the development of personal and social skills as a facilitator of employability.

The responses of the project came together in a group of three preparatory and integrated responses ('*Trampolim Responses*') aimed at developing transversal skills for job access:

- *Access, Individual Diagnosis and Implication/Involvement of the Participants* (beginning of a process for the construction of individual itineraries of insertion which implicates, amongst other aspects: co-evaluation of the individual route, evaluation and characterisation of the family dynamics and contractility of the individual itinerary stages of professionalisation, identifying the potentials and needs of the subjects to be developed and the adjusted and sequential insertion responses.

- *Action for training skills and knowledge* (formative project for the promotion of learning skills which allow self-reflection on capabilities and personal difficulties, as well as school skills. The work with young people is focused mainly on interpersonal relationship abilities, basic employability skills, self-confidence. In this activity, skills are worked on in a theoretical-practical context, in an integrated fashion, around individual and group initiatives and through orientation workshops (electricity, carpentry, cooking, ceramics), introducing the programmatic contents necessary to obtain the $2^{nd}$ level of basic schooling).

- *Action for training skills in a Working Context* (pertaining to a non-standardised training program, but defined based on the individual's profile, previously diagnosed, and on the profile of the companies and functions to be performed. Thus it is intended that each response is in agreement with the needs of each young person and will have the necessary duration, up to a maximum of 4 months. This activity presupposes the acknowledgement of the training capabilities of the working contexts, as well as the valorisation of these by young people. Young people will be supported by tutors from the working context).

- *Individualised support for Insertion* supporting the construction of a personalised insertion pathway, dynamised according to the needs and potential of each subject who is challenged to participate actively and permanently, supported by the technician who provides support through the different stages of the itinerary; these can be achieved through the mobilization of resources/responses created in the ambit of Trampolim or others).

The *experiment* conducted in the project demonstrated the possibility of associating the creation of collective equipment territorially close to where the young people reside, to the promotion of flexible answers adjusted to the needs diagnosed in each individual and the conception of a personalised support model based on holding formative sessions directed towards the technical team and others involved in the intervention process.

The project presented the validation within the Thematic Network an 'Equal Product' designated as *Working with Young People with Few Qualifications - Practices and Reflection - Elements for Supporting the Organization of Activities of Socio-Professional Insertion of Under qualified Young People*.

In facilitating the results, the project defines the articulation between entities involved, the quality and dedication of the technical team and the access to physical space for the installation of proximity equipment as facilitating *conditions.*

**b) Integrated pathways and approach centred on the local context**

The projects show how approaches oriented by' integrated pathways of training-insertion' are reinforced in the facilitation of job access when the individual change is followed by changes in the *local context*.

*Discrimination and Inequality problems in job access*

With the increase in unemployment, approaches by '*integrated pathways of training-insertion*' began to incorporate the direct job creation. The recognition that professional training alone does not directly create employment and the realization that job access is closely related to the creation of new employment by means of a new business initiative, has been drawing the attention to the growing importance of the local level of analysis and intervention in terms of employment. On the other hand, the recognition of the dependency between the constitution of new business initiatives and the competitiveness of the companies and the respective territorial context has been drawing attention to the growing importance of local development understood as change in the local socio-economic context, favourable to competitiveness and employment.

The need to act simultaneously on the individual and collective planes was evident as the conclusion of the thematic evaluation of the third European program of the fight against poverty and social exclusion, currently known as Poverty III, namely regarding the relationship with local development (Henriques 1994c). There was already an emphasis on the decisive character of the change in the local context as a necessary condition for the persistence and sustainability of changes induced at an individual level, as an effect of the action of projects.

The construction of extended partnerships with a territorial base (involving, in particular, local authorities, public employment services, social partners and other local social actors), the pursuit of integrated local development strategies for job creation and the valorisation of the potential contribution made by the *SME and social economic organizations* (insertion companies, etc) towards the creation of employment, are the dimensions which are most frequently associated with the pertinence of the reinforcement of the local dimension on public action for creating employment.

However, the relationship between local action and local development is not always clarified. Overcoming 'spontaneous' '*non-emergence*' of local initiative rarely constitutes a central dimension in action conception. This shortcoming was acknowledged at European level when it was recognised that the obstacles to local development are situated less at the financial level and more at the level of '*mindsets and administrative organisation*' (CEC 1994a).

*Europe, the local dimension of the European Strategy for Employment and local development*

The potential relevance of the local initiative for employment and development started to draw the attention of European institutions after the Council Resolution of 7th July 1984. During almost a decade there followed research-action programs (LEDA, ERGO, EGLEI, TURN, ELISE, LEI and POVERTY III) and the experimentation for innovation in this domain began receiving specific attention within the context of structural funds through Article 6 of the ESF and Articles 7-10 of ERDF.

However, the approach only obtained complete formal recognition after the Corfu (1992) and Essen (1994) European Summits and was given a decisive impetus through the 1993 White Book 'Growth, Competition and Employment'. The combination of the challenges related to the globalization process, with the necessary reform of social security services and pressure from increasing structural unemployment contributed to the reinforcement of the opportunity for approaches centered on geographical areas, benefiting from the potentials of diversity for companies' competiteness and the good cost-efficient relationship of the local initiatives in these domains.

Later, in 1995, with the report '*Local Employment Development* ', and the publishing of '*Territorial Employment Pacts'* in 1996, and through the program encouraging '*Local Social Capital*' in 1998 (article 6), the European Commission gave content to the White Book guidelines using all the possibilities of job creation by satisfying the new needs emerging from the contemporary societies and promoting innovation for employment through territorial-based action.

As demonstrated by the preparatory work of *European Employment Strategy* following the Essen Summit, the realization of the potential contribution of the Employment Local Initiatives and of the SME to employment, depends on proactive efforts which may by developed to this end (CEC 1996). Job access depends more and more on new employment, and new employment on new initiative. The promotion of innovation for competitiveness is vital to local development (to preserve jobs and create new jobs with the existing companies) and the animation of the new business initiatives (micro and SME). And both are dependent on the local context and on the changes that can be brought about at this level.

More recently, the European Commission has been giving increasing value to the local dimension of European Employment Strategy. Initially through the Communication '*"Acting Locally for Employment: A Local Dimension for the European Employment Strategy"* (2000) (CEC 2000) and later through *"Strengthening the Local Dimension of the European Employment Strategy"* (CEC 2001), the European Commission has been emphasising the local dimension of the European Employment Strategy and its relationship with the Local Development for the creation of Employment.

*The experience of the Equal projects in Thematic Network 1*

Equal projects show *how* the territorial integration of approaches by 'integrated pathways' contribute to broadening opportunities to fight discrimination and inequality, facilitating the access to existing job opportunities.

Equal projects also show how it is possible to simultaneously contribute towards facilitating job access and creating new job opportunities in existing companies through direct contact with businessmen and actions which help promote company competitiveness. Equal projects show how it is possible to reinforce the potential contribution of 'integrated pathways' through the active involvement of employers, in particular when the employer is simultaneously a businessmen and is personally involved; as a result, micro-companies and SME more easily accept people.

In addition, through the involvement with local institutions (Municipalities, business associations, etc), Equal projects show *how* it is possible to contribute towards the expansion of new job opportunities by stimulating self-employment and the small entrepreneurial initiative. Equal projects show, for example, *how* the early stimulation of entrepreneurship can by organized through the active involvement of secondary schools, teachers associations and government bodies.

Lastly, Equal projects show how community centred approaches can facilitate *empowerment* for the territorially based collective action, based on problems and valorising potentialities with a view to rasing levels of autonomy with regard employment.

Several projects have conducted experimental work in this field e.g. '*Supported Employment*', '*Equality, New Paths*' (social marketing), '*IRVA*' (inter-institutional articulation for integrated attendance' , '*Enterprising in School' (ENE)*, (enterprising stimulation at school), '*Istmo*' (collective mobilization for  sectarian restructuring and local development), '*Tracks*' ('empowerment' by territorially based collective action) and '*Artisan Network*'( creation of an association of businessmen who are potential employers).

As mentioned above, some Equal projects show how it is possible to reinforce the potential contribution of 'integrated pathway' approaches by an active involvement of employers, particularly when the employer is also a businessman and is personally involved. This is the case of 'Supported Employment' ([www.empregoapoiado.org](www.empregoapoiado.org)) (Lisbon Metropolitan Area).

### *The case of 'Supported Employment' Project*

The project identifies the reference problem as the actual lack of an adequate response to the problems of people who are disadvantaged in accessing a job.

The '*Supported Employment*' project asserts the need for change in the local intervention for social inclusion and set out a new approach. The proposed change contemplates a desirable change in the representations regarding what social intervention and its methodologies should be as well as the role of the different actors.

The project conducted its experimental work based on the *Supported employment Model*. In the context of this project, this has particular characteristics which distinguish it from the model from the international movement of '*Supported Employment*'. This difference is based on the structuring of the 'know-how' accumulated by various entities, some with experience in Supported Employment and others with experience in integrated social intervention approaches. The questions related to empowerment and self-determination of the 'beneficiaries' have been object of particular attention.

These constitute the main differentiating traits of the *innovation* experienced by the project. The project developed integrated strategies in the local communities with a view to the professional integration of socially excluded people. It combined flexibility with security and stability at work and provided effective opportunities so they could live, work and participate in the community on an equal footing with all other people.

Based on an empowerment perspective and defence of rights, the project promoted the access of disadvantaged people to paid work in the labour market through *Integrated Plans of* Support; these were individualised and contemplated their needs, interests and potential. The aim was to provide an opportunity to develop skills and qualifications which facilitate job access, using the existing services and on the job training. The empowerment of individuals

was promoted through the involvement and participation in the definition, implementation and evaluation of their insertion pathways and creating opportunities for exercising a joint stand in defending their rights.

The project also promoted the creation of *Social Networks of Inter-cooperation* between public and private entities, as a strategy to develop more efficient procedures in the social and professional inclusion of the target public, with an integrated mobilization of the existing social resources (housing, etc).

Finally, based on the experimented model, the project acted with the organizations and their human resources, enabling the development of technical and organizational skills, aiming to improve the quality and efficiency of the services rendered.

The *experiment* conducted showed the possibility of moving from more traditional and 'protected' interventions towards interventions which act directly in the employment market, through training in a company context. The involvement of the different entities with distinct skills and diverse target-publics  made it possible to experiment and enlarge the model's scope which was then applied to a diversity of public and not only to the physically or mentally handicapped.

### *The case of 'Enterprising in School' Project*

The Project '*Enterprising in School*' (ENE) ([www.projecto-ene.com](www.projecto-ene.com)) (Faro) showed how it is possible to perfect public response to the fight against discrimination and inequality in job access through the adaptation of public systems (education) to the early stimulation of entrepreneurship.

The project defined its reference *problem* for action as the difficulty of insertion in active life of young people with low qualifications. More specifically, the project took as reference young people who left school early, increased difficulties in accessing jobs and who lack in entrepreneurial initiative.

The project also starts from the recognition that the current responses are unable to meet this kind of problem since there are no "know-how" curricular programs in the sphere of the entrepreneur culture. It recognises that the existing educational methods do not meet the needs of young people with learning difficulties or with negative attitudes towards school.

The project conceived and implemented what it called *ENE Methodology*. The *ENE Methodology*, the respective supporting products (*Business Plan Manual*, *Student Manual*, *Teachers Manual*, Complementary Training CD-ROMs), as well as the practices developed (*ENE Ideas Competition and EXPO ENE, vocational and professional counselling, seminars and visits to companies*) take on an innovative character (alternative teaching method) and made it possible to obtain meaningful results. The central role played by the teachers was acknowledged and so they were made aware of the importance of business methodologies as a way of personal valorisation, in addition to contributing to the connection of the Company School. The *ENE Methodology* was applied to students in secondary school attending technological courses. The project recognises that the innovative content of the *ENE Methodology* benefited from its involvement in the trans-national partnership '*Empower Professionals'* (www.empower-professionals.org).

The experiment conducted by the project with the application of ENE Methodology showed how it is possible to adapt school organizations from the formal system to the development of entrepreneurial skills amongst young people. It is believed that it may contribute to extending future insertion prospects, both through access to contractual employment and also self-employment.

The project presented the validation of its 'Equal Product' *ENE Methodology-Entrepreneurship in School* in the Thematic Network.

The results of the project were the enthusiasm and motivation of students (visible through the dynamics between participants), in the increased School support (students, teachers, Executive School Boards), as well as the interest manifested by many of the participants in continuing the ENE in future school years. The project demonstrates how the opportunities for promoting employability among young people can be extended beyond the formal qualifications assured by the formal teaching system.

The project identifies the active participation of the Algarve Regional Board of Education, the complementarity between partnerships, the dedication and determination of some teachers and Executive Board directors, the professional manner assumed by the project team and the collaboration of the Olhão and Faro Teachers Training Centres as the conditions which facilitate the effort to innovate and obtain results.

***The case of "Istmo" Project***

The *"Istmo"* project ([www.istmo-peniche.com](www.istmo-peniche.com)) (Peniche) developed an intervention methodology by combining actions promoting job access with actions promoting company competitiveness and actions mobilising the community in a collective project focussing on employment.

The reference problem defined for the 'Istmo - the fishing industry as a space of new opportunities' was the social devaluation of fishing-related professions.

The problem stems from the sector's lack of organization and manifests itself in the lack of answers for a population with job access difficulties. The project considers that the sector itself is responsible for that task. However, this work was not started due to its insipid and short sighted associative structures. No actions exist whose goal is to valorise the image of the profession.

The project conceived and implemented new forms of response oriented towards new ways of social revalorization in the fishing sector. The most innovative was the implementation of a *Communication and Image* Pan aimed at the valorisation of the fishing professions among young people.. This plan comprised various activities for a professional marketing campaign ('*Pescar é fish!*) (*Fishing is Cool!)* and young people were made aware of the current reality of the fishing sector and similar professions. This campaign included visiting schools and school trips to fishing boats.

Another form of response identified by the project as innovative, was the construction of a Social *and Economic Fishing Forum*, which encouraged the inter-institutional articulation aiming for a better framing of the responses found in the reality of the sector (*Confraria da Sardinha (Sardine Brotherhood)*, future *Integrated Development Plan*, etc.).

*Contact Missions* performed by sector agents to fishing ports abroad facilitated company involvement in the strategic reflection about the future of the sector, making them more sensitive to and aware of the need to create attractive conditions for the recruitment of a workforce.

The project *experiment* showed how it is possible to present the local community with a new image of fishing, taking young people to see the profession in person and, therefore, make many aware that there might be a future for them in fishing. Equally, as there was no the articulation between the sector agents (in order to discuss the challenges for the sector, the relationship between the sector and educational services, training and employment, etc.), the project also showed how it is possible to unite people around these problems and to give a voice to those who usually are not heard. The committed way in which the project involved all the agents guaranteed their participation in the project actions.

The project presented validation in the Thematic Network of two 'Equal Products' designated as *Methodology of Social Re-evaluation of the Fishing Industry and AVEC - Monitoring, Validation, Experience and Competency.*

The project had positive *results* with regard the absence of 'current responses' to the problem presented. Emphasis is given to the way the project showed it was possible to create more efficient responses or organizational and inter-institutional articulation in order to occupy and maintain jobs in the fishing industry.

A group of *conditions* were gathered given the nature of the problems in job access tackled by the projects, motivated by a strong economic and social dependence of a sector in activity which often lacked self-belief, and where the discourse is predominantly negative; these conditions facilitated the innovation effort and the project results. The main relevant conditions are:

- The careful involvement of the main agents of the sector.
- The communicational quality in the communication and image.
- The integrated vision between the various project activities (professional were won over on missions abroad and then they animated school campaigns).

*The case of the 'Trails' Project*

The project '*Trails*' (Palmela, Setúbal) developed a territorially based methodology for empowerment, oriented towards fighting inequality and discrimination in job access, based on raising the endogenous 'potential of competencies'.

'*Trails*' project identifies the starting problems as the fact that *current responses* in the field of promoting job access are partial and disconnected and that the formal educational and training systems are discredited and provide no response to the needs of the people and the business fabric.

The project created an innovative methodology which aims for the emergence of the social, individual and collective capital, through conditions to improve life in the local community, promoting a process which involves the individual and collective self-esteem of people, local actors, technicians and institutions. The methodology is based on a *general intervention mechanism*:

- *Manufacturing work in partnership/network:* construction of a multidisciplinary partnership which places people, technicians, local association and companies at the centre of their intervention, constructing changing processes with them.
- *Institutional team work centred on people:* From management of resources to learning and creating in network with the population - strategies and methodologies.
- *Intervening in the territory on the basis of a participating dynamic diagnosis*: Strategies and methodologies to construct intervention from the population.
- *Narrative of practices:* Systematization of practices developed in the project.

The methodology is also based on a group of methodological proposals for the mobilization of endogenous resources (competencies, and potentials of the people, the associative and local business network, technicians and institutions, etc.). Here, the methodology was based on training as a territorial dynamic strategy with a view towards improving people's ability for knowing how to act and wanting to progress in interaction with the local environment:

- *Adapt training to the needs of people and companies:* Conception of training as response to the needs and local potential (people and companies).

- *Reinforcement of the agents' skills:* consulting-training- reflecting and learning with professional practices.

- *Facilitate articulation and learning between technicians and institutions:* more integrated responses on an intra and inter.-institutional level for supporting people in a fragile situation.

- *Narrative of practices:* Systematization of practices developed in the project.


The project presented as Equal 'Products' designated as '*Empowering through the territorially based' collective action" and "Upgrading the Employability system*'.


Through the *experiment conducted*, the project showed how to improve public responses to the fight against discrimination and inequality in job access using action methodologies centred on people and territories.


The project reveals results in the field of individual and collective self-esteem, construction of territorial cooperation networks, in raising the endogenous potentials of people and territories, promotion of an equal opportunities culture, in the appropriation of new ways of working experimented during the project by the institutions involved and the empowerment of people and institutions seen in their responsiblisation and collective appropriation of intervention processes, as well as in the mutual recognition of competencies.


## c) 'Integrated Pathways' and the instrumental potential of the Communication and Information Technologies (CIT)


The projects show how improving *partnership work* (relationships between services), *information access* (greater proximity in the *relationship of the beneficiaries with public services)* and the demand for **continuous training** demanded by the 'integrated pathways of training-insertion' approaches can benefit the new instrumental possibilities offered by the Information and Communication Technologies (ICT).

*Problems of discrimination and inequality in job access*

Current problems include the lack of coordination and articulation between government entities and civil society relevant to the field of promoting job access, difficulties accessing relevant information on employment from the public administration by interested citizens and the difficulty in overcoming constraints which are related to physical distance in the access to professional training.

The experience of working in partnership has led to the construction of '*new forms of governance*' with various responses to overcome this kind of problem.

The exploitation of ICT potential in this context looks promising. It also shows that the ICT cannot be seen as mere instruments which are dissociated from the social conditions of their appropriation. To fulfil the potential associated to ICT requires organisational changes and technicians and potential users capable of using them.

*Europe, new forms of governance and the construction of the information and knowledge society*

The reflection evoked by the White Book of European Governance has been updating the construction of '*new forms of governance*'. The development of the project of Equal Community Initiative, based on 'Development Partnerships', is registered in this initiative.

On the other hand, following the Lisbon Summit (2000), the construction the information and knowledge society has become the central dimension of the '*Lisbon Strategy*' and the promotion of the incorporation of ICT in the current practice of the organizations in European societies has been worthy of specific attention.

The *on-line* public administration ("*e*-Government") and the professional training (*e*-learning), are domains directly targeted by the *e*-Europe European Program, begun as part of the implementation of *"Lisbon Strategy"* (CEC 2003b). The interim evaluation of *e*Europe 2005 Action Plan demonstrates the path already taken and the potentials to be realized.

In the public sector, public administrations are faced with the challenge to improve the efficiency, productivity and the quality of their services. The ICT can play a central role. However, attention should be focused not only on the ICT themselves, but also on the use of ICT for organizational changes and new qualifications aimed at improving public services, democratic processes and public policies. This is where the potential contribution of the "*e-Government*" lies.

Meanwhile, in its Communication on the future of the *European Employment Strategy* (CEC 2003c), the European Commission emphasised the main issue as the need to improve the forms of governance so as to obtain better integration of the European strategy into the strategy of national actors. In that context, it emphasised the need for more effective and efficient public services of employment (allowing personalised monitoring using 'integrated pathways') that are better articulated with other public services directly involved in employment (social services, professional training services, work inspection services, etc.)

### *The experience of the Equal projects of Thematic Network 1*

The exploitation of ICT potential for the improvement of public action, promoted by partnerships for employment therefore becomes part of the effort to bring about *new forms of governance* under the broader scope of the construction of the Knowledge and Information Society. What is in question is the search for more effective public action and more efficient allocation of social resources for that effect. The search for  greater inter-sector coordination between the central, regional and local administrations and for greater coordination between state action and civil society action are framed in this perspective.

Equal projects conducted innovative experimental action in order to fulfil ICT potential in the field of public promotion of job access. They show how ICT are not only a technical instrument (access to information) but also provide instrumental support for the viability of new ways of conceiving and implementing solutions in this field.

The projects show that ICT can contribute towards promoting inter-institutional articulation (synergy between the institutions), leading to more effective 'integrated pathways'. The Equal projects show how ICT can facilitate sharing technical information between different institutional organizations and how they can facilitate individuals' access to relevant

information. Equal projects also show how conditions can be created for a more direct relationship between the beneficiaries and public services through new opportunities offered by ICT.

Different projects conducted experimental work in this field, as is the case of the projects *"Impulsaraia"*, *"In Extremis"*, *"PIDAmadora"* and *"All for One"*.

### *The case of "In Extremis" Project*

The *"In Extremis" project* (www.in-extremis.org) (Porto) showed *how* it is possible to facilitate the inter-institutional articulation through new opportunities offered by ICT.

The project defines the reference problems as those of job access which are manifested in association with prostitution, the homeless, immigration and drug addiction.

The *current responses* are insufficient and inadequate and warranted the *innovation* developed by the project. Current responses include the dispersion and scarcity of information, contracting social intervention in responses which are minimal, sectorial and inarticulate (and not as a result of sharing Government responsibilities with the civil society, etc.), lack of social and political recognition of the innovative working practices with the underprivileged public (project action experience), inadequacy of the  academic and vocational training curricula in response to these realities and the almost non-existent systems of retrieval, treatment and evaluation of information in the 'social' areas.

The project created an innovative methodology to support the action, based on the *In Extremis Computer system* ("Equal product" of the project). It is an instrument through which any institution working directly or indirectly with this type of public:

- can access an organised group of information necessary for their work;
- can access and use a Training Plan which answers some of the needs expressed by the specialists in social intervention;
- can meet and contact other entities with different and innovative intervention models with this public.

The *Computer System In Extremis ( Resources Space, Training Space, Network-Response Space)*  was developed incorporating the experience of entities which work directly or indirectly with these phenomena through the creation of 3 *Active Investigation Labs* (AIL) (investigation and self-training), a participating methodology developed throughout the whole 'In Extremis' project.

With this experiment, the project showed how adequate responses can be constructed to the needs identified in social intervention in situations of extreme social exclusion phenomena. The *Computer System In Extremis* also illustrates the possibilities of ICT, namely by Internet use. We stress the possibility of the virtual concentration of important information and resources for the intervention; this  can be quickly and easily utilised by institutions located in different spaces. Another potential of a computer system is the facilitation of inter-institutional articulation and proximity among the different professionals and experts.

The project identifies conditions which facilitate the innovation effort and the results of the project. Amongst the most relevant conditions there is the collaboration work developed by the AIL in the construction of all the materials produced by the project (bringing them more in line with their needs) and the concentration of a group of resources identified as fundamental for the intervention work among the underprivileged in a virtual space

### The case of "All for One" Project

Also the project *"All for One"* (www.todosporum.net) (Cascais) showed how through inter-institutional cooperation and the creation of common instruments can be used to innovate in the fight against discrimination and inequality in job access and contribute towards more effective and efficient public service response.

The project defines the reference problems as the persistence of insufficient synergies among the multiple services in the local council who work in the area of professional mediation, the spread of responses which the target-public need (inhibiting an active stance on the part of the unemployed) and the difficulty in accessing the information necessary to define 'insertion pathways', both by the public and the technicians who guide and monitor them.

The project finds that, in order to respond to the growing problems of job access, *organizational change* is necessary in the services charged with resolving these problems. It also finds that the change must be an invitation to rethink the methodologies and instruments used and that the fundamental aspect of that change should be in networking between the entities and in close articulation with the business milieu. Furthermore, it finds that communication between the technicians and information sharing are essential aspects of networking and as there are not enough humans resources to monitor the '*insertion pathways*' correctly, they should not be wasted on unnecessary tasks (duplicating the same tasks in different services, namely the retrieval of the same information, etc.).

The innovative nature of the project is found in its conception and implementation of *a Local Platform of Communication and Information* in order to contribute to overcoming the problems detected, while paying attention to the common needs of information retrieval and dissemination; these correspond to the common needs for the development of mutual knowledge, cooperation and inter-institutional articulation

The project presented validation in Thematic Network 1 an 'Equal Product' designated as *Local Platform of Communication and Information for Net Work.*

The project experiment showed how a greater response can be provided to the unemployed (by the technicians who monitor them, by motivating people who would normally be unable to access ICT to acquire this skill which facilitates job seeking (whilst also improving their employability and self-esteem), promoting the use of instruments that can lead to in-depth knowledge and inter-institutional communication. Furthermore, it showed how the sharing of information between the various participating entities can be fostered, improving the service rendered and developing some social and service marketing with potential employers (thereby increasing the beneficiaries' job opportunities). Lastly, it has allowed some beneficiaries more autonomy in job seeking, freeing the technician's time so they can provide closer monitoring to those who need specific support.

The project identifies the conditions which facilitate the responses as those that propose the existence of political will and the decision-makers' involvement in change and innovation, and the existence of people with specific technical and personal skills:

- available to work with other organizations and willing to share;
- available to invest in the construction and use of common instruments;
- able to listen to the needs and realities of other organizations;
- flexible in order to adapt to common needs;
- willing and capable of reflecting critically on their practice;
- who identify with problems and common needs;
- who respect joint decisions;
- who respect the positive progress of the diversity and autonomy of those involved;
- valorising the participation in a partnership/net work for the entity they belong to;
- taking positive actions to create interpersonal bonds between technicians from different organisations.

Equal projects show how conditions can be created for a more direct relationship between beneficiaries and public services, through new opportunities offered by ICT.


### *The case of "Impuls@raia"project*


The project *"Impuls@raia"* (www.impulsaraia.com) (Almeida, Sabugal) showed *how* it is possible to improve the public response in the field of vocational training and to support entrepreneurship through the use of ICT.


The project identifies the *reference problems* as the access to employment in the intervention territory, paying attention to the weak dynamism of the business network, local desertification and technological illiteracy.


Current responses have been incapable of offering solutions to populations with greater difficulties in job access, mainly in cases of greater physical isolation (villages, etc.).


The project created and implemented a *Methodology of local development in a rural context*, based on CITs – *Impuls@rural*; an e-learning Platform was created for that effect, accessible through its website. On one hand, this methodology consisted of assertive *monitoring* of the beneficiaries in their business initiatives achieved either through *self-employment* or by *employability*. On the other hand, Impuls@raia project enables professional and personal skills to be developed, as well as allowing for *individual tutoring* of each beneficiary.

Professional training via e-learning, the access to information of job supply and demand without having to leave home and the individual tutoring on a professional level show the innovative character of this project, mirrored in the positive results which were obtained.

The project experiment showed how new forms of response can be created by valorising the opportunities created by ICT. When compared with the more current ways of response, the *Impuls@rural Methodology* is shown to be particularly adequate for job access problems where there is greater isolation. A significant percentage of beneficiaries was introduced in the job market and developed personal and professional skills which raises their insertion potential in the regional job market.

The project considers that *conditions* facilitating the results obtained with the experimental development of *Impuls@rural Methodology were*: use of ICT as the engine of all forces, vocational training and e-learning, the construction of work and professional 'insertion pathways', access to the internet, equal opportunities in accessing training and socio-professional development, reinforcement of the inter-institutional partnerships and the cooperative spirit between entities which generate development focused on quality.

Equal projects show how it is possible to contribute to improving technicians' skills through the new opportunities offered by ICT. 'E-Plus' (contracting software) and 'Coesis' developed specific experimental work in this field.

### *The case of "Coesis" project*

*"Coesis"* project (www.coesis.org) (Vila Nova de Gaia) showed how technicians' training can be improved using ICT.

The job access *problems* in the project's intervention territory can be seen in the limited access to employment due to low professional and school qualifications due to the poor access to information and community resources and inadequacy of the response methods from the organizations rendering services.

Conventional *responses* are showed to be insufficient and inadequate. They are characterised by the growing inadequacy of the intervention devices due to the rigidity of the format and methodology of the response; this is caused by systems and practices which are not centred in the individual. They fail to promote *empowerment* and institutional practices do not promote the blending of synergy in intervention.

The project conceived and implemented a support system for social intervention. *Coesis System - Methodology of Intervention for the Promotion of Social Inclusion through ICT*. Its most innovative characteristic is the fact that it is a model with a strong community component based on a technological mechanism, aimed at helping improve the skills of technicians and the target-public.

The project experiment obtained significant results. It was possible to empower technicians and target-public, through structuring and maintaining a supporting and sustaining network, a *learning community* based on ICT. This community is a space which promotes and supports the development and acquisition of skills in both types of public. The *Coesis System* facilitates access to information in the fields of learning, employability and citizenship, by making available resources and contents that can be used autonomously or through a mediator. The strengthening of technicians' competences is a critical aspect as it is a continuous process within the System.

The project identifies a group of conditions which facilitate the innovation effort and the results obtained by the project. Amongst the most relevant conditions we find:

- *Working in partnership supported by ICT:* the type of relationship established between the different actors involved (technical-technical, technical-beneficiary, beneficiary-beneficiary, etc.)supports the success of the System and reaching the proposed objectives.
- *Continuous re-engineering:* facilitating condition which is essential so that the System is adjusted and adequate to the target-population.
- *Re-formatting of the methodologies and intervention instruments:* the strengthening of technicians' skills at the same time as introducing methodologies and instruments of the Information Society permitted a new type of response which is more comprehensive and flexible.

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**c) The 'Integrated Pathways' and the creation of new public services based on inter-institutional technical teams**

The projects demonstrate how the 'integrated pathways' approaches advise the organisation of new public services which facilitate integrated reception and contemplate actions of *animation*, facilitation of *information* access and the exercise of *mediation* for the appropriation of information as useful knowledge

*Problems of discrimination and inequality in accessing employment*

The growing complexity of the administrative procedures and the physical dispersion of the public services (employment, social security, Municipal Councils, etc.) makes the integration of public action increasingly demanding. On the other hand, the growing demand for quality and proximity in the response of public services places demands on the proximity of public administration proximity and the access to useful information.

The creation of new public services in specific places, associating a greater physical proximity of its users to the concentration of services (loja do cidadão (citizen shop), etc.) is translated in the effort to create more modernizing responses for the public administration, favouring greater social proximity with the citizens and a facilitation of administrative proceedings (de-bureaucratization), a more effective public response and more efficient mobilisation of public resources.

It is a field in which ICT favour the conception of new organizational solutions which effectively originate a better quality of services (de-bureaucratization, etc.).

*Europe, social proximity and the creation of new public services*

The creation of new public services is the privileged domain of the construction of the information and knowledge society at the service of new forms of governance for the implementation of the *European Employment Strategy*.

The exploration of ICT potential for an integrated access to information is particularly relevant, creating greater proximity between public administration and citizens. This perspective of action is directly within the ambit of *Lisbon Strategy*.

### *The experience of Equal projects of Thematic Network 1*

Equal projects demonstrated *how* the physical concentration of public services, associated with the *on-line* mediated access to services, creates conditions for more effective public action which avoid wasting time and the overuse of resources as a result of physically scattered services, in employment related matters. It contributes to the conception of new solutions for public action and results in greater proximity between public administration and citizens. The creation of this new kind of service implies organizational changes and the acquisition of new skills by the technicians. In itself, it opens opportunities for job creation and for the emergence of new professional profiles (mediation in the relationship between citizens and public services for the widening of eGovernment's potentials, etc.).

Equal projects demonstrated how new services to attend the publican be created and implemented by 'integrated pathways', benefiting from the instrumental potentials of ICT. The access to information permitted by ICT may not be sufficient for its appropriation as useful knowledge. Equal projects demonstrate how 'integrated pathway' approaches may presuppose proximity services and technical support for specific animation and mediation for inter-institutional dialogue

*The projects* "Crescer Cidadão (Grow Citizen)" (Centres for the support of knowledge and integration, supported by "Portal Emprego") and "Plataforma Integrada de Desenvolvimento da Amadora (Amadora's Integrated Platform for Development)".

### *The case of "Plataforma Integrada de Desenvolvimento da Amadora" project*

The project "*Plataforma Integrada de Desenvolvimento da Amadora (Amadora's Integrated Platform for Development)*" (www.amadoraonline.pt) (Amadora) demonstrated how public response can be improved in the fight against discrimination and inequality in job access by creating a platform which facilitates the mobilization of the already available resources and

experiments with creating new public services, valuing physical proximity and internet potential around a methodology of integrated attendance of the public.

The main focus of innovation in this project is related to the problem of the co-existence of a great number of organisations, national projects and community projects and the lack of articulation between them. Although the Amadora Municipality is the smallest in the Lisbon Metropolitan Area, it has the greatest population density in the country. It is a municipality of contrast, where rural is increasingly urban and where cultures cross and live together. The run down areas are still part of the municipality's landscape, with various re-housing processes under way. Unemployment is very high (largest number of unemployed in the Lisbon Metropolitan area), particularly female unemployment. As a result of the cultural and ethnic specificities of its population, the unemployed in Amadora have extremely low school qualifications, associated with precarious jobs and low wages.

On one hand current *responses* are insufficient but on the other paradoxically attendance of the public for certain users is duplicated in different services due to lack of articulation.

The project concentrates on the unemployed who cannot be helped by the Job Centre since they need intervention at the level of their professional and personal skills. The imbalance between what the business fabric wants to recruit and the unemployed ratio is overwhelming. The project created and implemented the *Integrated Model of Local Intervention*, where the partnership for development takes on a central role, associated to different types of organizations. (Training Centres, Job Centre, ISSS, local autarchies and IPSS). The project introduced an *innovative* concept in existing organisations: *integrated attending of the public*. By setting up *3 Integrated Centres for Attending the Public* in different parts of the municipality's, the project created *local response networks*. Partnership is the main *resource* of these 'proximity services'.

The project presented validation in Thematic Network 1 'Equal Product' designated as "*Integrated Model of Local Intervention*".

The project experiment demonstrated how new forms of response can be created, namely through the construction of the Platform, valuing the opportunities provided by ICT.

Working in partnerships became increasingly valued by the partners throughout the process, producing *results* for the municipal development. There is, effectively, a more consolidated awareness in relation to the need to produce efforts and to look for integrated solutions.

The project identifies conditions which facilitate innovation and the results obtained by the project. The most relevant conditions include: the partners' effort to find alternatives which met the needs of the populations included in the project; the opening of organisations like the Amadora Municipality, Service for Foreigners and the Institute of Solidarity and Social Security and the Job Centre to provide the technicians and other organisations with all the information, so that they can provide an integrated service which facilitates user's access to the services.

## e) 'Integrated pathways' and training technicians

Approaches guided by 'integrated pathways of training-insertion' require forms of interdisciplinary team work that depend on *unconventional skills* from the technicians and involve the *need for training*.

### *Problems of discrimination and inequality in job access*

Approaches which are guided by '*integrated pathways*' need inter-institutional and interdisciplinary teams in the action of the organizations; these place specific challenges on technicians' training and reveal inadequacies in conventional schooling namely with regard discipline, positive and analytical attitudes.

The technical work to be developed in the ambit of organisational forms resulting from the construction of *new forms of governance* becomes more demanding from the point of view of the technical and social skill involved. The acquisition of new skills (interpersonal relationship, inter-cultural mediation, interdisciplinarity, etc.) becomes necessary.

*Europe, the qualification of public response and the empowerment of professionals*

This perspective has not been explicitly formulated, as in European documents. It is, however, indirectly associated to the recognition of the need to construct new forms of governance and of modernizing public administration, as well as the need to qualify technicians in order to ensure an adequate response to the organizational transformations induced by the generalised use of ICT in organisations.

*The experience of Equal projects in Thematic Network 1*

Equal projects regard technicians as being agents of change; the projects reflected on the nature of changes to be tried out by the technicians themselves, so that changes can be intentionally induced at an individual or collective level in their communities of action.

Equal projects demonstrated how approaches guided by 'integrated pathways' require inter-institutional teams whose performance places specific challenges on the technicians' training; they show how the lack of conventional schooling can be overcome.

Equal projects also demonstrate how specific training of technicians can be assured so that they have the capacity, for example, for pro-active animation, for interpersonal relationships in inter-institutional and interdisciplinary teams and for the critical mediation between different 'worlds'. Enabling them to take approaches centred on the individual, groups and communities, to be active listeners and to have empathy are some of the main preoccupations. The relevance of the personality of the technicians themselves in acquiring these skills raises the question of recruitment criteria when this type of performances is required.

*The case of "A Par e Passo (Keeping up the Pace)" Project*

The acquisition of skills for inter-institutional work was found particularly in the experimental work conducted in this project *"A Par e Passo (Keeping up the Pace)"* (São Brás de Alportel). The project conceived and tested a methodology of orientation-training-insertion of people in difficulty, within the ambit of a territorial approach by '*integrated pathways*'.

The project identifies the reference *problems* as the distancing of traditional rural life and São Brás de Alportel becoming the dormitory of Faro and its adjacent areas. The job opportunities are concentrated on the coast, although often seasonal, or are even clandestine/illegal.

The innovative character of the methodology tested is in the specific way it integrates working directly with the target group and the mobilization of the community to create favourable conditions for the insertion of people in difficulty. The precariousness of the work available on the coast, disputed strongly by the Eastern European immigrants, led the project to giving priority to promoting insertion in their own municipality, through exploiting the potential of the service sector (growing along with the village) and of the small manufacturing companies. Along with the professional insertion, the aim was also to return to paths of formal schooling or guidance for vocational training.

In relation to working with *individuals*:

- training in personal and social development, based on a project methodology, associates classroom training, exploiting the territory and the discovery of the working world, within associations, companies and public services;
- training in job hunting techniques;
- work placement in a company or employer entity ;
- periodic meetings (fortnightly or monthly) with colleagues and project team, in the periods between the end of training and work placement and between placement and professional insertion;
- active search and negotiation of insertion. The trainee will be monitored by a tutor during all these stages.

Regarding the mobilization of the community, there are four important instruments:

- periodic bulletin, targeting people and entities involved in the project and local actors, integrating the contribution of those targeted;
- mobile exhibition on exclusion and ways of favouring inclusion;
- reflection-action forums, single day meetings between partner entities, schools, local authorities, companies, local and regional services, to debate and foster joint action in the ambit of the fight against exclusion and promotion of inclusion;

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- regular work with businesspeople, through the trainees' discovery of the working world, work placements, forums, exposition, bulletin.

Meanwhile, the intention to produce an *integrated* and *territorialized* methodology, led the project to adopt two fundamental guidelines:

- involving the partner entities in all the activities within the ambit of the project;
- investing in the consolidation and capacities of the intervention team.

Conditions were created for real convergence of partner entities and for each technician to reflect on and assume the action. In relation to the latter, it was essential to conduct *internal training* of the team, which was carried throughout the whole period of Action 2. It provided:

- reflection on the current intervention;
- theoretical grounding;
- acquisition of operational knowledge;
- production/development of the skills required by the job;
- production of experiential knowledge.

In the internal training, the *Balance of Skills* and the device for *Monitoring the Evolution of Skills* played a vital role, in enabling and requiring:

- systematic self-analysis of skills and their evolution by each technician;
- sharing by all of individual difficulties and success;
- individual contribution to the construction of responses adjusted to the problems detected;
- emergence of questions which would not have come up otherwise.

The project considers that this perspective was possible because the technicians involved agreed to share their *written reflections*: the circulation of the texts produced among everyone created space for all the interstitial questions to emerge from confronting experiences and opinions from all team members.

The project presented validation within the Thematic Network two 'Equal Products' designated as "*Methodology of Territorialized Orientation-Training-Insertion*" and "*Balance of Skills Process*".

The project experiment demonstrated how job access opportunities can be widened, integrating components of direct work with the *target population* and a component mobilizing the *community* to create favourable insertion conditions for people in difficulty. It also showed how the contemporary nature of the action is a challenge to the more conventional training and how these shortcomings can be overcome through the training methodologies of the technical teams themselves.

The noteworthy project *results* are:

- the professional insertion or integration in training, of 75% of the trainees and continuing work;
- contribution to the creation the municipality's social network (theme of the 1st forum);
- enabling the consolidation of partnerships, a basis for new joint projects;
- mobilising a significant number of local entities for a cooperation dynamic.

Emphasis is also placed on the real improvement in the entities involved, since the methodology required that the partners - City Council, Associação de Industriais e Exportadores de Cortiça (Association of Industrials and Cork exporters, Associação de Saúde Mental do Algarve (The Algarve Mental Health Association), Existir (Exist) (handicapped) and In Loco – made a strong commitment to empowering their technical team and to extensive articulation among institutions.

### 5.5.5. Key messages and strategic lessons

The experiment conducted by the projects Equal of Thematic Network 1 made a relevant contribution to the collective effort to improve public responses to the fight against discrimination and inequality in job access.

The projects are able to provide:

- deeper knowledge of the problems of discrimination and inequality in job access and of the causes for their persistence given the existence of public responses;
- innovation enabled by the experimental activity developed and the demonstration of how specific aspects of public responses can be improved in the promotion of job access among the underprivileged through the results of their work;
- perspectives on 'conditions of possibilities' which enable innovation and its 'transfer' to other contexts ('methodological transferability', horizontal mainstreaming) and perspectives on the conditions which the generalization of the tested innovation may depend on, i.e. the social changes to be induced so as to ensure improved public responses in job access, based on the tested innovation (policy recommendations, vertical mainstreaming).

The experiment conducted by the projects thus contributes towards identifying domains of policy action with a view to improving current public responses.

In general, the experiment demonstrated the central importance of domains related to *decentralization* (attributions, competencies and local autarchy resources, etc.) and the *de-concentration* (autonomy of the decentralised institutions of public employment services, etc.) in *new forms of governance* oriented towards employment, in fields related to: better public perception of the interdependence that exists between *competitiveness and social cohesion* for employment; the promotion of innovation in  companies, civil society and public administration with a view to achieving the *Lisbon Strategy* aims to build an information and knowledge society.

More specifically, it is possible to identify domains which are directly related to intervention strategies and organizational models.

a) Involve *all the domains of public policies* relevant to employment and stimulate the *extended involvement of social agents* in territorially based development strategies  (local development) based on the perception of: the *interdependence* of competitiveness and social cohesion in employment, and of the spatial *diversity* and local *specificity* of the

action possibilities (promotion of a local 'social dialogue', involvement in civil society, local authorities, de-centralised entities of the different sectors, etc.).

b) Encourage direct involvement of the Municipality in mobilising local communities and facilitating the involvement of other social agents employment-related matters (attributions, competencies and resources of the City Councils, promotion of innovation in this field, etc.).

c) The vocational training should adopt pedagogical practices centred on the trainee, based on the quality of the trainer-trainee relationship and should be open to introducing contemporary problems and the challenges of citizenship in societies with a knowledge based economy and oriented towards changes of attitude and behaviours favourable to lifelong learning, entrepreneurship and a proactive stand towards insertion in active life.

d) The pertinence of *non formal education* should be seriously analysed so that formal and non formal learning can be complementary and more adequate procedures created to *recognise* and *validate* knowledge and skills acquired through *non formal* and *informal* teaching.

e) High level training should be ensured for education and vocational training professionals so as to ensure adequate responses to the complexity of this challenge.

*Organizational models and conditions for action*

a) Broad territorially based *partnerships* should be encouraged through creating the necessary organizational restructuring to strengthen inter-institutional cooperation, transparency and access to relevant information and the total fulfilment of ICT potential in eGovernment for administrative modernization.

b) Make the *decision making competencies* of the employment public services ('Job Centres, etc.') adequate for involvement in specific strategies for local development and in broad territorially based partnerships; and provide their organizations with *technical teams with differentiated skills* a suitable for the heavy demands placed on the public administration

with particular attention to *recruitment criteria* (quality of the previous professional experience, critical analysis of the running of the public administration, creativity and proactive commitment in action for change, etc.) and to the conditions of quality *advanced training* (capacity for: a critical perception of the local employment dynamics, strategic forward thinking, direct involvement of local social agents and to understand the respective differentiated rationalities, multicultural and inter-disciplinary dialogue, interpersonal relationship, facilitating inter-institutional teamwork, etc.).

c) The promotion of the *organizational innovation* in order to viable solutions through '*proximity services*', involving access to adequate physical space, the share of information between organizations and the  specific training of technicians for mediation functions.

d) Priority should be given to the *qualification* of public administration *technicians* and organizations involved in rendering public services in the field of the fight against discrimination and inequality in job access because *diversified competencies* are at stake that are not assured *by conventional education; the* acquisition of these competences depends on the possibility to build *new forms of governance*, use the potentialities of '*e*Government' and contribute to *change in local communities* as proposed by the challenges of the *Lisbon Strategy* (proactive animation, capacity for initiative and organization, critical interpretation and strategic anticipation, intercultural mediation, integrated perception of the challenges of competitiveness, social cohesion and sustainability, etc.).

## 5.6. Strategic lessons for Municipal anti-poverty action: *innovation,   methodological transferability and policy recommendations*

The 'revisited' evaluation exercises have shown that it was possible to identify outcomes whose relevance could be found within the conceptual and theoretical development introduced before and that could be seen as illustrations of possible action in the sense defined.

Programmes were understood as 'open systems' and as 'reasons' and 'resources'. Their outcomes depend on the context-dependency of problems as well as on concept-dependent action. A deeper analysis at project level would enable a more detailed production of

knowledge concerning the role of 'mechanisms' leading to outcomes. Anyway, outcomes are also '*ideas*'. Programme's outcomes are *not* lists of 'best practices'. The 'potential *migrating objects*' are 'ideas' made relevant by the conceptual and theoretical framework of the 'realist syntheses'. In different contexts, these 'ideas' may inspire the transformation of available information about programme's outcomes in context-dependent useful knowledge.

Let us recall some aspects introduced below (see 5.1.2.). Given time constraints, 'real time' evaluations often have *little* influence on policymaking. Therefore, evidence-based policy is turning increasingly to systematic reviews of the results of *previous* inquiries in the relevant policy domain. The strategy developed in this work of *'revisiting'* experimental programmes gained from the insights of the methodological debate about the best strategy of marshalling bygone research results into the policy process. *'Realist synthesis'*, as a model for evidence-based policy, as proposed by Ray Pawson was adopted.

As real time evaluation only enables learning after the implementation has finished, lessons only can be learned after decisions have been taken. The evidence base in policy-making requires that learning is based on *previous incarnations* of bygone interventions. The realist *disaggregating* of a programme into its component theories provides the impetus for a new look at how the evidence base is constructed. The programme theory is retained as the unit of analysis. As mentioned above, the only way to summarise the evidence on such programmes is to review the primary sources not study by study, but programme theory by programme theory.

### a) 'Revisiting' evaluation exercises and 'realist synthesis'

Basic assumptions of 'realist evaluation' and 'realist syntheses are recalled:

- 'Realist synthesis' uses a *'generative' approach* to causation; it assumes that it is not Programmes that work but it is the underlying *reasons* and *resources* that they offer subjects that generate change; on the other hand, causation is understood as *contingent*.
- Thus, generalization relates to a *'transferable theory'* (*'this Programme theory works in these respects, for these subjects, in these kinds of situations'*); the policy community is *not* offered a 'best buy' (*approach 'x' or case 'y' seems to be most*

*successful').*

- Following this logic, it becomes clear that 'realist synthesis' offers a focus on the *review process* based on the '*programme's mechanisms*'; it is the process of how subjects *interpret* the intervention stratagem that is known as the '*programme mechanism'* and it is the pivot around which realist evaluation revolves.

- The relevance of the single project lies both in *what it tells about the world in which it is embedded (experimental programme, institutional context, etc.)* and in *what it tells about the possibilities of change (innovation)* given the *reasons* and *resources* offered by the programme.

- The *'migration'* of strategic lessons learned with experience may occur both as a result of *'methodological transferability'* or as *'policy recommendation'* and become concrete given the causal powers to be activated by the agents concerned; concepts and theories will be the point of departure; theoretical refinement will enable the *'migration'* of the results of experience and be the basis for the legitimacy of *'strategic lessons'*.

## b) 'Realist synthesis' in practice

The 'inspiration' for 'revisiting' the programmes and their evaluation based on principles of 'realistic evaluation' provides the grounds for the main methodological options necessary to undertake the analysis. Some aspects are worth being recalled now:

- 'Revisiting' a programme can be understood as some form of '*retrospective cumulating'* and is based on the idea of drawing '*transferable lessons'* from the analysis; trying to gather wisdom from a past programme (that may not even have been planned realistically aiming at cumulating) is currently called 'realistic meta-evaluation'; it is in this sense that 'realist synthesis' assumes that the transmission of lessons occurs through a process of theory building rather than assembling empirical generalizations.

- 'Revisiting' a programme can also be inspired by considering basic ideas about conducting 'realistic evaluation'. These ideas can help design the concrete steps of the analysis to be developed. A 'realistic evaluation' essentially has two phases: *qualitative preliminaries* and *outcome analysis* (Pawson and Tyley, 1997, pp. 107-114).

- The first phase involves *qualitative preliminaries* aimed at the search for CMO configurations in relation to the aims of analysis (*'what was it about the programme which seemed to have the most impact in changing the participants / problems / contexts / institutions'; 'what type of participant was most likely to be a success of being in the programme?'*); given the concept-dependency of human action, this dimension aims at specifying the conceptual and theoretical frameworks of action that were underlying the design and implementation of programmes and projects.

- The second phase involves an *outcome inquiry ('what was it about the programme that worked for whom?').* As the projects were part of experimental programmes, they were supposed to make an impact at local level (changes in problem configuration and identifying innovation possibilities in public practice that would not have happened otherwise, etc.) and to make an impact at national level (central incorporation of project's and programme's policy recommendations into current practice, identification of new perspectives for action in other contexts or by other social agents, etc.).

- 'Revisiting' the programmes introduces further relevant aspects in the analysis; the nature of the search for the conceptual and theoretical basis of the programme and the nature of outcome analysis gain a wider relevance and scope of analysis; concerning the concept-dependency of action and the search for the implicit conceptual and theoretical assumptions of the model of action, the access to relevant information can be facilitated by the analysis of the documentation produced and 'realistic' interviews with decision-makers, heads of projects and practitioners as well as participants; evaluators of 'revisited' experimental programmes become relevant stakeholders whose potential influence in programme and project outcomes cannot be ignored.

## c) Towards a 'template' for 'realist synthesis'

A possible content for a 'template' for the 'realist thesis' to be used may explicitly involve the following issues:

- Realist synthesis requires *conceptual sharpening* and a precise definition of the *question* considering the nature of complex experimental programmes and the explanatory basis of the review; the previous clarification of questions to be pursued and conceptual sharpening require the involvement of the *commissioners* of realist

synthesis; in this case the 'commissioner' of 'realist synthesis is also the author of these lines and the question is directly linked to central problem of this work.

- As the purpose of realist syntheses is *explanatory*, the nature of the programme theories to be chosen must be clarified; in this case the explanatory character of 'realist synthesis' is directed to *'adjudication'*; given the formulation of this work's key problem, it is relevant to clarify what it was about the programme that led to the achievement of outcomes (innovation).

- After defining the scope of the review and the nature of the explanatory basis, it is necessary to articulate the body of working theories that lie behind the intervention. As assumed above, all interventions carry an implicit set of programme theories. The identification of such theories is the 'pre-given' subject matter of the review.

- Totally comprehensive reviews are impossible and the task is to *prioritise* the programme theories to be developed in the exercise. That is also why conceptual sharpening and refining the question is so central in 'realist syntheses. Articulating the theories that are 'embedded' within programmes provides a way of recognising their complexity and then finding an analytical strategy to cut into that complexity.

- There are four different search procedures in 'realist review'. First, there is a background search concerning the nature of available literature. Second, they track the programme theories (administrative thinking, policy history, legislative background, key points of contention, etc.). Third, they look for empirical evidence to test a subset of these theories. Fourth, there are additional studies that might further refine the programme theories that have formed the focus of analysis.

- In the mechanics of searching, 'realist synthesis' reveals particular differences. In searching for relevant information, realist review makes use of administrative *'grey literature'* rather than relying only on formal research in the academic journals as it deals with the *inner workings* of programmes.

- In realist review, primary sources may do no more than identify possibly relevant concepts and theories. For these, 'data extraction' can be achieved just by marking the relevant sentences with a *highlighter pen*. Realist reviews register information more by *note-taking* and *annotation* than by 'extracting data' as such. By *tracking theories*, for example, documents are sourced for ideas and how an intervention is supposed to work. These are noted and further documents may reveal neighbouring, or rival, ideas. A final model is built of the potential pathways of the programme's theories.

- Different studies may be used as one expects to identify several theories. Reviewers should develop a record of the different ways in which studies have been used or omitted. On the other hand, it should be noted that the different steps in realist reviews do not need to be linear. Studies are returned to time and again.

- To summarize, realist reviewers perceive the task of synthesis as one of *refining theory*. Programmes are assumed to be theories and theories are complex. Reviewers perceive different roles for individuals, teams, institutions and structures. Furthermore, programmes pass through many hands, unfolding over time as they are implemented through highly elaborate chains.

- The conclusions of a realist review should take be a revision of how a programme was initially thought to work. The end product is a *more refined* theory rather than a final theory. It is open to context concerning the scope of the policy implications of realist review.

### d) Programme's theories in 'revisited' programmes

The four 'revisited' programmes share the fact that they were conceived as experimental programmes. But they reveal relevant differences in what concerns their 'principles', 'assumptions' and 'procedures'. They also reveal substantial differences in the way they have been managed, particularly, how their 'animation' was conceived and implemented.

### *European Poverty III programme*

Poverty III had an explicit focus on anti-poverty action. It aimed at innovation in conceiving anti-poverty action beyond 'income-oriented' compensatory social policy. The formal title of the programme contains the explicit formulation of aiming at the 'economic and social integration of the least favoured groups'.

Three principles were adopted in Poverty III: 'multidimensionality', 'partnership' and 'participation'. 'Multidimensionality' contained implicit the 'theory' that multiple deprivation and the complex causes of poverty and social exclusion require holistic, multi-sector and integrated action.

'Partnership' would represent the institutional dimension of 'multidimensionality'. Joining together the efforts of multi-sector statutory action, the central and the local governments, the state and civil society could favour more effective anti-poverty action. 'Partnership' was foreseen as a means of mobilising into a new relationship a wide range of bodies in a concentrated and concerted action against poverty. As the programme was based on local projects, 'partnership' had a formal expression as the projects hat to establish a 'Steering Committee' which took the direct responsibility of developing the project. These partnerships should involve local residents as well as employers and unions.

'Participation' should represent the active opposition to exclusion and offer an educational process. The direct involvement of the target groups was seen as facilitating the process of economic and social integration. The knowledge of the potential beneficiaries was recognised as relevant in order to ensure better quality in action.

Poverty III was based on local projects, both in the form of 'Model-Actions' and in the form of 'Innovative Initiatives'.

Two basic assumptions underlie the design of Poverty III. Compared to previous programmes (Poverty I and Poverty II) the widening of the territorial scale of intervention would be needed in order to contribute to better results in anti-poverty action ('natural scale'). The concentration of resources could ensure better conditions for experimentation and contribute to better programme's outcomes.

The most distinctive character of Poverty III relied on its internal 'animation' procedures. The European Commission established the structures that would ensure the adequate development and management of the programme. Poverty III was managed directly by the Commission with the support of a management and administration group (EEIG A&R (Lille and Brussels). This group engaged a number of European consultants and constituted a Central Unit which was in charge of evaluation, publications, research and trans-national exchanges. The Central Unit cooperated with a network of nineteen national experts who constituted 'Research and Development Units' (RDU) for one or more countries.  The 'animation' activities involved regular visiting of the projects working with partners (members of the 'steering committees'), heads of projects and  staff members; organizing 'thematic working groups' with project's members on specific themes ('economic integration' and 'evaluation'); and

cooperating with the organization of 'thematic seminars' ('Poverty, Culture and Development', 'Partnership and Social Partners', 'Local Employment Initiatives and the Fight Against Poverty and Social Exclusion' and 'Participation').

The European Commission, the Central Unit and the RDU met every third month and discussed the programme's development at European, national and project level.

### INTEGRA (Employment and Adapt Community Initiative)

The Community Initiative 'Adapt and Employment' was launched in 1995 and was based on the following principles: 'transnationality' projects must be partnered with projects in other Member States which are focused on similar or complementary priorities; innovation: in the context of national and regional practice and priorities, projects experiment with new ideas or methods, or with new combinations of existing ideas, methods or collaborators; local involvement: projects should involve a wide range of local individuals and organisations, both public and private, so that this combined knowledge and experience can be focused on the development of appropriate training, guidance or employment provision.

The programme activities were organised around thematic activities. At the end of 1997, the Commission and the representatives of the Member States agreed a common strategy for Thematic Activities which would apply to the final phase of Adapt and Employment. This strategy was intended to strengthen the role of the two Initiatives. The thematic activities were organised around Thematic Focus Groups and these have met a number of occasions during 1998-1999. They have taken account of the views and experience of project promoters and participants, they have promoted or organised national or European conferences and events and the results of their work have also been reflected in publications. It was in this context that a Thematic Group on *'Empowerment'* was created within the INTEGRA strand. Given its Anglo-Saxon origin, the term does not find immediate equivalents in other languages and cultures. It was relevant to develop some debate at European level in order to build a common understanding of the risks and opportunities attached to an empowerment perspective.

As can be read in the above cited report, it was understood that 'empowerment' can help tackle an important factor of exclusion: the lack of participation by excluded people in decisions affecting them, at various levels. It is a dynamic process that offers a new vision of

what inclusion processes are about. It recognises the relative absence of power and influence experienced by excluded people and groups. It also gives first priority to the development of new capacities and new opportunities, so that excluded people are able to play a full role in the management of personal, social, economic and political aspects of life. As a corollary, it requires a willingness on the part of other actors in society to give recognition to excluded people' experience, skills and aspirations and to change structures and professional practice to allow for their full participation in decisions affecting them.

### *EQUAL Community Initiative*

EQUAL Community Initiative is part of the European Union's strategy for more and better jobs. It is funded by the European Social Fund (ESF) and tests new ways of tackling discrimination and inequality experienced by those in work and those looking for a job. EQUAL has *not* an explicit focus on poverty.

EQUAL Community Initiative adopted 'principles' such as 'partnership', 'empowerment', 'equality of opportunities', 'trans-national cooperation', 'innovation' and 'mainstreaming'. 'Partnership' plays a central role. EQUAL partnerships are designated as 'Development Partnerships' (DP) and are much more complex than in the previous Community Initiative. They also correspond to a higher scale of intervention and to an increased concentration of resources following the same assumptions that were found in Poverty III. The EQUAL DP can have a territorial or sectoral basis. However, the design of EQUAL was strongly influenced by the European experimenting with 'Territorial Employment Pacts'.

The explicit orientation of EQUAL towards innovation in Employment policy and the explicit recognition of the sense of programme's outcomes in terms of 'mainstreaming' led to the incorporation of these two dimensions as explicit principles. Given the experimental character of the programme, this would not be needed. It was decided to do so to emphasise this characteristic of the programme.

In the development of EQUAL relevant procedures attempt to contribute to this reinforced role to be expected from 'partnership'. The project's development is divided in three phases. The first phase (Action 1) lasts for about 6 months and aims at the building of the

'Development Partnerships'. The projects are developed along two years (Action 2) and the third phase is dedicated to the dissemination of results (Action 3).

The thematic networks ensure the 'animation' role as well as contributing to prepare the 'mainstreaming' phase. These thematic networks exist at European and national role. The 'National Thematic Networks' play the key role in terms of 'animation'. The 'National Thematic Network' on 'Pathways to Training and Integration' was strongly focused on social groups more vulnerable to poverty and social exclusion.

### Portuguese Urban Rehabilitation Programme

The Portuguese Urban Rehabilitation Programme was directly inspired by the URBAN I Community Initiative. It was managed by the same managing authority.

'Partnership' and 'territorial integration' are the two central 'principles'. The projects were invited to experiment with simultaneous action in different domains. The 'physical', the 'social' and the 'economic' should be tackled simultaneously. The underlying 'theory' was very much influenced by Poverty III (URBAN I was launched in 1994, the same year when Poverty III was closed). Lasting changes in poverty situations required contextual change. This should be experimented in 'distressed urban areas' where the most severe signs of social vulnerability could be found.

The programme was managed with little priority to 'animation' activities. They have been restricted to a few thematic seminars together with URBAN projects and bilateral meetings among PRU projects.

### 5.6.1. Strategic lessons for innovation: the relevance of programme's outcomes

Programmes and projects have shown that it is *possible* to conceive anti-poverty action in ways not restricted to compensatory deprivation-oriented social policy.

The diverse experiences 'revisited' focus on different aspects. A *transversal* exercise of revisiting them on the basis of the underlying theories (see 5.1.2., j)) enables us to *interpret* the outcomes on the basis of the epistemological, conceptual and theoretical assumptions of this

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work. The 'revisiting' exercise will proceed. First, it will be structured on the basis of the domains of action identified in the proposed contribution of an action-oriented theory of 'local underdevelopment' aiming at Municipal action towards the 'reversal' of 'local disintegration' (see 4.2.7.). Second, the exercise proceeds on the basis of the domains of action identified in the proposed contribution to a theory of planning as an 'empowering dialogue' as a way of *linking* scientific and action-relevant knowledge to the domains identified above (see 4.3.8.). In the next chapter *lessons* from the 'realist syntheses' exercise will be proposed on the basis of the relevance of outcomes to Municipal anti-poverty action. These lessons will rely on the potential *'migrating ideas'* that can be identified in programme's outcomes.

## a) Action domains aiming at the 'reversal' of 'local disintegration' and the promotion of local development

When Municipalities accept the challenge of developing anti-poverty action in 'distressed urban areas', how can the 'reversal' of 'local disintegration' be achieved and the lasting 'economic integration' of poor households by local socio-economic contextual change be ensured? Can the 'revisiting' exercise help to illustrate possibilities in these domains of action?

*Action aimed at reinforced 'agency', counteracting 'local disintegration' and organising for increased 'selective self-reliance'*

Municipalities need to *activate* their 'causal powers'. This concerns an adequate understanding of 'power'. The 'discursive field' of power and the 'organisational field' of power *both* offer opportunities to situate the possibility of activating Municipal 'causal powers'. The relation between the 'world view' and the political priority of anti-poverty action may be directly addressed (see 3.6.6.). The *'discursive field'* on poverty (understanding poverty as *distinct* from deprivation), the recognition of the *structural* causes of poverty and the recognition of the *responsibility of society* (civil society and the state) on its emergence and persistence or on its mitigation and eradication, the understanding of *claims of poor people as rights* and of anti-poverty action as an *imperative of social justice and solidarity* are relevant here. The 'discursive field' of power may also be directly related to how the 'non-poor' become more, or less, responsible for the problems of poor people. That is the case of the existential problems society leads poor people to experience as *'poverty problems'*. Alternatively, it is within the 'discursive field' that poor people may, or may not, develop a perception of a right to a society's response to

'poverty problems' as a dimension of citizenship. With regard the 'organisational field' of power, other relevant aspects can be mentioned: the realisation of created *new rights* and *new legislation*, the 'animation' and *support to* organisations of the civil society aimed at the collective empowerment and counter-acting *'organisational outflanking'* of poor people and the *political commitment at central and local level to facilitate the access of poor people to resources* in the context of *both* a discursive and organisational field that can be influenced by political action in favour of poor people.

The principle of 'empowerment' in INTEGRA (see 5.3.) also led to an understanding of a central role to play by territorially organized 'agency'. As can be read, as a key-message raised by the programme's outcomes, the idea of *'building'* 'target groups' as collective actors and of building territorially based entities that can pro-actively promote 'empowerment' play a central role; *"With the de-structuring of social categories which has accompanied globalisation, target groups will exist less and less prior to public action ('organizational outflanking') and will increasingly be the contingent result of public action (construction of interest communities, empowerment to organize collective action); the local identity gains strength as the opportunity for a collective identity towards the contemporary de-structuring of conventional social identities"*. The collective capacity for initiative and organization, expressed in the additional creation of work posts, is highlighted (development associations and agencies, small businesses, cooperatives, etc.) in the construction of individual and collective pro-active attitudes towards the formal employment system. At the community level, the above mentioned individual and collective dimensions are facilitated by the political recognition of the fostering of citizenship and the responsibility of the small scale territorially based political organisation (local authorities, etc.). Also the recognition of the formal competences and assignments and the granting of financial resources are inseparable from providing the individual and collective with employment capacities from an empowerment perspective.

### Creating local development organisations

Many projects from the 'revisited' programmes created new organisations aiming at local development. Many of the projects show how improving *partnership* work (relationships between public services, relations between central and local state, relations between state and civil society) helped to increase the capacity of 'attracting' resources and of mobilising

resources hitherto under-utilised. Several projects from the different programmes have led strategies and carried out actions which address the 'non-emergence' of local initiatives to counteract structures and mechanisms leading to the erosion, under- or over-utilisation of local resources. The idea of reinforcing 'agency' by working in 'partnership' can actually be found in many cases.

These projects created new local organisations or introduced changes in their structures in order to reinforce their *organisational* capacity. Indeed, bringing about necessary changes in attitudes and behaviour requires these kinds of bodies: community work for development projects, applying for funding from European or national programmes, encouragement and assistance for entrepreneurial initiative, getting schools involved in pilot experimental projects, etc.

Many examples can be found in the different programmes. But it is in Poverty III that a wider variety of examples can contribute to reinforce 'agency' understood as an increased *capacity* of promoting local development, as an increased capacity of involving the *'business world'* and as an increased capacity of mobilising *civil society* by involving local associations.

In the first case examples come from of Italy and Portugal. In Italy, the role of 'agency' in local development and anti-poverty strategies has been a key issue in debate and action. The projects and the RDU developed an agency model, 'agency as network', which is presented as an alternative to what are known as 'Traditional Development Agencies' (e.g. local development agencies, employment agencies, etc). The *'agency as network'* is a structure for strengthening the *dialogue* between 'social demand' and 'institutional supply' at the same time as acting as a coordinating centre that designs, monitors and evaluates projects and initiatives. The 'agency as network' model is successful in working with its users, but its drawback is that it has no institutional, legally bound, spending powers. This has led the Italian projects to open up negotiations with traditional agencies as partners in Bucaneve or 'collaborators' in Alto Belice.

The three Portuguese have been instrumental in setting up new local organisations. In Porto, the *Foundation for the Historic Centre* was created to ensure an adequate institutional framework to the current urban renewal process; a *Centre for Integrated Community Service (CIAC)* was set up in order to increase the quality and efficiency of public services on an inter-sectoral basis, using a household- and community-centred approach; a *Socio-Educational Centre* was created to establish better links between educational policies and the development of occupational skills. In

Almeida, a *Local Development Agency* was created by the project which aimed at reinforcing local capacity to support and develop entrepreneurial activities and at developing appropriate training. In Portugal, within PRU some projects created organisations of this kind. In Vila Franca de Xira was created the *'Associação para o Desenvolvimento do Emprego'* (ADE) and in Almada a *Local Development Agency* to create the conditions of self-sufficiency in acting after the closure of the programme.

Examples of the involvement of the 'business world' can be found in Belgium, Denmark and France. In Belgium, a *'Neighbourhood Development Society (or Agency)'* (B.O.M.) was created in Antwerp to encourage integrated local development in combining local and 'exogenous' resources and ensuring coherence and rationality in the management of available resources. The Business Centre and the Technological Centre for Antwerp were set up by the project to enter the 'rationality' of the business world, attract entrepreneurial initiative and capital and organise quality training.

In Denmark, an *Employment Committee* was created by the Samiko Project in Copenhagen in order to ensure that unemployed people benefit from the local urban regeneration process as well as training of 'green caretakers'. Specialised training was designed in such a way as to meet the labour needs of the contractors in the urban renewal activities: Enterprise Moen on the island of Moen was set up to link business promotion (especially rural tourism) to the upgrading of skills and training of unemployed citizens. The action aims to foster collective responsibility for the problems of the area and to create an organisation through which the above-mentioned objectives could be co-ordinated in conjunction with the participation of local people.

In France, the project Mosaique (Doubs) took a leading role in setting up the *'Groupement d'Employeurs pour l'Insertion et la Qualification'* (GEIQ) which brings together local and regional employers often working in the same sector. Its aim is to facilitate the development of training provision and thus of occupational integration by better *co-ordinating* the different steps involved in integrating individuals into the labour market (training, work placements).

Examples of the involvement of civil society and local associations come from Portugal and Spain. In Porto, a *Federation of Local Associations* was also founded in order to develop links between the *Local Development Agency* and the *empowermen*t and *self-organisational* capacities of local village associations. In Covilhã, a *Resource Centre* was set up to contribute to the

capacity building and development of the potential role of non-profit volunteer organisations (IPSS) in productive activities (small farming, agricultural production for self-consumption, Local Employment Initiatives, associations of honey producers) and welfare activities (care for the elderly, child care, cultural associations).

Also from PRU come some examples from Portugal. In Cascais, an association of the inhabitants was 'animated' and involved in the project, in Sintra all the associative forms were mobilised putting in value their knowledge about reality and their capacity in developing specific actions.

In Burgos (Montes de Oca, Spain), the project recognises the role that local organisations can play in promoting the participation of local groups in local development processes. *'Regional identity'* was promoted through a *network* of local organisations (the Mayor's committee, family organisations, an employers' association, co-operatives of shopkeepers, etc.) that were represented on the Steering Committee of the project. This Steering Committee is in turn considered to be central to the network.

### *'Control' over local resources*

Several projects have shown that it is possible to *influence* local agents to ensure that resources are allocated in such a way which allows poor households to meet basic needs. We can cite examples of local agents who are constrained by locally defined priorities: scarce resources deployed according to locally defined 'strategic advantages' and under-utilised resources mobilised to solve unmet basic-needs. That is, projects have been able to gain control over or lever influence on local institutions and bodies to the benefit of the least privileged groups.

In Belgium, the strategy led by the B.O.M. was one which looked to 'exogenous' resources to promote change. 'Control' over resources was perceived in a double way: control over 'exogenous financial resources', allocated by (mainly) the Flemish Anti-Poverty Programme; in terms of an invitation-strategy towards the *entrepreneurial world* to engage in the local economic development; or by concrete participation in the development and management of the local *'business centre'*. This double strategy was the consequence of a well-planned concept of economic 'reanimation' of the neighbourhood.

In Denmark, SAMIKO project in Copenhagen, created a 'local examination body' under the auspices of the Employment Committee. The purpose of this body was to ensure that the national and local authorities and the voluntary bodies *co-ordinate* their work with unemployed people in the local community. The 'local examination body' has a *proactive* attitude in relation to the contractors bid for contracts for renovation work; it also aims to ensure that unemployed people receive the training needed which meets with the needs of the contractors.

In France the Mayors of the Steering Committee of the Mantois - Val de Seine project negotiated with firms currently undertaking infrastructural work (housing, public works) to employ a larger proportion of local unemployed young people. This idea is also being followed up in other parts of France where calls for tender include the contractual obligation of involving local workers, and firms are being chosen on the basis of not only economic criteria, but social criteria as well. Acting together in a co-operative and coherent way, the Mayors are actively helping to empower their municipalities to influence the firms to become more aware of the interests of the local population ('territorial interest').

Among Irish projects, 'control' is related to increasing their *influence* over the decision-making process concerning the local infrastructure and the provision of social facilities (roads, transport, health and social services, etc.).

In Italy, the debate on the 'Agency-network' model, recognises the drawback due to the lack of institutional power. This type of agency is therefore inconceivable outside a formal partnership between private and public bodies. The lessons of this model in the Italian context point to the danger of a division of labour resulting from the public sector's control over the financial resources and decisions with the private bodies' role being limited to one of the implementation of these decisions. It is also pointed out that financial security is a necessary prerequisite for a project to play an active role in such a network.

In Portugal, the control over local resources was an issue of great concern to the Porto project in a context of *urban speculation* and urban (functional) restructuring.

In the United Kingdom, the model actions have been active in promoting the participation of the *local community* in local economic regeneration and development plans. The Liverpool project is a member of the City Challenge board and has been active in providing information to the local

community about housing redevelopment and the building of a new hospital in the area. The Brownlow project produced its own 'Economic Plan' for Brownlow and was active in *lobbying* the Northern Ireland office for urban development resources for Brownlow. The Pilton Project has been active in the restructuring and further development of North Edinburgh Training and Enterprise, which provides training courses to local people and which has overlap at board level with the Pilton Partnership.

### *New instrumental possibilities of Information and Communication Technologies (ICT)*

The EQUAL Community Initiative offers a number of examples about how the Information and Communication Technologies can contribute to reinforce 'agency'. The projects show how improving *partnership work* (relationships between public services), *information access* (greater proximity in the *relationship of the beneficiaries with public services)* and the demand for *continuous training* demanded by the 'integrated pathways of training-insertion' approaches can benefit from the new instrumental possibilities offered by the Information and Communication Technologies (ICT).

The exploitation of ICT potential for the improvement of public action, promoted by partnerships for employment therefore becomes part of the effort to bring about *new forms of governance* under the broader scope of the construction of the Knowledge and Information Society. What is in question is the search for more effective public action and more efficient allocation of social resources for that effect. The search for greater inter-sector coordination between the central, regional and local administrations and for greater coordination between state action and civil society action are framed in this perspective.

Equal projects conducted innovative experimental action in order to fulfil ICT potential in the field of public promotion of job access. They show how ICT are not only a technical instrument (access to information) but also provide instrumental support for the viability of new ways of conceiving and implementing solutions in this field.  The projects show that ICT can contribute towards promoting inter-institutional articulation (synergy between the institutions), leading to more effective 'integrated pathways'. The Equal projects show how ICT can facilitate sharing technical information between different institutional organizations and how they can facilitate individuals' access to relevant information. Equal projects also

show how conditions can be created for a more direct relationship between the beneficiaries and public services through new opportunities offered by ICT.

Different projects conducted experimental work in this field, as is the case of the projects *'Impulsaraia'*, *'In Extremis'*, *'PIDAmadora'* and *'All for One'*.

The *'In Extremis' project,* ([www.in-extremis.org](www.in-extremis.org)) (Porto) showed *how* it is possible to facilitate the inter-institutional articulation through new opportunities offered by ICT. The project defines the reference problems as those of job access which are manifested in association with prostitution, the homeless, immigration and drug addiction. The *current responses* are insufficient and inadequate and warranted the *innovation* developed by the project. Current responses include the dispersion and scarcity of information, contracting social intervention in responses which are minimal, sectoral and inarticulate (and not as a result of sharing Government responsibilities with the civil society, etc.), lack of social and political recognition of the innovative working practices with the underprivileged public (project action experience), inadequacy of the  academic and vocational training curricula in response to these realities and the almost non-existent systems of retrieval, treatment and evaluation of information in the 'social' areas. The project created an innovative methodology to support the action, based on the *In Extremis Computer system* ('Equal product' of the project). The *Computer System In Extremis ( Resources Space, Training Space, Network-Response Space)* was developed incorporating the experience of entities which work directly or indirectly with these phenomena through the creation of 3 *Active Investigation Labs* (AIL) (investigation and self-training), a participating methodology developed throughout the whole 'In Extremis' project. With this experiment, the project showed how adequate responses can be constructed to the needs identified in social intervention in situations of extreme social exclusion phenomena. The *Computer System In Extremis* also illustrates the possibilities of ICT, namely by Internet use. We stress the possibility of the virtual concentration of important information and resources for the intervention; this can be quickly and easily utilised by institutions located in different spaces. Another potential of a computer system is the facilitation of inter-institutional articulation and proximity among the different professionals and experts.

The project identifies *conditions* which facilitate the innovation effort and the results of the project. Amongst the most relevant conditions there is the *collaboration* work developed by the AIL in the construction of all the materials produced by the project (bringing them more in line with their needs) and the concentration of a group of *resources* identified as fundamental for the intervention work among the underprivileged in a virtual space.

The *'All for One'* project (www.todosporum.net) (Cascais) showed how inter-institutional cooperation and the creation of common instruments can be used to innovate in the fight against discrimination and inequality in job access and contribute towards more effective and efficient public service response. The project defines the reference problems as the persistence of insufficient synergies among the multiple services in the local council who work in the area of professional mediation, the spread of responses which the target-public need (inhibiting an active stance on the part of the unemployed) and the difficulty in accessing the information necessary to define 'insertion pathways', both by the public and the technicians who guide and monitor them. The project finds that, in order to respond to the growing problems of job access, *organizational change* is necessary in the services charged with resolving these problems. It also finds that the change must be an invitation to *rethink* the *methodologies* and *instruments* used and that the fundamental aspect of that change should be in networking between the entities and in close articulation with the business milieu. Furthermore, it finds that *communication* between the technicians and information sharing are essential aspects of *networking* and as there are not enough humans resources to monitor the '*insertion pathways*' correctly, they should not be wasted on unnecessary tasks (duplicating the same tasks in different services, namely the retrieval of the same information, etc.).

The innovative nature of the project is found in its conception and implementation of *a Local Platform of Communication and Information* in order to contribute to overcoming the problems detected, while paying attention to the common needs of information retrieval and dissemination; these correspond to the common needs for the development of mutual knowledge, cooperation and inter-institutional articulation. The project presented validation in the National Thematic Network 1 an 'Equal Product' designated as *Local Platform of Communication and Information for Net Work*. The project experiment showed how a greater response can be provided to the unemployed (by the technicians who monitor them, by motivating people who would normally be unable to access ICT to acquire this skill which facilitates job seeking (whilst also improving their employability and self-esteem), promoting

the use of instruments that can lead to in-depth knowledge and inter-institutional communication. Furthermore, it showed how the *sharing of information* between the various participating entities can be fostered, improving the service rendered and developing some social and service marketing with potential employers (thereby increasing the beneficiaries' job opportunities). Lastly, it has allowed some beneficiaries more autonomy in job seeking, freeing the technician's time so they can provide closer monitoring to those who need specific support.

The project identifies the *conditions* which facilitate the responses as those that propose the existence of *political will* and the decision-makers' involvement in change and innovation, and the existence of people with specific technical and personal *skills*: *availability* to work with other organizations and willing to *share*; available to invest in the construction and use of *common* instruments; able to *listen* to the needs and realities of other organizations; *flexible* in order to adapt to common needs; willing and capable of *reflecting critically* on their practice; who *identify* with problems and common needs; who *respect* joint decisions; who respect the positive progress of the *diversity* and *autonomy* of those involved; valorising the participation in a *partnership/net work* for the entity they belong to; taking *positive* actions to create *interpersonal* bonds between technicians from different organisations.

Equal projects also show how conditions can be created for a more direct relationship between beneficiaries and public services, through new opportunities offered by ICT.

The project *'Impuls@raia'* (www.impulsaraia.com) (Almeida, Sabugal) showed *how* it is possible to improve the public response in the field of vocational training and to support entrepreneurship through the use of ICT. The project identifies the *reference problems* as the access to employment in the intervention territory, paying attention to the weak dynamism of the business network, local desertification and technological illiteracy. Current responses have been incapable of offering solutions to populations with greater difficulties in job access, mainly in cases of greater physical isolation (villages, etc.).

The project created and implemented a *Methodology of local development in a rural context*, based on ICTs – *Impuls@rural*; an e-learning Platform was created for that effect, accessible through its website. On one hand, this methodology consisted of assertive *monitoring* of the beneficiaries in their business initiatives achieved either through *self-employment* or by

*employability*. On the other hand, Impuls@raia project enables professional and personal skills to be developed, as well as allowing for *individual tutoring* of each beneficiary. Professional training via e-learning, the access to information of job supply and demand without having to leave home and the individual tutoring on a professional level show the innovative character of this project, mirrored in the positive results which were obtained.

The project experiment showed how new forms of response can be created by valorising the opportunities created by ICT. When compared with the more current ways of response, the *Impuls@rural Methodology* is shown to be particularly adequate for job access problems where there is greater *isolation.* A significant percentage of beneficiaries was introduced in the job market and developed personal and professional skills which raises their insertion potential in the regional job market. The project considers that *conditions* facilitating the results obtained with the experimental development of *Impuls@rural Methodology were*: use of ICT as the engine of all forces, vocational training and e-learning, the construction of work and professional 'insertion pathways', access to the internet, equal opportunities in accessing training and socio-professional development, reinforcement of the inter-institutional partnerships and the cooperative spirit between entities which generate development focused on quality.

Equal projects show how it is possible to contribute to improving *technicians' skills* through the new opportunities offered by ICT. 'E-Plus' (contracting software) and 'Coesis' developed specific experimental work in this field.

The *'Coesis'* project (www.coesis.org) (Vila Nova de Gaia) showed how technicians' training can be improved using ICT. The job access *problems* in the project's intervention territory can be seen in the limited access to employment due to low professional and school qualifications due to the poor access to information and community resources and inadequacy of the response methods from the organizations rendering services. Conventional *responses* are showed to be insufficient and inadequate. They are characterised by the growing inadequacy of the intervention devices due to the rigidity of the format and methodology of the response; this is caused by systems and practices which are not centred in the individual. They fail to promote *empowerment* and institutional practices do not promote the blending of synergy in intervention.

The project conceived and implemented a support system for social intervention. *Coesis System - Methodology of Intervention for the Promotion of Social Inclusion through ICT*. Its most innovative characteristic is the fact that it is a model with a strong community component based on a technological mechanism, aimed at helping improve the skills of technicians and the target-public.

The project experiment obtained significant results. It was possible to empower technicians and target-public, through structuring and maintaining a supporting and sustaining network, a *learning community* based on ICT. This community is a space which promotes and supports the development and acquisition of skills in both types of public. The *Coesis System* facilitates access to information in the fields of learning, employability and citizenship, by making available resources and contents that can be used autonomously or through a mediator. The strengthening of technicians' competences is a critical aspect as it is a continuous process within the System.

The project identifies a group of *conditions* which facilitate the innovation effort and the results obtained by the project. Amongst the most relevant conditions we find: w*orking in partnership supported by ICT depends on the* type of relationship established between the different actors involved (technical-technical, technical-beneficiary, beneficiary-beneficiary, etc.); depend on *continuous re-engineering*, a facilitating condition which is essential so that the System is adjusted and adequate to the target-population; and r*e-formatting of the methodologies and intervention instruments:* the strengthening of technicians' *skills* at the same time as introducing methodologies and instruments of the Information Society permitted a new type of response which is more *comprehensive* and *flexible.*

### Creation of new public services

The projects demonstrate how the 'integrated pathways' approaches advise the organisation of new public services which facilitate integrated reception and contemplate actions of *animation*, facilitation of *information* access and the exercise of *mediation* for the appropriation of information as useful knowledge.

Equal projects demonstrated *how* the physical concentration of public services, associated with the *on-line* mediated access to services, creates conditions for more effective public action which avoid wasting time and the overuse of resources as a result of physically scattered services, in employment related matters.  It contributes to the conception of new solutions for public action and results in greater proximity between public administration and citizens. The creation of this new kind of service implies organizational changes and the acquisition of new skills by the technicians. In itself, it opens opportunities for job creation and for the emergence of new professional profiles (mediation in the relationship between citizens and public services for the widening of *e*Government's potentials, etc.).

Equal projects demonstrated how *new services* to attend the publican be created and implemented by 'integrated pathways', benefiting from the instrumental potentials of ICT. The access to information permitted by ICT may not be sufficient for its appropriation as useful knowledge. Equal projects demonstrate how 'integrated pathway' approaches may presuppose proximity services and technical support for specific 'animation' and mediation for inter-institutional dialogue.

This 'idea' knew an initial illustration in Poverty III. The Porto project created a new organisation bringing together different public services to the local area. The creation of the '*Community Centres of Information and Reception'* (CIAC), organizations that are based on intersectoral coordination and are enabling a household oriented approach (instead of an individual oriented approach) were set up at parish level creating the opportunity for a more efficient use of public resources centred on targeting households.

The EQUAL projects "Crescer Cidadão" (Grow Citizen)' ('Centres for the support of knowledge and integration', supported by "Portal Emprego") and *"Plataforma Integrada de Desenvolvimento da Amadora"* (Amadora's Integrated Platform for Development)' are also interesting examples to mention.

The project '*Plataforma Integrada de Desenvolvimento da Amadora (Amadora's Integrated Platform for Development)'* (www.amadoraonline.pt) (Amadora) demonstrated how public response can be improved in the fight against discrimination and inequality in job access by creating a platform which facilitates the mobilization of the already available resources and experiments with creating new public services, valuing physical proximity and internet

potential around a methodology of integrated attendance of the public. The main focus of innovation in this project is related to the problem of the co-existence of a great number of organisations, national projects and community projects and the lack of articulation between them.  Although the Amadora Municipality is the smallest in the Lisbon Metropolitan Area, it has the greatest population density in the country. It is a municipality of contrast, where rural is increasingly urban and where cultures cross and live together. The run down areas are still part of the municipality's landscape, with various re-housing processes under way. Unemployment is very high (largest number of unemployed in the Lisbon Metropolitan area), particularly female unemployment. As a result of the cultural and ethnic specificities of its population, the unemployed in Amadora have extremely low school qualifications, associated with precarious jobs and low wages. On one hand current *responses* are insufficient but on the other paradoxically attendance of the public for certain users is duplicated in different services due to lack of articulation.

The project concentrates on the unemployed who *cannot* be helped by the Job Centre since they need intervention at the level of their professional and personal skills. The imbalance between what the business fabric wants to recruit and the unemployed ratio is overwhelming. The project created and implemented the *Integrated Model of Local Intervention*, where the partnership for development takes on a central role, associated to different types of organizations. (Training Centres, Job Centre, ISSS, local autarchies and IPSS). The project introduced an *innovative* concept in existing organisations: *integrated attending of the public*. By setting up *3 Integrated Centres for Attending the Public* in different parts of the municipality's, the project created *local response networks*. Partnership is the main *resource* of these 'proximity services'.  The project presented validation in Thematic Network 1 'Equal Product' designated as '*Integrated Model of Local Intervention'*.

The project experiment demonstrated how new forms of response can be created, namely through the construction of the Platform, valuing the opportunities provided by ICT. Working in partnerships became increasingly valued by the partners throughout the process, producing *results* for the municipal development. There is, effectively, a more consolidated awareness in relation to the need to produce efforts and to look for integrated solutions.

The project identifies *conditions* which facilitate innovation and the outcomes obtained by the project:: the *partners' effort* to find alternatives which met the *needs* of the populations included in the project; the *opening of organisations* like the Amadora Municipality, Service for Foreigners and the Institute of Solidarity and Social Security and the Job Centre to provide the technicians and other organisations with all the *information*, so that they can provide an *integrated* service which facilitates user's access to the services.

***Training technicians***

Approaches guided by 'integrated pathways of training-insertion' require forms of interdisciplinary team work that depend on *unconventional skills* from the technicians and involve the *need for training*.

Equal projects regard technicians as being agents of change; the projects reflected on the nature of changes to be tried out by the technicians themselves, so that changes can be intentionally induced at an individual or collective level in their communities of action. Equal projects demonstrated how approaches guided by 'integrated pathways' require inter-institutional teams whose performance places specific challenges on the technicians' training; they show how the lack of conventional schooling can be overcome.

Equal projects also demonstrate how specific training of technicians can be assured so that they have the capacity, for example, for pro-active animation, for interpersonal relationships in inter-institutional and interdisciplinary teams and for the critical mediation between different 'worlds'. Enabling them to take approaches centred on the individual, groups and communities, to be active listeners and to have empathy are some of the main preoccupations. The relevance of the personality of the technicians themselves in acquiring these skills raises the question of recruitment criteria when this type of performances is required.

The acquisition of skills for inter-institutional work was found particularly in the experimental work conducted in this project *'A Par e Passo (Keeping up the Pace)'* (São Brás de Alportel). The project conceived and tested a methodology of orientation-training-insertion of people in difficulty, within the ambit of a territorial approach by '*integrated pathways*'. The project identifies the reference *problems* as the distancing of traditional rural life and São Brás de

Alportel becoming the dormitory of Faro and its adjacent areas. The job opportunities are concentrated on the coast, although often seasonal, or are even clandestine or illegal.

The innovative character of the methodology tested is in the specific way it integrates working directly with the target group and the mobilization of the community to create favourable conditions for the insertion of people in difficulty. The precariousness of the work available on the coast, disputed strongly by the Eastern European immigrants, led the project to giving priority to promoting insertion in their own municipality, through exploiting the potential of the service sector (growing along with the village) and of the small manufacturing companies. Along with the professional insertion, the aim was also to return to paths of formal schooling or guidance for vocational training.

The project considers that this perspective was possible because the technicians involved agreed to share their *written reflections*: the circulation of the texts produced among everyone created space for all the interstitial questions to emerge from confronting experiences and opinions from all team members. The project presented validation within the Thematic Network two 'Equal Products' designated as '*Methodology of Territorialized Orientation-Training-Insertion'* and '*Balance of Skills Process'*.

The project experiment demonstrated how job access opportunities can be widened, integrating components of direct work with the *target population* and a component mobilizing the *community* to  create favourable insertion conditions for people in difficulty. It also showed how the contemporary nature of the action is a *challenge* to the  more conventional training and how these shortcomings can be overcome through the training methodologies of the technical teams themselves.

Emphasis is also placed on the real improvement in the entities involved, since the methodology required that the partners - City Council, "Associação de Industriais e Exportadores de Cortiça" (Association of Industrials and Cork exporters, "Associação de Saúde Mental do Algarve" (The Algarve Mental Health Association), "Existir" (Exist) (handicapped) and "In Loco" – made a strong commitment to empowering their technical team and to extensive articulation among institutions.

*Action to build strategic 'visions' of possible and desirable futures*

At local community level, Municipalities must identify the global structural constraints to local action and establish a frame for local alternative strategies. In anti-poverty action, the point of departure is *not* static. The context-dependency of poverty requires an understanding of the causes of its emergence and persistence. The theoretical contributions discussed above in relation to 'losing' regions and the concept of 'local disintegration' are useful here (see 4.2.7.) to understand the particular aspects of poverty in 'distressed urban areas' as a specific form of 'local disintegrated' areas. The theoretical contributions stemming from 'locality studies' help understand the locality as a social context of 'real interaction' allowing the *non-local causes* of poverty as well as *non-local conditions* to be identified on the basis of which local development may be sustained (see 4.2.5).

In fact, local development implicitly assumes the possibility of the *previous* existence of a 'project of hope'. It is supposed to be the result of the full commitment of the local population as a consequence of the transformation of a space of physical contiguity into a space of active solidarity. This would mean the expression of local solidarity in creating new social relations, expressing the will of the inhabitants of a local community to valorise local resources. This would also mean that the existence of a project might depend on the previous creation of the locality.

Local development impulses suggest the capacity to create *'images'* about desirable futures. In 'distressed urban areas' of 'disintegrated localities' desirable futures presuppose hope and the possibility of *'hope'* emerges from *'trust'* in the context of personal *interaction*. This means that the specificity of 'endogenous' mobilisation in regional and local development issues cannot be reduced to the question of the 'availability' of resources. Resources themselves are not independent of the purposes of human agency (see 3.1.). It refers mainly to the possibility that 'endogenous potentials' may be mobilised to meet locally defined unmet needs of poor households according to locally defined *priorities*. That is why the concept of local development cannot be strictly reduced to 'locally induced economic growth' and is linked to a concept of *'another'* development.

In this context, is relevant to recall some of the main findings of 'revisiting' the evaluation of PRU in what concerns the relation between the 'physical', the 'social' and the 'economic' (see 5.4.). They are not watertight categories: they are intermingled. Their separation was socially constructed. A social dimension of the physical is clearly recognised in the project's action: giving the municipal action credibility through the physical deeds, changes in individual and collective self-esteem associated to the improvement of public space, housing, toponomy and door number as a means of counteracting a stigmatised image, etc. The projects also demonstrate how the potential contribution of the physical deeds to Urban Rehabilitation does not take place simply through their physical realisation. The facilitating conditions assured by the physical deeds only fulfil their potential through the forms of social appropriation to which they can be associated. Thus, changes on the social level are therefore necessary to fulfil the potential contribution of the physical deeds for urban rehabilitation. The potential contribution of deeds at the physical level for urban rehabilitation is not automatically fulfilled through its construction. This potential contribution is only achieved through community animation activities than can facilitate alterations in the individual and collective appropriation of the physical.

Nevertheless, 'images' of desirable futures must involve *both* the poor and the non-poor. This aspect touches a central domain of the 'discursive field' introduced above and how it can become a central domain of Municipal action. Understanding poverty issues not as a social *division* of groups but as *processes* that may touch all the community may be very relevant. The poor of today may become non-poor as a result of anti-poverty action. And the non-poor of today may become poor tomorrow in the absence of anti-poverty action today. Values concerning *solidarity* and the respect for *human rights* or issues involving *social cohesion* and *competitiveness* may be the object of explicit debate in relation to the priority of anti-poverty action.

Local development initiatives are a central feature of many of the Poverty III projects: their underlying principle is based on the assumption that the local appearance of deprivation can best be addressed by strategies aimed to promote contextual change rather than at those targeting individual situations. Those projects offered a 'framework of meaning' for community mobilisation, a reason for hope and concrete proposals for investment in the community as well as the use of endogenous resources.

In Belgium, BOM tries to act as a coordinating body for local agencies that focus on particular issues or needs of target groups. As such, the project addresses three main domains: the socio-economic activities (employment and economic development), the housing and socio-cultural (social network building, communication between inhabitants, recreation) activities. This organisation aims to mobilise and valorise local resources (identified as small-scale entrepreneurial activity, a concentration of shops and a number of empty and available buildings), combining them with 'exogenous' resources in a coherent way. Economic actions (actions with a material effect) are linked to the measures taking place on a larger scale, via the Business Centre (development of new economic activity in conjunction with the support offered by the Centre) and the 'Antwerp Technological Centre' (ATEC) (vocational training and job search). The underlying perspective was that, as a result of a new economic activity in the neighbourhood, people should get inspired. This inspiration should lead to new perspectives for the people of the neighbourhoods themselves: a new believe in their surroundings and in their proper chances. This inspiration should reach politicians, agencies, etc. who could see new challenges for the neighbourhood. This perspective can be seen as the indirect way in which the BOM tries to struggle against the decline of the area, and the growing impoverishment that goes with it. The more direct way of anti-poverty struggle lies in the specific projects that have been developed such as the Woonwijzer, Werkwijzer, Sportcentre, Wijkkrant, etc. (helping people to renovate their houses, supporting people in finding their way in the labour market (between all sorts of regulations, training schemes and jobs), looking for a way in handling the permanent tension between Belgian and north African youngsters, making a newspaper of the neighbourhood in order to combat the negative image of the area, etc.

In Denmark, on the island of Moen, Samiko is working to reinforce the local business situation through initiatives of an occupational, local, cultural and economic nature. For Enterprise Moen, 'local development energy and motivation are coupled with promoting a consensus'.

In Spain, the Montes de Oca project explicitly identifies itself as an 'integrated rural development programme', and, as such, it is based on the assumption that a development project should be developed and sustained locally. In Girona the project explicitly aims at local contextual change in a way which promotes the integration of the excluded. This project's development initiative can be understood as a way of increasing the effectiveness of societal performance by co-ordinating the means needed to stimulate economic and social processes

which facilitate the integration of poor and excluded households (e.g., changing attitudes and behaviour encouraging the participation of the target groups, training activities).

In Ireland, FORUM (Galway, Connemara) proposed a plan for tourism development based on the principle of integrating low income households into the tourism economy ('community based tourism') as distinct from a pattern of development which is based on high capital spending ('corporate-led' tourism). The way in which the project undertook the planning of local tourism development (consultation, seminars, participation) helped the local community to take collective action for a form of tourism which would be of most benefit to small-scale local providers.

In Italy, both the projects Bucaneve and Alto Belice explicitly used local development as a framework to guide their anti-poverty strategies. For Bucaneve, only through 'new' development could some of the local economic activities and the quality of the public social services be improved and the 'curative policies' that worsened the marginality of the area and which contributed to overcoming passive attitudes amongst the population and its leaders. This idea was extended by Alto Belice, who recognised that only lasting changes in the way local resources are used could lead to the social and economic integration of the least privileged groups. These projects highlight the idea that the fight against poverty cannot be dissociated from local development. However, they underline the fact that those lasting changes had to be brought about within a culture of individualism. Alto Belice's response was to set up a structure which created a new, common identity and overcame individual identities.

In Portugal, local development promotion was a fundamental part of the anti-poverty strategies of all three Model Actions. In Porto, changes of attitude and behaviour are considered to lie at the heart of such strategies. The overall change aimed at was to be achieved by promoting citizenship, raising awareness of social rights and strengthening local culture and identity with a view to ensuring collective autonomy and self-empowerment. In Almeida, the project put forward a 'Development project' which was implemented via its 'Integrated Regional Development Plan'. In Covilhã, the project set up several specific projects based on a global perspective of mobilising the regional 'endogenous potential' by linking human resources to natural resources, exploring new potential activities for rural areas and exploring the potential for renewable natural resources (eolic energy, solar energy, bio-mass, new cultures, etc.).

*Action to create 'localities' organising poor people for empowerment*

Municipalities may play an important role in animating the whole community for development. Helping poor people to self-help is a privileged domain. Giving 'voice' and reinforcing existing associative forms (immigrants associations, sports associations, etc.) may be an initial form of counteracting 'organisational outflanking' (see 3.1.). Given the 'collective isolation' small steps are needed. Rebuilding social relations and bridging the 'social void' may become easier by building small-scale organisational forms in the form of 'communities of interests'.

The rebuilding of social relations becomes possible. According to this way of acting, local development may help bring together individuals sharing problems, wishes or projects and help them build 'interest communities'. These communities can undertake the *defence* of their interest and act as catalysts for the mobilisation of the whole community in local development processes. This approach shows how 'localities' can be *created* given the fact that social relations are their material basis.

Several projects have developed forms of collective self-empowerment aimed to reinforce the self-organisation capacity of civil society. The examples cited below demonstrate the potential role of the state in fostering new relations between the state and civil society within a context of the restructuring of the Welfare State.

In Belgium, B.O.M. aimed to reconstruct the area's social space. In all of the actions there exists real interest in (re)building the social network by means of socio-cultural initiatives: local newspaper, tea-room/coffee shop in combination with an information centre, preparation of a general neighbourhood development plan.

In Denmark, B.I.K. perceives its actions as striving to develop bottom-up democratic citizen-oriented and grass roots participation as an alternative or supplement to top-down municipality administered activation schemes.

In Germany, the project in Hamburg systematically works with citizens' groups and towards developing networking and co-operation. The project has become an integral part of the districts in which it works, shifting its focus from an individual perspective to a broader local community and political perspective (e.g. anti-racism). In Munich, WOHNforum is encouraging the

communities of the inhabitants participating in the renovation projects to form self-management structures and to foster community self-help.

In Greece, the Perama project created three associations: 'Women from the Neighbourhood', 'Single-Parent Families' and 'Group for the Support of Families of Drop-Outs'.

In France, the project in Besançon (le Doubs) is supporting the population to develop specific activities. The 'network for knowledge exchange' ("réseaux d'échange de savoirs") aims to facilitate the free circulation of relevant information concerning everyday needs (e.g., do-it-yourself home maintenance) or job-hunting. A group was formed to organise collective acquisitions, which developed into a small super-market; a restaurant is run along co-operative lines and a launderette was set up.

In Ireland, FORUM and PAUL have set up and supported self-help groups for elderly people, women, single parents, unemployed people and young people. Both projects distribute local newsletters.

In Tor Bella Monaca, Italy, a group of unemployed young people was set up which is involved in leisure activities for children. The Bucaneve project was instrumental in bringing about co-operation between the association for cultural services and the social services for the elderly as well as with the local Tourist Board. In Alto Belice, the Bureau for young business people cooperates with the local volunteers' associations to set up a cooperative and a 'social undertaking'. It also organised the set up, co-ordination of and training provision for local volunteers groups, some of which have been involved in formal economic activities.

In Portugal, Almeida project has successfully experimented with new public services ('meals on wheels' for isolated elderly people), supported local groups and co-ordinated their regional platform. Covilhã project organised a resource centre aiming at capacity building and the reinforcement of the potential role of volunteer welfare organisations in the project area. A 'community residence' was created with great success and its self-management was promoted with the support of the project and in which local groups were involved. Self-organisation and self-management have also been encouraged among the re-housed families in the renovated district.

In the United Kingdom, the Liverpool project has an urban policy officer that has been advising local voluntary groups who have formed Housing Associations which develop and manage housing estates. For example, the 'Freedom of Choice Housing Association is a group of mainly black women, many of whom are single parents, who have designed and will manage a small housing scheme of family homes which is now in the process of being built. The Brownlow project supports the work of the Unemployed Workers Centre and the project has a full-time member of staff who has worked with several groups of the unemployed developing courses, childcare and cultural programmes for the unemployed. The Pilton project has developed a childcare action group of local women which has visited childcare projects (including Poverty III projects) in Belgium and which has employed community architects to assist in the design of their building which will offer childcare facilities for children aged from 0-16 years.

### *Action to decrease 'market-dependency' in meeting intermediate needs*

The animation of the 'autonomous sector' is a 'social space' to promote decreasing 'market-dependency'. If spontaneous forms of organisation do not appear, the promotion of small-scale organisation to solve very real problems of everyday life may be a starting point. Public services and individual and collective use-value production may combine to create new forms of self-organisation (micro-insurance organisations, patient associations, associative nurseries, etc.) where small-scale solidarity may find a material expression. Self-provision and self-sufficiency in food production or local currencies are examples of diverse domains of contemporary experience leading to decreasing market-dependency.

This kind solutions may well be promoted by Municipal initiative (associative alternatives to institutionalised elderly care, the access to land and technical support to self-provisioning of housing, etc.). The support to the initiatives from the 'autonomous sector' facilitating access to land, creating legal frameworks for community based organisations, encouraging 'self-reliance' and 'self-provisioning' in the poorest areas (communal gardening, water infrastructures, etc.) are examples of action possibilities.

In Portugal, in Poverty III, "Porto" project created a 'community residence' with great success and its self-management was promoted with the support of the project and local groups. Self-organisation and self-management have also been encouraged among the re-housed families in the renovated district. In "Almeida" project, the productivity of small scale farming has been

supported by small infrastructures to increase water supply (small scale dams). A community oven was recuperated in order to preserve cultural values and facilitate the self-production of bread by the elderly. In "Covilhã" project, the experimentation of new cultures in glass houses was promoted in order to experiment possible forms of diversification of production for self-consumption (new healthy products). and to experiment new business possibilities, namely, aiming at the promotion of 'Local Employment Initiatives'. The animation of an association of honey producers and the valorisation of renewable energies are other aspects to which attention was paid.

*Action to widen possibilities for 'income-earning' activities*

Municipalities can also act in order to widen possibilities for 'income-earning'. Stimulating 'non-traditional' small scale entrepreneurial initiative among the poor, supporting commercialisation and stimulating distributional channels or decentralising local administrative services are examples of action possibilities.

In anti-poverty action, widening *income-earning* opportunities by ways other than working for a wage are central aspects requiring social innovation for the reinforcement of action. As introduced above, organisational innovation may include conventional micro-firms, cooperatives, popular productive organisations' or 'social enterprises'. This kind of organisation may offer a possible job alternative to all those who have no other. They may contribute to the valorisation of *informal skills* and vocational abilities, to the diffusion of *democratic procedures*, to the generation of *'social learning'* and to the reinforcement of the basis for *local 'empowerment'*. However, the *emergence* of this kind of initiative is highly dependent on pro-active *agency*.

In Denmark, B.I.K. is experimenting with 'alternative activities' guided by the concept of 'useful work' and training to create new jobs which meet local needs in associations, NGOs, tenants' associations, social service agencies, etc. This strategy falls within the Third Labour Market approach. SAMIKO has been developing a training course adapted to new demands in the labour market ('green caretakers') aiming to skill the unemployed to meet the demands of the contractors in the renovation process.

In Germany (Munich, WOHNforum), the target groups were encouraged to participate in the design, planning and self-organisation of urban renewal activities in co-operation with the local authorities.

In Greece, the Argyroupolis project created two associations, one of deaf people and the other of elderly. The first association gave rise to a small cooperative printing plant. The Thessaloniki project also encouraged the creation of a cooperative by single parent women.

In France, the national context has been favourable to the development of new activities and job opportunities with low productivity under the 'services de proximité. The French projects are developing their activities in this domain in a context where central government is playing a key role in supporting the development of local employment initiatives and helping to ensure their economic and financial viability via the tax system ('avantages fiscaux', 'chéques-services', 'contrat employ-solidarité ', 'exonération des charges sociales', etc.). The state is also promoting innovative economic structures like 'entreprises d'insertion', 'associations intermédiaires', 'régies de quartier', 'chantiers-écoles', etc. In Calais, the project created an association 'les jardins-solidarité' which produces vegetables that are sold at a low price to another association 'les restaurants du coeur' which provides free meals for local poor people. Those working in the former association (15 people) are working (under "contrats employ-solidarité") on municipal land granted to the project, the latter association receives gifts from households and public grants which enable them to offer free meals. What is remarkable here is that this 'economic circuit' is possible due to the overall national context. In le Doubs, the association "Jardin de Cocagne" comprises 100 members who pay an annual fee which buys them the 'right' to consume organically-grown agricultural produce. A network of local organic growers is being created in order to improve their chances of economic survival. Also in le Doubs, the GEIQ is contributing to a change in the attitudes of local entrepreneurs in the tourism and catering industries by undertaking quality training and employment opportunities linked to the promotion of tourism. Finally, co-operation among the local municipalities to offer stable jobs for locals in carrying out their statutory duties (environmental protection, maintenance, etc.) should be mentioned.

In Ireland, PAUL has supported job-training and small-scale production ventures. The emergence of small-scale entrepreneurship was mainly due to the influence of the national area-based response initiatives (ABR): the project provided financial incentives and training to small-scale entrepreneurs. FORUM has carried out activities centred on the promotion of fish

farming and the preparation of a plan for tourism development which included low income households. The shellfish farming project was promoted through the constitution of local co-operatives and the incorporation of the state agency for fisheries development in a supportive role to these cooperatives. State capital and professional expertise were linked to local co-operative organisations.

In Italy, the debate on the 'Network Agency' Model showed that coordinators play a special role: being both suppliers of techniques and practical leaders they are responsible for specific actions and are involved in the overall design of the project. Previous experience in the public sector seems to be recommended. Service Centres have been created to support the cutlery firms in Bucaneve, Italy and tourism in Alto Belice. A consortium of tourist agencies has also been created in Alto Belice, as well as the creation of small businesses and the promotion of an entrepreneurial culture. More specifically, training and a consultancy desk supporting the entrepreneurial activities of young people in the south were set up in Alto Belice; an association for cultural services and for agricultural co-operatives in, and a network between local craft workers for training in the workplace in Tor Bella Monaca, Rome.

### *Action to take advantage of new formal job creation promoting 'pathways to integration'*

In anti-poverty action the widening of opportunities for *income-earning* activities including *access to a job* working for a *wage* is obviously very relevant. But as has been shown in contemporary conditions, access to a job depends increasingly on new job creation and new job creation depends increasingly on new small-scale entrepreneurship (Henriques and Madruga, 1996). In spite of spatial variations, relevant job creation in existing firms only can occur in a relatively small number of firms. Helping poor people to accede to existing jobs is in itself a challenge requiring personalised efforts. Approaches based on 'pathways to integration' offers possibilities for action in this domain. It requires the precise identification of job opportunities and developing efforts to ensure these opportunities 'match' appropriately with the characteristics offered by the poor in this locality.

Many projects have based their actions on the assumption that the conditions necessary for local resources to be mobilised were local entrepreneurial initiative and local initiative from the 'autonomous' and (local or central) state sectors.

In Belgium, the B.O.M. recognised the existence of local resources (geographical location, a tradition of small businesses, a high concentration of shops, of multi-purpose buildings, etc.), but assumed that no lasting contextual change was possible without an inflow of 'exogenous' resources. Based on that assumption, emphasis was laid on generating economic activity to compensate for the shortcomings of social measures; the project has accordingly targeted the business community in order to attract entrepreneurial initiative and additional financial resources into the area. The Business Centre has played a central role in the project which has entered the 'rationality' of the business world and which presented B.O.M. as a professionally managed and credible organisation.

In Portugal, "Almeida" assisted local projects with their applications for 'exogenous' funding (national and European programmes) as well as helping them to generate local resources through the development of innovative local entrepreneurial activity (supporting the shift of local capital from former border related activities to new activities contributing to diversifying local production; attracting 'exogenous' capital and human resources; Local Employment Initiatives) and small scale farming and use value production for self-sufficiency (rebuilding community ovens, increasing land productivity building small dams, promoting local products). Covilhã promoted the mobilisation of the regional endogenous potential by means of a joint promotion of human and natural renewable resources. Capacity building through training, the search for new activities linking product innovation to the mobilisation of under-utilised resources (biomass, eolic energy, new products transforming wild plants from the forestry, etc.) and to the experimentation of new technologies (greenhouses, etc.) and promoting the regional identity through the commercialisation of local products (association of honey producers, etc.). Porto 24) mobilised local groups around specific training projects, combining formal technical skills with the valorisation of informal and functional skills and personal development. 'Workshops' with young people were also organised, leading to the creation of a Local Employment Initiative (VIDEO productions).

In "Porto" project, the animation of small groups was oriented to specific training towards Local Employment Initiatives. 'Employment Clubs' were created to identify possible jobs in the formal labour market of the local community and to match them with potential candidates within the target population. An information office for this purpose was organized in the project area. In the ongoing urban renewal process, spaces have been created to ensure the organization of future small scale productive activities.

In the United Kingdom, the Liverpool project has promoted a local labour scheme for contractors to the new hospital and other buildings which have enabled 35 local people to get construction-related jobs. The Brownlow project has been active in instigating and supporting a range of training courses, for example, non-traditional training and information technology, language and business skills training for women and they also support a local job counselling and job placement service. The Pilton project has supported a careers officer post inside the local secondary school to assist disadvantaged local young people in getting the best advice, information and support with career choices and job-search. Through the Business Support Group of large and small companies, the school received financial support for an 'Education-Industry Compact' which offers every sixteen year old in the school work experience and a training place or job offer. The Business Support Group also provides 'careers taster' days and job-search skills for the school. The project developed also a 'one-stop shop' for local job-seekers which provides a range of services.

### *Integrated pathways and person-centred approach*

The projects show how it is possible to reinforce the potential contribution of approaches by '*integrated pathways of training-insertion'* when priority is given to the '*animation'* of the changing of attitudes and behaviours (affective and emotional aspects of motivation).

INTEGRA programme had already shown that, following 'empowerment' as a principle in action, the perspective of training is broadened with a view to individual reinsertion in the employment system (see 5.3.): formal knowledge and competences are no longer restricted to the cognitive level; personal development, self-esteem, autonomy, involving simultaneous changes at the cognitive, affective and emotional levels give a broader perspective to the notion of employability; the acquisition of knowledge and personal capacities is no longer restricted to its functional dimensions; critical awareness about the origins of the sources of employment problems ("conscientização") is recognised as a necessary process; this must be prior to construction so as to give specific knowledge and competences in building a life-project which takes a pro-active position towards the formal employment system; in a context of early obsolescence of knowledge, life-long learning assumes that hope is maintained as well as attitudes and behaviour that are favourable to the personal response to the increasingly unpredictable challenges of our times; these are individual attitudes and behaviour which

assume that anxiety, anguish and depression have been overcome in the experience of the growing structural threats to individual psycho-emotional balance.

Already in Poverty III, the Porto project introduced the animation of workshops (film, video, music, etc.) as opportunities to animate the participation of the target population, to develop a critical understanding about their reality and to introduce informal opportunities for learning and creating motivation for vocational training.

Also in line with this perspective, the EQUAL projects show *how* the acquisition of personal and social skills ensures greater success for the acquisition of cognitive skills when placing pathways of socio-professional insertion into perspective. On the other hand, the projects also show *how* the acquisition of functional skills (vocational training) is made easier by the acquisition of cognitive skills which facilitate a critical perception of the real possibilities of insertion through the employment system and which facilitate a conception of life projects of which job access is a part.

In EQUAL programme, different projects developed experimental activity in this field including: *'Da aventura ao Trabalho'* (*'From Adventure to Work'*) (controlled risk activities), *'Formemprego*' (*'Trainemployment'*) (Career Education'), *'Polypus*' and *'Trampolim'*.

The '*Polypus - Future Opportunities*' project (www.polypus.org) (Caldas da Rainha, Peniche, Óbidos and Bombarral) showed *how* it is possible to perfect public response in the field of fighting discrimination and inequality in job access through a methodology based on *flexibility, informality* and *proximity* when working with young people.

The project recognises as a reference problem the existence of young people in a situation of early  school leaving, together with a low level of personal and social skills, weak professional experience and lifestyles characterized by lack of occupation and disorganization of routines (with possible manifestation of deviant or criminal behaviours). In the face of these problems, it recognises that the *current responses* are absent, insufficient or inadequate. The educational system does not find adequate solutions to stop students dropping out, the professional training model in effect does not correspond to the needs of this population, the career guidance is nonexistent and there are no adequate responses to the problems and expectations of the youngsters. The opportunities for the acquisition of professional skills

become scarce. The lack of articulation between social agents s also noteworthy; they would be potentially relevant in facilitating employability, job access and for personalised technical supervision of the  training and working experiences of the young so as to prevent situations of dropping out and the reproduction of failure.

The project considers that the innovative character of its approach would have benefited from participating in the transnational project 'Adventure@work', which included an adaptation to an intervention methodology developed by the Catholic University of Lovain.

The *experiment* conducted by the project showed the possibility of associating the *flexibility* of the responses to the young peoples' problems, allowing responding to both the different *needs* presented by young people (motivational, formative, occupational, etc) and the characteristics of the different entities involved. It is an intervention methodology which privileges the *informality* and the *proximity* in the approach and involvement of young people. The project presented a Technical Pedagogic Resource entitled *Methodology of intervention for Young People at Risk of Socio-Professional Exclusion* as 'Equal Product'.

The project reveals positive outcomes expressed by an alteration of behaviours and attitudes in the young and in their route towards obtaining school certification. This is considered to be the first step of the empowerment route towards work insertion.

In the facilitation of the results, the project identifies a group of *conditions*: the *commitment* of a young technical and interdisciplinary team, the *articulation* between the entities responsible for family support and the entities involved in the promotion of employability, the existence of *physical equipment* which allow the installation of services oriented towards the acquisition of professional experiences and the possibility of ensuring personalised technical support of the formative and labour experiences so as to prevent situations of dropping out and the reproduction of failure.

The Project *'Trampolim - Individual Paths of Insertion'* (Porto) showed *how* it is possible to perfect public response in the promotion of job access for young people between the ages of 15 and 21 years old, residing in underprivileged urban areas, who dropped out of school without finishing minimum mandatory schooling and who do not possess minimum employability skills.

The project identifies the reference problem as the difficulty of job access by young people with low schooling levels, residing in urban areas in 'crises. These are situations which conjugate lack of interest and maladjustment to school, lack of academic success, accumulated failures and dropping out of school, the absence of professional areas of interest to young people, low self-esteem and self-confidence, precarious socio-economic conditions, absence of models for the construction of a life project different from the original socio-economic frame and living in an urban context which facilitates drug addiction and delinquency. According to the project, the recent evolution of unemployment and the precarious access to jobs contribute to their increased difficulties of professional insertion.

In a setting with this type of multiple difficulties in accessing training and employment, the *current responses* are not sufficient or adequate to the specific necessities of this target group. For this group of young people, the learning courses are not found to be very effective, as can be seen from the high drop out rates. These courses were also shown to be very limited; the majority of the offers demand schooling levels superior to the 4th or 6th grade of basic schooling, which are not common among this type of young people. Meanwhile, there are no alternatives to Recurrent Teaching, which is proving to be inadequate.  Adding to the difficulties inherent to the project's target group, there are other difficulties in job access and training related to the absence and lack of public responses for young people particularly vulnerable to poverty and social exclusion.

The project conceived and implemented an innovative intervention methodology with young people and their families as well as with the educational institutions, namely Direcção Regional de Educação do Norte (Northern Regional Education Board) and with companies willing to accept young people involved in training in a real working situation and for possible job opportunities. The *innovative* contribution of this intervention model is in the association between the creation  of *proximity structures* of reception, orientation and support in the (self)construction of professional and personal projects by the young people, with the development of an intervention methodology centred on the construction of individual pathways of insertion, organised in three stages: diagnostic, differentiated program of training and individualised support and conception of a learning program with particular emphasis on the development of personal and social skills as a  facilitator of employability.

The *experiment* conducted in the project demonstrated the possibility of associating the creation of collective equipment territorially *close* to where the young people reside, to the promotion of *flexible* answers adjusted to the needs diagnosed in each individual and the conception of a *personalised* support model based on holding formative sessions directed towards the technical team and others involved in the intervention process.

The project presented the validation within the Thematic Network an 'Equal  Product' designated  as *Working with Young People with Few Qualifications - Practices and Reflection - Elements for Supporting the Organization of Activities of Socio-Professional Insertion of Under qualified Young People*.

In facilitating the results, the project defines the articulation between entities involved, the quality and dedication of the technical team and the access to physical space for the installation of proximity equipment as facilitating *conditions.*

### Integrated pathways and approach centred on the local context

The projects show how approaches oriented by' integrated pathways of training-insertion' are reinforced in the facilitation of job access when the individual change is followed by changes in the *local context*.

Equal projects show *how* the territorial integration of approaches by 'integrated pathways' contribute to broadening opportunities to fight discrimination and inequality, facilitating the access to existing job opportunities.

Equal projects also show how it is possible to simultaneously contribute towards facilitating job access and creating new job opportunities in existing companies through direct contact with businessmen and actions which help promote company competitiveness. Equal projects show how it is possible to reinforce the potential contribution of 'integrated pathways' through the active involvement of employers, in particular when the employer is simultaneously a businessmen and is personally involved; as a result,  micro-companies and SME more easily accept people.

In addition, through the involvement with local institutions (Municipalities, business associations, etc), Equal projects show *how* it is possible to contribute towards the expansion of new job opportunities by stimulating self-employment and the small entrepreneurial initiative. Equal projects show, for example, *how* the early stimulation of entrepreneurship can by organized through the active involvement of secondary schools, teachers associations and government bodies.

Lastly, Equal projects show how community centred approaches can facilitate *empowerment* for the territorially based collective action, based on problems and valorising potentialities with a view to raising levels of autonomy with regard employment.

Several projects have conducted experimental work in this field e.g. '*Supported Employment*', '*Equality, New Paths*' (social marketing), '*IRVA*' (inter-institutional articulation for integrated attendance' , '*Enterprising in School' (ENE)*, (enterprising stimulation at school), '*Istmo*' (collective mobilization for  sectarian restructuring and local development), '*Tracks*' ('empowerment' by territorially based collective action) and '*Artisan Network*'( creation of an association of businessmen who are potential employers).

As mentioned above, some Equal projects show how it is possible to reinforce the potential contribution of 'integrated pathway' approaches by an active involvement of employers, particularly when the employer is also a businessman and is personally involved. This is the case of 'Supported Employment' (www.empregoapoiado.org) (Lisbon Metropolitan Area).

The project identifies the reference problem as the actual lack of an adequate response to the problems of people who are disadvantaged in accessing a job. The '*Supported Employment*' project asserts the need for change in the local intervention for social inclusion and set out a new approach. The proposed change contemplates a desirable change in the representations regarding what social intervention and its methodologies should be as well as the role of the different actors.

The project conducted its experimental work based on the *Supported employment Model*. In the context of this project, this has particular characteristics which distinguish it from the model from the international movement of '*Supported Employment*'. This difference is based on the structuring of the 'know-how' accumulated by various entities, some with experience

in Supported Employment and others with experience in integrated social intervention approaches. The questions related to empowerment and self-determination of the 'beneficiaries' have been object of particular attention.

These constitute the main differentiating traits of the *innovation* experienced by the project. The project developed integrated strategies in the local communities with a view to the professional integration of socially excluded people. It combined flexibility with security and stability at work and provided effective opportunities so they could live, work and participate in the community on an equal footing with all other people.

Based on an empowerment perspective and defence of rights, the project promoted the access of disadvantaged people to paid work in the labour market through *Integrated Plans of* Support; these were individualised and contemplated their needs, interests and potential. The aim was to provide an opportunity to develop skills and qualifications which facilitate job access, using the existing services and on the job training. The empowerment of individuals was promoted through the involvement and participation in the definition, implementation and evaluation of their insertion pathways and creating opportunities for exercising a joint stand in defending their rights.

The project also promoted the creation of *Social Networks of Inter-cooperation* between public and private entities, as a strategy to develop more efficient procedures in the social and professional inclusion of the target public, with an integrated mobilization of the existing social resources (housing, etc).

Finally, based on the experimented model, the project acted with the organizations and their human resources, enabling the development of technical and organizational skills, aiming to improve the quality and efficiency of the services rendered. The *experiment* conducted showed the possibility of moving from more traditional and 'protected' interventions towards interventions which act directly in the employment market, through training in a company context. The involvement of the different entities with distinct skills and diverse target-publics made it possible to experiment and enlarge the model's scope which was then applied to a diversity of public and not only to the physically or mentally handicapped.

The Project '*Enterprising in School*' (ENE) ([www.projecto-ene.com](www.projecto-ene.com)) (Faro) showed how it is possible to perfect public response to the fight against discrimination and inequality in job access through the adaptation of public systems (education) to the early stimulation of entrepreneurship.

The project defined its reference *problem* for action as the difficulty of insertion in active life of young people with low qualifications. More specifically, the project took as reference young people who left school early, increased difficulties in accessing jobs and who lack in entrepreneurial initiative.

The project also starts from the recognition that the current responses are unable to meet this kind of problem since there are no "know-how" curricular programs in the sphere of the entrepreneur culture. It recognises that the existing educational methods do not meet the needs of young people with learning difficulties or with negative attitudes towards school.

The project conceived and implemented what it called *ENE Methodology*. The *ENE Methodology*, the respective supporting products (*Business Plan Manual*, *Student Manua*l, *Teachers Manual*, Complementary Training CD-ROMs), as well as the practices developed (*ENE Ideas Competition and EXPO ENE, vocational and professional counselling, seminars and visits to companies*) take on an innovative character (alternative teaching method) and made it possible to obtain meaningful results. The central role played by the teachers was acknowledged and so they were made aware of the importance of business methodologies as a way of personal valorisation, in addition to contributing to the connection of the Company School. The *ENE Methodology* was applied to students in secondary school attending technological courses. The project recognises that the innovative content of the *ENE Methodology* benefited from its involvement in the trans-national partnership '*Empower Professionals'* ([www.empower-professionals.org](www.empower-professionals.org)).

The experiment conducted by the project with the application of ENE Methodology showed how it is possible to adapt school organizations from the formal system to the development of entrepreneurial skills amongst young people. It is believed that it may contribute to extending future insertion prospects, both through access to contractual employment and also self-employment. The project presented the validation of its 'Equal Product' *ENE Methodology-Entrepreneurship in School* in the Thematic Network.

The results of the project were the *enthusiasm* and *motivation* of students (visible through the dynamics between participants), in the increased School support (students, teachers, Executive School Boards), as well as the interest manifested by many of the participants in continuing the ENE in future school years. The project demonstrates how the opportunities for promoting employability among young people can be extended beyond the formal qualifications assured by the formal teaching system.

The project identifies the active participation of the *Algarve Regional Board* of Education, the *complementarity* between partnerships, the *dedication* and *determination* of some teachers and Executive Board directors, the professional manner assumed by the project *team* and the *collaboration* of the Olhão and Faro Teachers Training Centres as the conditions which facilitate the effort to innovate and obtain results.

The *"Istmo"* project (www.istmo-peniche.com) (Peniche) developed an intervention methodology by combining actions promoting job access with actions promoting company competitiveness and actions mobilising the community in a collective project focussing on employment.The reference problem defined for the 'Istmo- the fishing industry as a space of new opportunities' was the social devaluation of fishing-related professions.

The problem stems from the sector's lack of organization and manifests itself in the lack of answers for a population with job access difficulties. The project considers that the sector itself is responsible for that task. However, this work was not started due to its insipid and short sighted associative structures. No actions exist whose goal is to valorise the image of the profession.

The project conceived and implemented new forms of response oriented towards new ways of social revalorization in the fishing sector. The most innovative was the implementation of a *Communication and Image* Pan aimed at the valorisation of the fishing professions among young people. This plan comprised various activities for a professional marketing campaign ('*Pescar é fish!*) (*Fishing is Cool!)* and young people were made aware of the current reality of the fishing sector and similar professions. This campaign included visiting schools and school trips to fishing boats.

Another form of response identified by the project as innovative, was the construction of a Social *and Economic Fishing Forum*, which encouraged the inter-institutional articulation aiming for a better framing of the responses found in the reality of the sector (*Confraria da Sardinha (Sardine Brotherhood)*, future *Integrated Development Plan*, etc.).

*Contact Missions* performed by sector agents to fishing ports abroad facilitated company involvement in the strategic reflection about the future of the sector, making them more sensitive to and aware of the need to create attractive conditions for the recruitment of a workforce.

The project *experiment* showed how it is possible to present the local community with a new image of fishing, taking young people to see the profession in person and, therefore, make many aware that there might be a future for them in fishing. Equally, as there was no the articulation between the sector agents (in order to discuss the challenges for the sector, the relationship between the sector and educational services, training and employment, etc.), the project also showed how it is possible to unite people around these problems and to give a voice to those who usually are not heard. The committed way in which the project involved all the agents guaranteed their participation in the project actions.

The project presented validation in the Thematic Network of two 'Equal Products' designated as *Methodology of Social Re-evaluation of the Fishing Industry and AVEC - Monitoring, Validation, Experience and Competency.*

The project had positive *results* with regard the absence of 'current responses' to the problem presented. Emphasis is given to the way the project showed it was possible to create more efficient responses or organizational and inter-institutional articulation in order to occupy and maintain jobs in the fishing industry.

A group of *conditions* were gathered given the nature of the problems in job access tackled by the projects, motivated by a strong economic and social dependence of a sector in activity which often lacked self-belief, and where the discourse is predominantly negative; these conditions facilitated the innovation effort and the project results. The main relevant conditions are: the careful involvement of the main *agents* of the sector; the communicational *quality* in the communication and image; the *integrated* vision between the various project

activities (professional were won over on missions abroad and then they animated school campaigns).

The project '*Trails*' (Palmela, Setúbal) developed a territorially based methodology for empowerment, oriented towards fighting inequality and discrimination in job access, based on raising the endogenous 'potential of competencies'.

'*Trails*' project identifies the starting problems as the fact that *current responses* in the field of promoting job access are partial and disconnected and that the formal educational and training systems are discredited and provide no response to the needs of the people and the business fabric.

The project created an innovative methodology which aims for the emergence of the social, individual and collective capital, through conditions to improve life in the local community, promoting a process which involves the individual and collective self-esteem of people, local actors, technicians and institutions.

The methodology is also based on a group of methodological proposals for the mobilization of endogenous resources (competencies, and potentials of the people, the associative and local business network, technicians and institutions, etc.). Here, the methodology was based on training as a territorial dynamic strategy with a view towards improving people's ability for knowing how to act and wanting to progress in interaction with the local environment. The project presented as Equal 'Products' designated as '*Empowering through the territorially based' collective action" and "Upgrading the Employability system*'.

Through the *experiment conducted*, the project showed how to improve public responses to the fight against discrimination and inequality in job access using action methodologies centred on people and territories.

The project reveals results in the field of individual and collective *self-esteem*, construction of territorial cooperation *networks*, in raising the *endogenous* potentials of people and territories, promotion of an *equal opportunities* culture, in the appropriation of *new* ways of working experimented during the project by the institutions involved and the empowerment of people

and institutions seen in their responsabilisation and collective appropriation of intervention processes, as well as in the mutual recognition of competencies.

### *Action reinforce the 'thickness' of the local 'whole' economy*

The *'whole economy model'* introduced above (see 3.5.) helped show the increasing relevance of approaches based on the *'household economy'* as a conceptual basis to understand the growing contemporary relations between the 'autonomous sector' and the formal economy. The household strategies of 'division of labour' establish these kinds of relations.

As already seen before, given the *transition* to 'flexible accumulation', vertical disintegration and sub-contracting become more widespread, the relations between the formal and the informal sectors become more porous and increased attention has to be paid to the particular ways *both* sectors relate with exchange and use value production *within* the household and *through* 'household survival strategies'. Also, the role of local small and medium size firms in job creation and the economic relations they develop among them and with big and trans-national corporations become more relevant when analysing the conditions for local socio-economic change aimed at the lasting 'economic integration' of poor households. In fact, these *interdependencies* may combine to potentially enlarge opportunities for income-earning activities of poor people (self-employment, micro-firms, organisations of the 'social economy', 'pathways to integration' in linking the poor to new job creation and to the labour market, etc.). The *'economic thickness'* of the local 'whole economy' requires specific attention.

It was also seen that the socio-economic context can be *'made'* and that changes in the socio-economic context can be identified and understood as necessary in order to achieve a desired outcome. Thus, the 'economic integration' of poor households can be related to institutions and pro-active agency involved in *'making'* a socio-economic context to a lasting favourable possibility of change.

Municipalities may play a central role in *'making'* the socio-economic context, creating the institutional and organisation conditions for *'thickness'* linking the diverse dimensions of the local 'whole' economy. Municipalities may also play an important role in identifying *'invisible'* underutilised resources. Community affective and emotional bonds may be determinant factors

of success in development processes. Informal skills (as revealed in hobbies) may sometimes play a significant role in innovation and small-scale organisation. The knowledge of retired people may be strategically relevant information for collective self-empowerment, for small-scale production or social reproduction oriented initiatives. There is a wide of examples: full mobilisation of local available resources, mobilisation of renewable energy resources, recycling solid waste, preserving local natural ecosystems, protecting threatened species, adapting local productive restructuring to 'exogenous' constraints, mobilisation of local savings, support to productive initiatives from traditional entrepreneurs and non-traditional entrepreneurs from the 'autonomous sector', etc.

Municipalities can also contribute to the *'thickness'* of the local 'whole' economy reinforcing local and intraregional communication (local radio stations, local newspapers, etc.), stimulating the involvement of schools and pedagogical innovation or creating 'local observatories'.

In Girona, Spain, the informal sector is being 'integrated' into mainstream commercial activity. In Montes de Oca (Burgos), the project has focused on creating co-operatives and employers' associations.

**b) Action domains in linking knowledge to action on the basis of planning as an 'empowering dialogue'**

A number of projects developed concrete planning proposals and played a crucial role in their regions in introducing an anti-poverty dimension into conventional territorial planning. But only a few elements from planning as an 'empowering dialogue' can be identified around 'explicit' planning practices. It is probably the field where more tensions can be found between conventional approaches to planning and the challenges of anti-poverty action and local development as discussed above. Alone the implicit theories underlying the 'revisited' programmes contain an implicit denial of the 'rational-comprehensive' approach to planning. Principles such as 'partnership' and 'empowerment' introduce this challenge in the programme's design even if it is not always clear in projects' practices.

An example of the influence of the *'rational-comprehensive'* approach can be clearly found in a Poverty III Portuguese project. The "Almeida" project played a major part in area planning through its *'Integrated Development Plan'* (local authorities, local and regional bodies of the

different sectoral departments of the central state, local firms and associations). The plan was marked by consensus and was adopted by all of the local bodies as the framework for their own activities.

The influence of the *'advocacy-equity'* approach can be found in some projects. In Belgium, in Poverty III, B.O.M. takes part in the development of a *'Strategic Plan for the Region of Antwerp'* as a response to signs of regional economic decline. The plan is initially an initiative of the Chamber of Commerce of Antwerp and the BOM plays a part in it as far as it concerns the problem of socio-economic development of neighbourhoods. This plan corresponds to a rather ambitious project, it involves several partners and is halfway. The intention is that it will become a basic document for policymaking in the socio-economic field.

Still within Poverty III, in Denmark, "Samiko" project places Enterprise Moen within the framework of the Municipal programme which is described as a *'strategic development plan'*, consisting of four policy domains: business, tourism, culture and housing. These policy fields were formulated during local consultation processes and later ratified by the local council.

Also from Ireland comes an example. The Brownlow project (Poverty III) took the view that local economic agencies had not produced an integrated social and economic strategy for Brownlow which took sufficient account of the needs of the disadvantaged and produced its own substantial *'Economic Plan'* for Brownlow. The Department of Economic Development intends that Brownlow Community Trust will have an input into its strategic plan for a housing and commercial centre for Craigavon town. The Pilton project is increasingly involved in the planning process relating the development of the North Edinburgh Area Renewal Strategy, which is a commercial and infrastructure development involving local municipalities which are members of the Pilton Partnership Board.

Finally, Liverpool offers an example of a *'radical planning'* approach. In the United Kingdom (Poverty III), the Liverpool project has an urban policy officer, who has been working with local groups in *'popular planning'* exercises in which the local community decides its priorities for proposed new developments, including road plans, building styles, shop locations, etc.

*5.6.2. Municipal initiative and 'conditions of possibility': key 'transversal' messages and strategic lessons*

The above mentioned outcomes are relevant according to the epistemological, conceptual and theoretical framework introduced above. The search for the 'causal powers' and conditions that may underlie the working of the mechanisms that favoured them may be the object of some abstracting with the help of 'realist syntheses'.

Political *will* (or permission), the pro-active building of *agency* and the creation of *quality*, *autonomy* and *leadership* in staff members emerge as central aspects. In fact, staffs play a central role in innovative action. The leadership in staff teams plays the key role. It involves particular characteristics ranging from a *critical* knowledge of the functioning of conventional responses, the capacity to develop a critical understanding of the critical *dysfunctions* (*absence*, *insufficiency* or *inadequateness*) of current responses, the *creativity* and the *wisdom* to imagine possible new responses, the capacity to develop *persuasion* around a 'non-observable' possibility and the capacity to *organise* and develop *team* work building conditions for agency in making action concrete.

**a) Key general 'transversal' messages**

As it was already noticed about EQUAL in the 'Living Document' of the National Thematic Network on 'Pathways to Training and Integration' in Portugal (EQUAL 2006), the experiments conducted by the different programmes whose evaluation exercises have been 'revisited' made a relevant contribution to the collective effort to improve public responses in anti-poverty action. In fact, the projects are able to provide:

- Deeper *knowledge* of the problems of discrimination and inequality in job access and of the causes for their persistence given the existence of public responses;
- Innovation enabled by the experimental activity developed and the demonstration of how specific aspects of public responses can be *improved* in anti-poverty action;
- Perspectives on 'conditions of possibilities' which enable innovation and its *'transfer'* to other contexts ('methodological transferability', horizontal mainstreaming) and perspectives on the conditions which the generalization of the tested innovation may depend on.

The experiment conducted by the projects thus contributes towards identifying domains of policy action with a view to improving current public responses. As happenned in EQUAL, in general, the experiments demonstrated the central importance of domains related to *decentralization* (attributions, competencies and local autarchy resources, etc.) and the *de-concentration* (autonomy of the decentralised institutions of public employment services, etc.) in *new forms of governance* oriented towards employment, in fields related to: better public perception of the interdependence that exists between *competitiveness and social cohesion* in anti-poverty action.

With the help of the experimenting stimulated by the 'revisited' programmes, it was possible to identify domains which are directly related to the organizational models and to the intervention strategies.

### *Organizational models and conditions for action*

- Broad territorially based *partnerships* should be encouraged through creating the necessary organizational restructuring to strengthen inter-institutional cooperation, transparency and access to relevant information and the total fulfilment of ICT potential in *e*Government for administrative modernization; Municipalities can play a central role in 'animating' these partnerhips and ensuring their leadership aiming at integrated responses in their territories.

- Make the *decision making competencies* of the public services adequate for involvement in specific strategies for local development and in broad territorially based partnerships; and provide their organizations with *technical* teams *with* differentiated *skills* a suitable for the heavy demands placed on the public administration with particular attention to *recruitment* criteria (quality of the previous professional experience, critical analysis of the running of the public administration, creativity and proactive commitment in action for change, etc.) and to the conditions of quality *advanced training* (capacity for: a critical perception of the local dynamics, strategic forward thinking, direct involvement of local social agents and to understand the respective differentiated rationalities, multicultural and inter-disciplinary dialogue, interpersonal relationship, facilitating inter-institutional teamwork, etc.); Municipalities can organise themselves in an individual or collective basis to keep this topic high in the policy agenda.

- The promotion of the *organizational innovation* in order to viable solutions through '*proximity services*', involving access to adequate physical space, the share of information between organizations and the specific training of technicians for *mediation* functions; Municipalities can play a leading role restructuring services and prepared for integrated local response possibilities which can be highly facilitated by ICT technological suppport.

- Priority should be given to the *qualification* of public administration *technicians* and organizations involved in rendering public services in the field of the fight against poverty because *diversified competencies* are at stake that are not assured *by conventional education; the* acquisition of these competences depends on the possibility to build *new forms of governance*, use the potentialities of '*e*Government' and contribute to *change* in local communities such as: proactive animation, capacity for initiative and organization, critical interpretation and strategic anticipation, intercultural mediation, integrated perception of the challenges of competitiveness, social cohesion and sustainability, etc.); Municipalities are in a position of dealing with this issue in a direct way and acting in order to stumulate public awareness concerning 'skills gaps' in the field of anti-poverty action.

*Intervention strategies*

- Involve *all* the domains of public policies relevant to poverty and stimulate the *extended* involvement of social agents in territorially based development strategies (local development) based on the perception of: the *interdependence* of competitiveness and social cohesion, and of the spatial *diversity* and local *specificity* of the action possibilities (promotion of a local 'social dialogue', involvement in civil society, local authorities, de-centralised entities of the different sectors, etc.); Municipalities can play a central 'animating' role.

- Whenever appropriate in promoting 'economic integration' of poor households, training should adopt *pedagogical* practices 'centred' on the trainee, based on the quality of the trainer-trainee relationship and should be open to introducing contemporary problems and the challenges of citizenship in societies with a knowledge based economy and oriented towards changes of attitude and behaviours favourable to lifelong learning, entrepreneurship and a proactive stand towards insertion in active life; Municipalities can promote public awareness concerning the

limits of conventional responses and stimulate the debate of these issues concerning current training as promoted by public services (employment services, etc.).

- The pertinence of *non-formal* education should be seriously analysed so that formal and non formal learning can be complementary and more adequate procedures created to *recognise* and *validate* knowledge and skills acquired through *non formal* and *informal* teaching; Municipalities can promote the mobilisation of local competencies widening the field of opportunities for training, employment and production for 'economic integration' of the poor households.

- *High level* training should be ensured for public services professionals in relation with poor people and involved in anti-poverty action and ensure adequate responses to the contemporary complexity of the challenge; Municipalities can change their practices in the field and stimulate public and policy awareness at central level in what concerns the priorities of anti-poverty action.

## b) Key 'transversal' messages concerning 'local development'

A joint understanding of the *'economic'* and the *'social'* in anti-poverty action is particularly welcome by professionals traditionally involved in anti-poverty action. 'Economic integration' is felt to be a crucial dimension of anti-poverty action without which conventional 'social action' touches unavoidable limits. Yet, the promotion of 'economic integration' is conventionally understood as promotion of vocational training and centred upon individual integration. In a context of increasing unemployment, this approach seems to be a zero-sum game, as was mentioned above.

'Economic integration' seems to have to be based on a *contextual* approach where the creation of new jobs and the valorisation of underemployed resources play the central role. But this also means that the central dimensions of 'economic integration' lie *outside* the 'Economic'. Cultural, social and institutional aspects play a much more relevant role in the animation of entrepreneurship, management strategies and power relations concerning the use and control of local resources.

Finally, 'economic integration' requires conceptual reformulation as was suggested in this work. Notions such as 'market' and 'competition' need detailed analysis in this context. They were not created to deal with problems of ''economic integration' of poor households'. The very notions of

*'human resources'*, *'labour market'* or *'land market'* should be used with caution in the context of anti-poverty action.

Experimental programmes have an important responsibility in the production of discourse about poverty and anti-poverty action. This means that conventional approaches should be carefully analyzed before its wider use in this context. An unavoidable effort towards conceptual restructuring may be needed in order to improve the very capacity to understand the problems and improve action. The concept-dependency of human action and the role of institutions in the production of concepts cannot be forgotten.

It appears that conventional values, ideas and beliefs mainly related to the 'economic' dimension of integration are probably having a limiting effect on the projects' potential results. Notions like, *'market'*, *'competition'* or *'economic and financial viability'*, originally developed for conventional and formal economic entrepreneurial rationality, are not conducive to identifying the whole range of possibilities for wealth creation linking the mobilisation and valorisation of local resources to anti-poverty action. Conceptual innovation is therefore fundamental to a better understanding of the problems which in turn can lead to better action. The concept-dependency of human action and the role of institutions in the production of concepts cannot be overlooked. 'Economic integration' is just an example of an issue needing conceptual restructuring. Let us keep in mind the following examples:

- The notion of '*market'* exchanges versus institutionally *built* transactions: a market oriented local employment initiative or social enterprise means the absence of public authorities in building economic circuits, the absence of human interaction in market transactions or the priority to non-price factors in productive efficiency?
- The notion of 'economic' in relation to production and consumption: a shift of resources in favour of poor households relates to *consumption* or *production i*ssues? This is a crucial aspect in discussing minimum income policies.
- The notion of 'economic' in relation to money resources, consumption practices and unmet basic needs: stimulated priorities in the media reinforce the dependency on *exchange value* or on *use value* production? Have poor households to be excluded from stimulated priorities if they succeed in survival? Will this mean that survival is not possible without a 'critical' distance towards hegemonic values?

There could be found enough examples in the 'revisited' programmes about how they foster interesting, innovative and useful experimentation in linking anti-poverty action to local development. The projects prove that it is possible to increase the access of poor households to new resources, to mobilise under-utilised resources and to valorise their own resource basis in order to meet their basic needs. In this way the scope for what is normally considered anti-poverty activities (relief of deprivation) is enlarged.

There are signs that several projects are linking economic to social integration, demonstrating the possibilities at a local level of a *'socio-economic policy for global competitiveness'*. Given the spatial diversity and local (multidimensional) processes and situations of poverty and social exclusion, the Programme is also experimenting with more flexible statutory regulation procedures and with increasing the capacity for local response to foster the economic and social integration of poor households.

The following aspects of a *'socio-economic policy for global competitiveness'* can be highlighted: the context-dependency of encouraging conventional entrepreneurial activity given the contribution of very small, small and medium size firms to global competitiveness and employment (local development projects, fostering an entrepreneurial culture, direct support for groups); the context-dependency of promoting the competitiveness of individual firms due to the role of 'synergism' in innovation and in competitiveness (the promotion of quality in traditional products, search for new products, experimenting with new technologies, promoting the 'regional identity' of products, fostering co-operation among producers for commercial purposes, etc.); the context-dependency of formal education and vocational training in linking relevant knowledge and strategic information to local productive specialisation and restructuring, to technological culture, to an increased learning capacity and adaptation to change, thereby encouraging innovation and productivity (the promotion of formal education and experimentation in teaching methods by linking school to the world of work, specific training programmes, etc.); the context-dependency of the search for new economic activities linking local resources to unmet local needs, of developing innovative entrepreneurial initiatives (co-operatives, 'social enterprises', "entreprises d'insertion", etc.) linking their productive potential to conventional entrepreneurial activities (input-output relations, sub-contracting, services, etc.) and to institutionally built economic circuits (public services, non-governmental organisations and churches, creating associations linking producers to target consumers, etc.).

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There are only a small number of projects dealing explicitly with local development in a systematic way according to action domains identified above (see 4.2.7.). However, several projects introduced actions dealing with particular aspects of local development, often due to the stimulation of programme's principles ('multidimensionality', 'empowerment', 'territorial integration', etc.); the growing awareness concerning aspects of 'economic integration' in a context of growing unemployment is stimulating analysis and action in this domain.

In many projects the shortcomings of conventional public responses exclusively based on *'deprivation-oriented'* compensatory social policy are directly addressed. 'Economic integration' is perceived as a crucial dimension without which conventional 'social action' is less effective. Although 'economic integration' is often understood as the promotion of vocational training aiming at individual integration into the formal labour market, many projects are reaching beyond this and engaging in direct job creation. In the current context of growing unemployment, reinforcing individual capacity to compete in the labour market may merely displace unemployment and poverty onto others.

However, direct job creation in a context of growing unemployment in the formal labour market is highly dependent on the promotion of conventional and non-conventional small-scale entrepreneurial initiative. It needs continuous efforts to bring about a change in attitudes, behaviour and values, to identify new activities and project ideas, preparing concrete, productive projects from a range of ideas and accessing funding when capital is not available. Cultural, social and institutional factors play a more relevant role in fostering entrepreneurial activity and management strategies in the allocation of local resources than economic aspects alone. In these cases, conventional incentives to investment (cheap credit, subsidies, fiscal incentives, etc.) are not enough. The projects thus demonstrate how 'economic integration', in fact lies *outside* the field of economics as conventionally understood.

On the other hand, small-scale entrepreneurial activity linked to initiatives from the 'autonomous' sector (Local Employment Initiatives, co-operatives, self-employment, etc.), rarely if ever emerge 'spontaneously'. The projects highlight the necessity of political effort and its relationship to a development project, namely, to a *coherent project* for the mobilisation and valorisation of local resources and stimulating 'synergy' between them (input/output relations, sub-contracting, co-operation in export promotion, etc.). The projects show how decentralised small-scale opportunities for production and job creation are heavily dependent on *the existence*

*of local agencies, assuming the defence of 'territorial interests',* centralising commercialisation and promoting *innovation* and *strategic flexibility.*

The creation of jobs by the means of small-scale initiatives requires clear and appropriate *management* strategies, which should ideally combine a small amount of available capital with human resources (the quality of labour). The competitiveness of those activities depends to a very large extent on systematic *innovation* in quality and products, adoption of *appropriate* technologies, *non-price* factors in their commercialisation strategies and *organisational* innovation aiming at flexible specialisation. Rising to this kind of challenge requires training linking *technical* know-how to *informal* skills, *functional* knowledge and *personal* development. Therefore, the projects are showing how the competitiveness of these activities is very much dependent on the *'competitiveness'* of *local systems*, on close *cooperation* and development of economic *relations* between the 'mainstream' firms, organisations from the 'autonomous' sector, use-value production and an intensive development of local 'synergy' and co-operation among local agents. This is a field where the need for conceptual rethinking or innovation is needed by the projects. A number of examples were cited where the notion of 'market' does not do justice to the 'institutional creation of economic circuits' undertaken by the projects. The promotion of 'economic thickness' in the local 'whole' economy was debated above as a possible domain of Municipal action (see 4.2.7.).

The projects that are explicitly involved in local development as a strategy to fight poverty tend to understand it as a way to overcome the *'backwardness'* of their region, to help them to profit from inter-regional relations and national growth and preserve their regions from 'regional disintegration' induced by the same inter-regional relations and growth mechanisms. Anyway, it is important to notice that, in both cases, key dimensions in local development are always addressed either directly or indirectly: the need for 'pro-active agency' and *'local development agencies'* conceived both on a territorial basis and on a network basis; the need for *control* and *mobilisation* of local resources; the need to reinforce *social cohesion* and community ties and to increase the quality of *interpersonal* relations (small-scale solidarity, etc.); the *self-organisation* and *empowermen*t of civil society.

The need for 'local development agencies' is based on the need for local organisations which develop *'animation'* activities and which can influence decision-making. The role of 'agency' is also present to the extent that dominant values, ideas and beliefs must undergo fundamental

*change* in order to make alternative solutions *possible*. Fundamental changes in attitudes and behaviour among poor households might be needed and promoted according to contra-hegemonic values if lasting solutions are to provide a sound basis for the future. This is related to the 'learning' of citizenship and social rights but also to the problems of interpersonal conflict-solving in collective productive and reproductive organisations (cooperatives, very small firms, etc.).

Thus, the approach adopted to the management of resources is key to linking 'economic' to 'social' integration, whether understood in terms of *organisational capacity* to gain *access to 'exogenous' resources* or in terms of becoming aware of the *'endogenous potential'* of local communities and poor households in order to find innovative ways of meeting their basic needs. As *'resources'* are constituted by purposeful agency and as *'agency'* is 'concept-dependent', the qualification of resources as relevant ("Wahrnehmung") depends on concepts. Concepts can be considered to play the central role as 'causal powers' in anti-poverty action given the *ambiguity, prejudice* and the *opacity* in the context of which poverty and anti-poverty action emerge in the public debate as object of public policy.

**PART III**

**Chapter 6. FINAL CONCLUSIONS AND PERSPECTIVES FOR THE FUTURE**

This work aimed at producing knowledge about *how* Municipalities *can* improve anti-poverty. The *economic* dimension of anti-poverty action and its relations with local development and territorial planning in a context of 'global restructuring' were the central domains of epistemological, conceptual and theoretical development. Evaluation exercises of European and national experimental programmes were 'revisited' and lessons were learned from their outcomes and from the mechanisms leading to them.

The central research problem to solve was stated as follows: ***how* can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in territorial planning for local development?**

It is now possible to introduce below an overview of the main findings (see 6.1.), to identify policy implications of the contribution of this work (see 6.2.) and to formulating key issues emerging for further research and the personal implications that can be derived from their formulation (see 6.3.).

*6.1. Overview of main findings*

Main findings of this work will be introduced below. The basic steps will be recalled and the main empiric findings will be presented at the end of the chapter. The policy implications of these findings (see 6.2.) and the identification of key issues and personal implications emerging from these findings (see 6.3.) will be presented below.

This work started with a central question: ***how* can Municipalities incorporate their contribution to the lasting 'economic integration' of poor households in their territorial planning for local development?**

Answering to this question involved several steps. First, the *'paradigmatic transition'* in the social sciences was introduced, *crucial issues* related with the crisis of the hegemonic scientific paradigm were identified and it was shown how anti-poverty action is a domain of research where a number of critical issues are directly linked to the crisis of the hegemonic paradigm. The conditions for a *possible response* were made explicit within the framework of a 'critical' realist epistemology.

Than, it was shown why poverty *cannot* result from *low income* alone and it was proposed a possibility of conceptualising anti-poverty action. Poverty was conceptualised as a situation of *unmet basic-needs* (ill health and lack of autonomy) which emerges as the outcome of a process by means of which *unmet intermediate needs* (food, housing, medical care, etc.) are related with *insufficiency of resources* (material or non material) in a given *discursive-organizational context*. Poverty was understood as *absolute* poverty and was further defined as the lack of capacity to mobilize *material* and *non-material* means to create *synergic satisfiers* in order to *meet intermediate needs* and avoid ill-health and lack of autonomy. This lack of capacity is the result of the *failure* of *constituting purposeful agency* in a relational context defined by a *discursive field* marked by *hegemony* and an *organizational field* characterized by *'organizational outflanking'* of the poor. Therefore, *avoiding* poverty may require some distance from hegemonic values, attitudes and behaviour as favoured in capitalist societies. This means 'critical' understanding that cannot be reduced to formal education or training. Poor people are *knowledgeable* human agents that develop a highly skilled expertise in order to survive.

It was also shown how the sense for action at local level in 'distressed urban areas' can be found. Naturally, the issues involving the *spatial concentration* of poverty in *distressed urban areas'* are even more complex and in these cases 'localities' were seen above as *'potential'* communities and as *territorial development units*. 'Space-time' is constitutive of experienced poverty as the matching of intermediate needs, synergic satisfiers and resources is highly dependent on location, distance, transportation opportunities or timetables. The combination of fully *commodified* standards of life with spatial functional and social *segregation,* with *social isolation* and with *decreasing* opportunities for raising resources through the formal employment system contribute to continuously bringing about *new forms of vulnerability*. Thus, 'economic integration' of poor households was defined as *action* aiming at processes of linking the *knowledge* about material conditions of unmet basic needs with the kind of *material* which may contribute to widening *possibilities* for *decreasing market-dependency* in meeting

intermediate needs and widening possibilities for *income earning* activities. This was associated with decreasing dependency on working for a wage in the 'labour-market' as well as acceding to available jobs by means of pro-active building of *'pathways to integration'*. The interdependent character of these dimensions was seen in the framework of a *relational* understanding of human beings centred on the *'household economy',* their dependence on the *'whole economy'* and their territorial *embeddedness*.

Thus, lasting changes in poverty situations were seen as dependent on local socio-economic contextual change and required theoretical development. An action-oriented theory of 'local underdevelopment' building on previous theoretical developments related with regional and local development issues was proposed. This contribution should enable the building of an adequate framework for situating the incorporation of the 'economic integration' of poor households in local development given the contemporary challenges of the transition to 'flexible accumulation'. In fact, this *transition* to 'flexible accumulation' contributes to the reinforce the 'non-emergence' of local initiative in 'distressed urban areas' aiming at the 'reversal' of 'local disintegration' processes. The spatial concentration of problems, their interdependence and their cumulative reinforcement favour the 'non-emergence' of pro-active agency aiming at counteracting those processes (public authorities, local endogenous entrepreneurship, 'autonomous sector'). If some opportunities can be identified in the transition to 'flexible accumulation' pro-active agency and adequate understanding of contemporary conditions is required to make them become concrete.

An action-oriented theory of 'local underdevelopment' may find here the relevance of its potential contribution. It may help to clarify action possibilities for Municipalities involved in anti-poverty action: 'building' *agency*, creating mobilising *'visions'*, creating *'localities'* and promoting *'self-empowerment'*, decreasing *'market-dependency'*, widening possibilities for *'income-earning'* activities, profiting the most from available jobs organising *'pathways to integration'* and reinforcing the *'thickness'* of the local *'whole'* economy.

Pro-active agency and adequate knowledge in anti-poverty action become central issues. But the adequateness of knowledge alone does *not* solve the problem of its possible contribution to 'transformative action'. The *linking* of scientific knowledge to action was seen as last theoretical problem to solve. Diverse planning theoretical approaches were revised and a contribution to a planning theory as an *'empowering dialogue'* was proposed. Following this

proposal, Municipalities can incorporate their contribution to the lasting 'economic integration' of poor households in territorial planning for local development emphasising the following aspects in *linking* scientific knowledge to action: linking knowledge about diverse *rationalities* of relevant agents to building *alliances* for action (acknowledging 'relational complexity'), linking knowledge about possible *futures* to the promotion of collective *self-empowerment* among poor people, linking knowledge about *'non-desirable'* futures (forward looking studies) to *short-term* preventive action ('control' of resources), creating conditions among staff members for possible linking of *disciplinary* knowledge to action around *themes* and the organisation for *continuous* learning, creating conditions among staff members for the linking of *scientific* knowledge to *common-sense* knowledge.

Finally, the contributions of European and national experimental programmes aiming at innovation in anti-poverty action enabled the identification of *lessons* concerning the potential role of Municipalities.

It is the moment to recall that the evaluation of public experimental programmes based on local projects requires specific approaches to evaluation. These programmes share the same kind of objectives. They aim at a better understanding of problems and the reasons for their persistence as the rationale for the strategic need of innovation given the *absence*, *insufficiency* or *inadequateness* of current responses, the experimenting of innovative solutions and the opening of avenues for wider possibilities of action (identification of new opportunities for generalised action, 'methodological transferability' or 'policy recommendations'). This kind of outcomes is supposed to be reached by local projects in the case of the 'revisited' programmes. Experimental programmes are supposed to follow principles, assumptions and procedures ('programme's theories').

Therefore, the 'revisiting' of the programme's outcomes was developed searching for illustrations of possible innovation that were *interpreted* in the framework of the conceptual and theoretical development introduced above  (see chapter 3 and chapter 4). 'Implicit' theories were made explicit and some effort was developed to identify conditions facilitating outcomes.

Before proceeding a short recall is required. In 'realistic evaluation' programmes are understood as social systems. They comprise the interplays of individual and institution, of agency and structure, and of micro and macro social processes. It is not programmes that work but it is the underlying *reasons* and *resources* that they offer subjects that generate change.

Therefore, in 'realistic evaluation', the required knowledge cannot be reduced to a simple comparison between *before* and *after*. Public programmes are the product of skilled action and the result of negotiation between human agents and cannot be reduced to the *'facticity'* of a given event (frequency, duration, etc.). This requires the analysis of the *nature* and *context* of the *contacts* that may occur.

Following this logic, it becomes clear that 'realist synthesis' offers a focus on the *review process* based on the '*programme's mechanisms*', i.e., the process of how subjects *interpret* the intervention stratagem, and it is the pivot around which realist evaluation revolves. The identification of mechanisms is not a matter of finding specific regularities or clusters of statistical associations. Recalling Andrew Sayers' words (see 5.1.2.) explanation requires mainly interpretive and qualitative research to discover actor's reasoning and circumstances in specific contexts. Answering quantitative questions about the number of actors and other relevant phenomena with specific attributes may also be of interest but that is rather different from understanding the mechanism.

Finally, 'realistic evaluation' does not seek to replicate positive findings but seeks cumulating by identifying the conjunction of sets of mechanisms and context that will bring about a desired outcome. Generalization is not a matter of understanding the typicality of a programme but one of abstraction and it concerns a process of *'qualitative abstraction'* as opposed to 'quantitative generalization'. *Lessons* are *learned* by way of cumulating knowledge moving from one specific empirical case to a general theory and back to another case. What are transferable are not lumps of data but sets of ideas.

### *The contribution to deeper knowledge about poverty and anti-poverty action*

The programmes and the projects have shown an important capacity to gain a rich and irreplaceable *knowledge* about the complexity of interdependent economic, socio-cultural and institutional factors leading to poverty. In their day to day development, they also produced knowledge about how the poor internalise of those *structural constraints* that put them in the position of *reproducing* by their own behaviour and attitudes the very mechanisms that catch them in poverty (negative attitudes of families and children towards the usefulness of school, school abandonment and child labour, 'volunteer' dismissal to look for higher incomes in the informal sector, etc.). The projects could clarify by their gaining knowledge why there are reasons for *greatest* concern in what relates to the potential expansion of poverty.

But the production of this knowledge was not the result of producing 'formal' knowledge by conventional methodologies. It was experiential knowledge gained by acting. When specific research was promoted, their formal results showed little relevance for action. On one hand, anti-poverty action is a domain that often is considered by decision-makers and large sectors in society of being sufficiently well known and where just action is lacking. On the other hand, when specific research was promoted by projects and programmes, their formal results showed little relevance in action. It happened *both* as a result of timing and of epistemological aspects. As it was the case in Poverty III, where results at project and programme level were often not 'finished' in 'useful time' to feed the preparation of action. The results of the research activities of Poverty III at programme level were published after the activities of the projects were closed. But epistemological aspects played an eventual more relevant role. Research activities were conceived and conducted as *independent* from practice. Their action-oriented relevance would always be a problem without a satisfactory answer.

Thus, experiential knowledge played a central role in programme's outcomes. Not being 'formal' it is not 'reified' knowledge in the form of tangible documents. But, obviously, not being formal does not mean its uselessness. It just *cannot* be 'wasted'. On the other hand, it also means a challenge to more conventional scientific research in producing 'formal' knowledge.

The production of knowledge and conceptual sharpness play a central role in promoting public awareness concerning poverty problems and the experience of the poor. Analysing the 'revisited' evaluation exercises helps to make clear that the reduction of poverty to 'low income' or the unclear distinction between concepts such as 'poverty' and 'social exclusion' can be often found. This is just an example of the relevance of 'concept-dependency' in programme's outcomes. And if programmes are 'reasons' and 'resources', experimental programmes aiming at innovation, depend directly on the way this 'concept-dependency' influences the programme mechanisms. Furthermore, as seen above (see 3.1.) resources are constituted by 'agent's purposes'. The relevance of programme's 'resources' depends on how programme's participants recognise these entities as resources from whose their purposes depend on.

This is a crucial aspect as it situates the centrality of 'reasons' and as such the centrality of 'concept-dependent' human action and the role of 'concepts' as 'causal powers' in action (see 2.2.). Let us recall that, counteracting the 'reification' of programmes outcomes as lists of empirically described 'best practices', what are transferable are not lumps of *data* but sets of *ideas*. The *potential* utility of these ideas in Municipal anti-poverty action depends on the 'concept-dependent' possibility that these ideas can be *recognised* as relevant by the agents involved. Lessons can only be learned by those prepared to *interpret* them as such given their experienced knowledge about the *absence*, *insufficiency* or *inadequateness* of current practice.

### *Illustration of innovation possibilities and 'conditions of possibility'*

The 'revisited' evaluation exercises enabled the identification of many illustrations of possibilities of action in the domains identified as potentially favouring the 'reversal' of 'local disintegration' and the local development and 'economic integration' of poor households. Those possibilities of action do *not* require relevant additional *financial* resources. As was seen above (see 5.6.), concepts ('ideas') and social relations were the basic requirements of innovation. Thus, given the 'concept-dependency' of human action, *concepts* and the quality of interpersonal *relations* can be identified as the key 'causal powers' in Municipal anti-poverty action. Shortage of financial resources *cannot* be the reason for the *absence* of anti-poverty action.

Innovation was possible and many relevant examples can be found. The possibility of creating this innovation involved the mobilisation of knowledge and the capacity to link it to critical agents in bringing about action. But the knowledge involved in the more relevant situations was not formal knowledge but experiential knowledge mobilised by high experienced and qualified staff members involved in projects. This aspect is a central one and requires attention. Given the little relevance of formal knowledge to the innovation achieved the role of experiential knowledge of staff members gains a further relevance. The 'critical' understanding of the reasons for the *absence*, *insufficiency* or *inadequateness* of current practice, the creativity in conceptualising innovation possibilities and the personal qualities of leadership and commitment to build collective action and team work seem to have played a central role.

This offers another insight possibility to the inner working of programme mechanisms. Together with 'concept-dependency', social relations play also a *'hidden'* central role. The quality of interpersonal relations and the positive role of heads of projects in 'animating' them cannot be undervalued. As interpersonal relations are central in building hope and trust in working with the poor ('animating' participation and empowerment) it is also interesting to analyse their role within partnerships.

Partnerships are based on formal partners engaging in institutional and organisational models. They may represent statutory bodies from different sectors, from the central administration or local governments or diverse organisations from the civil society. But partnerships become concrete through the interacting of the persons representing the formal partners. Even if contradictory interests are represented, time and continuous interaction may contribute to very different developments as the role of partnerships also depends on the quality of inter-personal relations built within this context. In Poverty III changes in the positioning of partners were reported as resulting from the quality of this interaction. One project expressed this qualifying partnership as a 'process' depending on the possibility of this interaction to develop. On the other hand, formal partners may be represented by persons sharing a close social proximity. The central administration can be represented by someone being a close relative of someone representing a local association. The formal distance may not have an equivalent in the social proximity of the persons representing the formal partners. This may represent again a way of representing formal relations (central-local, top-down, etc.) that may not represent to the experienced conditions facilitating, or blocking, action.

Programmes are 'reasons' and 'resources'. But it is the 'concept-dependency' of human action underlying the interpretation of programme's reasons that creates the 'sense' for programme's 'resources'. Thus, concepts and social relations seem to play the central role as conditions enabling the context-dependent concreteness of programme's outcomes. And, in managing experimental programmes, only the centrality of 'animation' can contribute to ensure coherence in final outcomes.

### New opportunities, 'methodological transferability' and 'policy recommendations'

As introduced above, the *potential* utility of these ideas in Municipal anti-poverty action also depends on the 'concept-dependent' possibility that the outcomes can be recognised as potentially relevant. The potential 'migrating object' of a lesson that can be learned ('ideas') only can be *recognised* as relevant by the agents if they are prepared to *interpret* them as such given their experienced knowledge about the *absence*, *insufficiency* or *inadequateness* of current practice.

Given the limits of formally produced knowledge as mentioned above, and given the role of experiential knowledge in project's innovative outcomes, new perspectives for a wider mobilisation of experiential knowledge and the creation of conditions for continuous 'learning by doing' can emerge.

On the other hand, the linking of experimental action at local level with outcomes at programme level was difficult to find in a systematic way. It requires methodological efforts that are not conventional. The systematic sampling of 'best practices' and the 'reification' of programme's outcomes as programme's 'products' can be often found in diverse contemporary fields and corresponds to a poor development of the potential relevance of programme's outcomes. This can be identified as a domain deserving adequate *attention* in developing future experimental programmes based on local projects.

In fact, this aspect plays a relevant role in contributing to enlarge the relevance of experimental action at local level 'inspiring' action in other local contexts by means of 'methodological transferability'. It also plays a relevant role in experimental programmes because it becomes possible to draw policy lessons from a few 'context-dependent' experiments. If adequately evaluated, it becomes possible to find the needed evidence-base

for policy. This may be a critical aspect in a context of public financial stress and the search for higher effectiveness in using public resources.

### 6.2. Policy implications: conceptual sharpening, theoretical development and new directions for action

The fact the anti-poverty action was put high in the European Agenda since the Lisbon Summit in 2000 does not correspond to an equivalent Europe wide generalised conceptual sharpness and coherent action beyond social policy and deprivation-oriented policy.

The kind of changes discussed in this work requires *pro-active agency* and integrated anti-poverty action for contextual change. In anti-poverty action, the limits of a *compensatory* understanding of social policy require the search for new integrated socio-economic policies. This kind of efforts has much in common with aspects of possible active and integrated socio-economic policies. And this clearly requires *pro-active agency* and *institutional innovation* linking domains of action conventionally associated to *economic* policy (access to capital, financial incentives, fiscal benefits, etc.), to *social* policy (community development, income support, vocational training, etc.) and to *regional* policy (devolution and decentralization, formal competencies of local authorities, local finances, etc.).

Therefore, if *departure* from *welfare-dependent* income support to face deprivation is wished in anti-poverty action, this means that the 'economic integration' of poor households requires *both* public resources in the form of *capital* as well as in the form of *secured income* aiming at capacity building for autonomy within civil society (small businesses, 'third sector', 'social economy', etc.). If individual reinsertion in the labour market cannot be always ensured, than public investment in the reconstitution of conditions for the production of *use value* as well as of *exchange value* for survival is required (food production for self-consumption, access to capital for small business, etc.).

Poor citizens have the *right* to have access to the distribution of wealth when society *denies* them the possibility to participate in production through the employment system. Public resources in the form of capital are not understood as restricted to *funding* (funding for small firms, etc.) but including also the possibility of enhancing the capacity for use value production (land,

productive tools, etc.). Conceptualising households as *consumption* and *productive* units helps to see that a shift of public resources from other potential uses to the poor would help to make them more 'productive' (not only in the market sense) in terms of the production of life and livelihood within the suggested framework of the *'whole economy model'*.

It seems time is ripe to speculate about the possibility of *spatially diversified* and *local specific* socio-economic policies, given the 'space-time' constitution of poverty. On the other hand, as poverty cannot remain an object of social policy alone, and as poverty has to be understood as a 'social problem', a *societal problem,* requiring the involvement of *all* dimensions of public policies and societal responsibility, anti-poverty involves a remarkable *challenge* to contemporaneous societies.

### Conceptual sharpening and theoretical development

Anti-poverty action involves the state and the civil society in domains of action where conceptual *ambiguity* and *prejudice* can be often found. On the other hand, 'action' involves departure from routine (see 3.3.) and relevant changes in conventional practices.

The lack of Europe wide conceptual sharpening and theoretical development in anti-poverty action can be observed in many contemporary 'National Action Plans for Inclusion'. Many remain just planning documents and have little relation with public action and the challenges ahead. In these cases it is difficult to see how anti-poverty action can become an object of an integrated response within the different domains of public policies.

Anyway, the main difficulty still remains in how poverty and anti-poverty action are conceptualised and actually recognised as a matter of urgent public policy. Possibilities for action have been made clear enough along the years. The programme's 'revisited' here are just an example. Conceptual ambiguity was less in Poverty III but it was the only programme which had and explicit focus on anti-poverty action. Employment & Adapt (INTEGRA) as well as Community Initiative EQUAL were centred on employment issues aiming at innovation in facilitating access to employment for all those facing 'disadvantage', 'discrimination' or 'inequality'. In PRU (under the influence of the Community Initiative URBAN), the relation between 'distressed urban areas' with poverty could be found in an even more diffused way. On the other hand, Poverty III revealed the tension between the

conceptual debate on the relations between 'poverty' and 'social exclusion' which only had recently emerged formally in the European debate.

'Action' involves departure from routine (see 3.3.) and relevant changes in conventional practices. For all those involved is not easy to make clear why current practice 'loses' relevance. Alone making clear that contemporary poverty cannot have an adequate response by means of deprivation-oriented social policy and that all domains of public policies and societal resources have to be implicated involves deep changes in many conventional practices. This involves tensions that were found within 'partnerships' created to develop the projects. The crisis situations experienced in Poverty III are good examples of this complexity (see 5.2.).

Changing the 'discursive field' on poverty and anti-poverty action is a central challenge to contemporary public policies.

### *European cities, social cohesion and competitiveness*

With the increasing urbanisation of the European population and the increasing political relevance of urban policy in the European Agenda a deeper attention to the urgency of action in 'distressed urban areas' becomes more easy. European towns 'concentrate' the major threats to social cohesion and, simultaneously, can offer the best environment for the challenges of the knowledge economy. Therefore, the competitiveness of European firms becomes increasingly dependent on social cohesion in the urban areas.

Meanwhile, the increasing complexity of governance in urban areas recognised around the increasing use of the 'urban-region' concept, the increasing percentage of population inhabiting 'distressed urban areas' and the increasing role assigned to local level administration in delivering public policies combine to a growing pressure on the role of Municipalities in anti-poverty action.

*Public policies and public programmes*

Public action associated with public programmes loses much of its sense if those programmes are not conceived and coherently managed as experimental programmes. Local manifestations of structural problems cannot be solved only at local level. Problems *in* localities are not just problems *of* localities and they do not end when projects end. On the other hand, the coherence of action requires 'animation' for conceptual sharpness as well as a deeper knowledge about the problems. This requires useful action-research methodologies to learn about the causes of problems and their persistence. It also requires adequate self-evaluation and evaluation procedures both as a management tool and as a way to learn from experience and aiming at the early identification of 'signs' of 'net-effects'.

Very small-scale experimental programmes organised on the basis of a few local projects, clear conceptual sharpness and strategic coherence and sufficiently well resourced in terms of management and staff can possibly ensure adequate results when evidence-base for policy making is really aimed at.

*Knowledge, action and 'skills gaps'*

The organisation of European information about action in urban context is receiving an increasing attention.[16] However, knowledge about the processes leading to 'urban distressed areas' and about how to reverse 'local disintegration' in these contexts is still missing and requires further development. The creation of a national organisation focused on vulnerable urban areas and aiming at action-relevant knowledge and information, the creation of conditions for the 'animation' of 'communities of practice' involving the staff members of local agencies, or the organising of initiatives aiming at a wider visibility to examples enabling the illustration of action are possibilities for policy that emerge from this work.

The management of experimental programmes may also contribute to a deeper knowledge about the causes of 'local disintegration', about possibilities of counteracting these processes and prepare policy recommendations.

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[16] For more information see: http://www.eukn.org (viewed in May 23, 2006).

In this context, the formal planning instruments for Municipal development action may require some evaluation. The adequateness of available planning instruments to the challenges ahead in anti-poverty action may require analysis. Meanwhile, 'skills-gaps' in 'place-making' are being politically recognised. The informal European Minister council in Bristol last November 2005 recognised an European wide 'skills-gap' required for the building of 'sustainable communities' and decided to address this problem organising a Symposium on this issue in November 2006 in Leeds. The preparation of the Symposium is being organised by a working group created under the URBACT Community Initiative and is being managed by the British 'Academy for Sustainable Communities'.[17] The author of this work is participating as a member of this working group.

## *6.3. Key issues emerging for further research and personal implications*

The work developed above enabled the possibility to show *how* Municipal anti-poverty action can be conceptualised and how it can be illustrated by 'revisiting' evaluation exercises of experimental programmes. But the work has also unavoidable *limits*. The relation between a formal PhD exercise and the mobilisation of the *formal* and *informal* knowledge gained by the direct and personal involvement in the programmes being the object of 'animation', evaluation or 'revisit', involves tensions and methodological difficulties that were not always easy to solve.

The direct personal participation in 'making programme's outcomes *happen'* would have required more adequate methodological procedures. But their need could not be anticipated at that time. The formal adoption of 'action-research' methodologies, for example, would have offered a higher legitimacy to results. The direct involvement of mayors and planners in debating the results of the work would also have contributed to a higher legitimacy. However, time and organisational constraints did not allow this to occur.

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[17] For more information see: http://www.ascskills.org.uk/euskills (viewed in May 23, 2006).

*'Paradigmatic transition' in the social sciences and challenges to Economics and universities*

The *transition* to 'flexible accumulation' is representing permanent new challenges to conceptual and theoretical development. The production of socially useful scientific knowledge represents a continuous challenge to social scientists implicated in social emancipation. The characteristics of scientific 'paradigmatic transition' require further attention. The development was as deep as possible but it surely will be a matter of further development in the near future.

The production of action-relevant and socially useful knowledge represents an enormous challenge to our academic institutions (see 2.). Acting in a quickly and deeply changing world requires forward looking knowledge production methodologies that do not always correspond to the most conventional approaches. Meanwhile the increasing interdependence between the competitiveness of firms and social cohesion requires urgent and effective anti-poverty action. This work should be understood as a personal contribution to meeting this challenge.

It represents a field which will remain a central domain of research. Its implications for Economics will be specifically addressed and the contributions of 'Institutional Economics' and 'Realist Economics' will be further developed.

### *Anti-poverty action, local development and territorial planning*

The challenge of dealing with the *'economic'* dimension of anti-poverty action will remain a central concern and its relation with local development strategies and territorial planning will be further experimented and developed.

As coordinator of *'CIARIS Portugal Agency'*[18], the author of this work will use this contribution to the empowerment of Municipalities in local anti-poverty action. Searching for relevant experiences and learning how to listen to the *'voices from the borderlands'* (see 4.3.8.) will enable a continuous enriching of the *'Learning and Resources Centre on Social*

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[18] For more information see: http://www.ciarisportugal.org (viewed in May 23, 2006) and http://www.ilo.org/ciaris (viewed in May 23, 2006).

*Inclusion'* (CIARIS)[19] which is the result of an initiative of the International Labour Office and where the author of this work has participated since the year 2000 as co-author.

### *Evidence-based policy making and 'realist syntheses'*

The perspectives offered by 'realistic evaluation' and 'realist synthesis' opened interesting and promising avenues for *further* future development. Evidence-based policy making may become an increasingly relevant issue given the expected pressure on state action in a context of slow economic growth and financial stress. The efficiency and effectiveness of the use of public resources will be a matter of increasing concern and attention.

Finally, in the field of anti-poverty action, 'realist syntheses' may offer a useful opportunity to organise information about programmes and projects that were developed in the *past* and were *not* managed as being part of *experimental* programmes or even were *not* the object of formal evaluation exercises.

In fact, useful evaluation in these conditions cannot be restricted to exercises being developed *after* initiatives and schemes have been fully developed. 'Realist synthesis' may become  a useful tool to design evaluation procedures of current action as well as of 'revisiting' by gone interventions and contributing to increase the potential learning with the *'reconstituting the memory'* of past interventions. This perspective is right now being developed in the framework of the Portuguese experimental programme on 'urban distressed areas' *("Iniciativa Bairros Críticos"*) that the author of this work is following as a member of its expert team.

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[19] For more information see: http://www.ilo.org/ciaris (viewed in May 25, 2006).

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