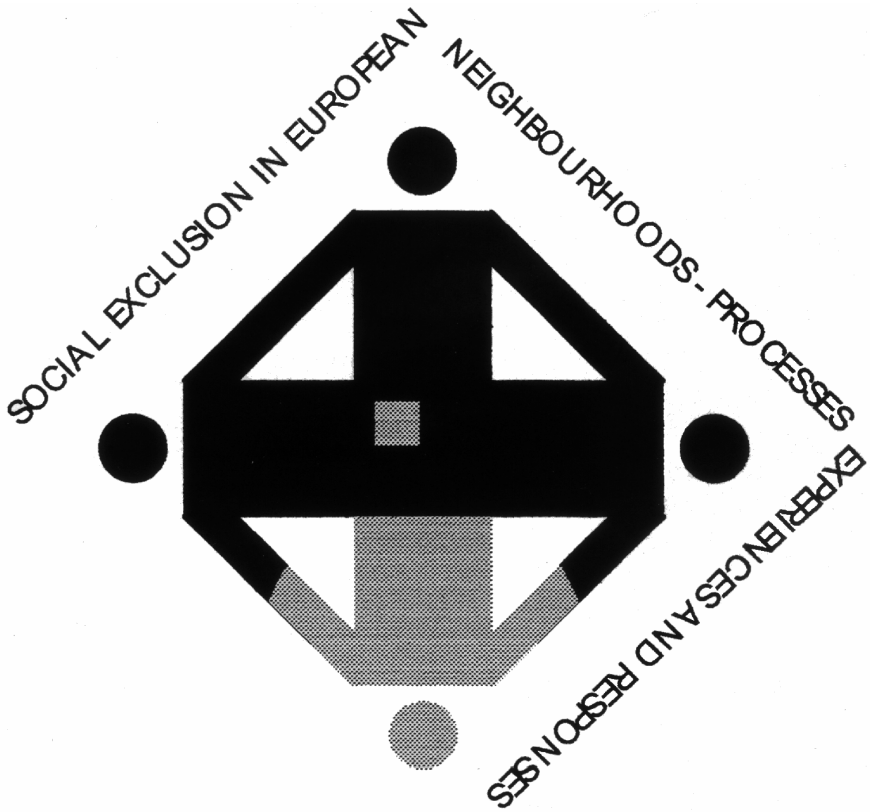
European Commission:
Targeted Economic and Social Research (TSER)
AREA III:
RESEARCH INTO SOCIAL EXCLUSION AND SOCIAL INTEGRATION IN EUROPE
Project: Contract SOE2-CT97-3057



FINAL REPORT

SOCIAL EXCLUSION IN EUROPEAN NEIGHBOURHOODS - PROCESSES, EXPERIENCES AND RESPONSES

Royal Institute of Technology
Stockholm, Sweden
(co-ordinator)

Danish Building Research Institute
Copenhagen, Denmark

Centre d'Etudes Prospectives d'Economie Mathematique
Paris, France

Institut für Landes- und Stadtentwicklungsforschung des Landes Nordrhein-Westfalen
Dortmund, Germany

Praxis,
Athens, Greece

National University of Ireland, Maynooth
Maynooth, Ireland

Instituto Universitario di Architettura di Venezia, IUAV
Venezia, Italy

Grupo de Ecologia Social, Laboratorio Nacional de Engenharia Civil
Lisbon, Portugal

University of Newcastle
Newcastle upon Tyne, United Kingdom

University of Westminster
London, United Kingdom

TABLE OF CONTENT

1. EXECUTIVE SUMMARY

Social exclusion is not merely a specific single problem, rather it is a complex and multi-facetted phenomenon. Being poor, or unemployed, or belonging to an ethnic minority group living in a segregated neighbourhood are not conditions which, in isolation, provide evidence of social exclusion. Individuals can, despite these hardships, very well be part of a mainstream society. Having rich networks of relationships and taking part in a wide variety of social activities, individuals can have rich social and cultural lives.

Further the concept social exclusion is distinct in comparison to previously used concepts, such as poverty and marginalisation, by its strong emphasis on process rather than condition. These processes are of both individual and societal nature. Thus, privations of specific social or economic conditions does not necessary mean that an individual or group of individuals are excluded. However, it means that they become more vulnerable to social exclusion. The focus of process is also relevant by the fact that current structural changes in the economy lead to parallel processes of change in socio-economic conditions.

The definition of social exclusion used in this report is:

Social exclusion arises from processes of economic change which create new forms of social fragmentation, which mean that some groups are facing intertwined problems leaving them 'behind' and 'outside' and this threatens social harmony.

Social exclusion and the neighbourhoods - main hypothesis and research strategy
Two observations have guided our research. The first is that the processes of social exclusion have a particularly strong impact on certain specific groups. Groups specially exposed to the risk of exclusion vary from country to country. However, often migrants, ethnic minorities, long term unemployed, young people, one parent families and elderly people are among groups vulnerable and exposed to exclusion.

The second observation is that social exclusion often is concentrated in smaller areas within cities and rural areas. These 'pockets' of poverty are not only discernible within declining regions, but also within regions and cities which are economically buoyant. The spatial concentration of 'groups at risk' suggests that there are highly localised dynamics which are important to understand in developing effective policies and programmes to combat social exclusion. Thus, a neighbourhood perspective has advantages in that it can focus on local dynamics, i.e. processes taking a neighbourhood into decline. Also it allows analysis of the relation and interdependence between EU, national and local policies to promote social cohesion.

The main hypothesis of this research is that resources allocated to these neighbourhoods often are used ineffectively. Explanations for ineffectiveness relates to a lack of knowledge about the process leading to exclusion and that our knowledge about socially excluded neighbourhoods is limited in some respects. In order to use available resources effectively we need to know more about residents in these neighbourhoods; their ways of thinking, values, needs and aspirations.

Outline of report

In Section 3 a theoretical platform for understanding and analysing the concept of social exclusion is presented, followed by a description of research aims and objectives, and a description of the research methodology chosen. Section 4 describes the EU and members state polices to combat social exclusion. It also presents data on social exclusion, poverty and unemployment in member states.

In Section 5 the issues of social exclusion are related to a neighbourhood level. First processes of social exclusion are analysed and discussed, followed by a description of current approaches to combat exclusion and promote social cohesion. The concluding part of the section describes how residents assess their everyday life in these neighbourhoods.

In Section 6 the effectiveness of local policy approaches are assessed. Issues of deficiencies in provision of services, informal and formal networks and the need for new governance arrangements are discussed. Conclusions and policy implications are presented in Section 7. The concluding part of the report, Sections 8 and 9, contain acknowledgements and references, and a report about dissemination of results.

Research aims and objectives

The overall aim behind the research reported in this document was "to study social exclusion as a process in its spatial, cultural and policy dimensions". The specific objectives of the project were:

1. To explore and develop qualitative and quantitative indicators which capture the processes of social exclusion at the neighbourhood level and which can be applied in comparative analysis in a range of European Union countries

2. To describe and get a deeper understanding of everyday life in socially excluded neighbourhoods

3. To identify and compare forms of policy intervention in terms of their impact on counteracting processes of social exclusion

4. To identify the specific effects on social exclusion in the neighbourhood relative to current European Union policies and practices

Research process and methods

The research has been a collaborative process involving a team of researchers in nine countries working together over a long period of time. Its origins lie in a seminar on the theme of social exclusion and neighbourhoods sponsored by the University of Newcastle in January 1996. This seminar brought members of the team together for the first time and provided all members of the team with a working knowledge of aspects of and approaches to the problem in all the countries. At the end of the seminar, the team decided that it wished to collaborate over a longer period of time within a systematic framework and that it would seek European Union funding for a comparative research project in order to do this.

The work of the team following the Newcastle seminar has been structured in two stages. The first stage was designed to explore systematically the broad methodological and conceptual issues associated with the project, and the second stage was designed to generate a set of fully

comparable case studies in each of eight countries. Throughout, the research team has been committed to an approach which is rooted in the everyday experience of processes of social exclusion.

Current policy approaches in the EU and different member states

The main theme which runs through policies towards social exclusion is that social exclusion is a 'new' problem, requiring the discovery of 'new' approaches. Combating social exclusion can, thus, be characterised as a self-reflexive learning process, which assumes that governmental processes are as likely to be a part of the problem as a part of the solution. Solutions, therefore, will be based on creating new networks focused on the problems faced by specific groups but assembled in such a way that they reflect the nature of the life experience of the excluded group itself.

Policy approaches to social exclusion and neighbourhoods have a relationship with three other areas of policy making: policies for reforming welfare delivery systems, urban renewal and regeneration policies, and policies towards minority ethnic groups. The first area, most marked in the northern countries, is the attempts to reform the operation of formal welfare state institutions which followed on fiscal restructuring in the last two decades. In particular, there is an increasing understanding that social insurance systems based on the assumption of continuous employment over the lifetime of a worker do not function well in increasingly flexibilised labour markets. An associated problem is the need to restructure pay as you go pension systems financially in the face of demographic change (increased numbers of elderly people and falling birth rates). In a number of countries, 'poverty' and 'unemployment' traps are also created by the operation of cash benefit systems for unemployed people. Education and training systems provide another area of reform, in this case related to the changing skill requirements consequent on technological change. In the Latin Rim member states, the problems of reforming formal welfare institutions are very different. In these countries, 'welfare delivery' mechanisms rest very heavily on the role of the family and kinship. Consequently, the problem faced in these countries is to design new formal institutions or strengthen weak institutions in ways which reflect the impact of structural economic change and the changing nature of labour markets on household and family structures. Of particular significance is the generally increasing rate at which women are participating in the labour force, reducing the ability of family and kinship structures to sustain their members.

The second area of policy which is relevant to social exclusion and neighbourhoods is about urban renewal and regeneration. Neighbourhoods in which people at risk of social exclusion live are often also physically decayed. Increasingly, urban renewal and regeneration initiatives are seeking new ways of combining social and physical programmes. These approaches have also been a fruitful area for exploring new ways to deliver services and programmes, drawing in private and voluntary sector agencies in partnerships. An important part of these initiatives is the construction of 'institutional know how', that is, reconstituting relationships among organisations in a way which gives them a 'shared know how' relevant to the problem.

The third area of policy which is relevant to social exclusion and neighbourhoods relates to policies for addressing the specific problems of minority ethnic groups.

These conclusions suggest a number of qualitative indicators for assessing neighbourhood based efforts to combat social exclusion:

- How do formal *welfare delivery mechanisms* impact on individuals exposed to the risk of social exclusion? For example, are various activities and programmes targeted at unemployed coordianted? Are activities and programmes flexible and set up in collaboration with local agencies and residents? Do cash benefit systems generate unemployment and poverty traps? What types of support are delivered as direct services and what types are delivered as cash benefits? Do social insurance systems privilege some groups over others, e.g. unemployed over those who never entered the labour market? Do welfare systems have proactive ingredients, e.g. training and education?
- How are *policy targets* defined? Are policies area based or targeted on individuals? Are vulnerable groups defined? How is the neighbourhood located socio-spatially in terms of segregation and segmentation in the urban area? How are issues concerning spatial concentration of poverty addressed?
- How do *technological change and increasing flexibilisation* in the labour market affect workers in the neighbourhood? Do education and training systems, as well as labour activation policies, address these changes adequately? Have groups with 'special' need of support been identified? How are women, in particular, affected by labour market change? Where women are increasingly participating in the labour force, are there local mechanisms to share support for other family members (elderly people, childcare, etc)?
- How are the *concrete problems* facing people in the neighbourhood identified? What mechanisms exist for involving residents in the design of local initiatives? Are the potentials of informal networks of residents recognised? What mechanisms exist for coordination among professionals working in the neighbourhoods? To what extent are private and voluntary sector agencies involved and how are they involved? To what extent has the delivery of services from state, state sponsored, voluntary and private agencies been adapted to the life experiences of people living in the neighbourhood? To what extent do people working in the neighbourhoods have a ‘shared know how’?
- To what extent are the specific life-experiences of *minority ethnic groups* taken into account? What is the legal and citizenship position of immigrants? Are 'special' needs of minorities taken into account in polices and programmes? Are issues of 'equal right' part of policies?

Assessing the effectiveness of local policy approaches

Deficiencies in provision of services

When summing up the residents' assessments, as expressed in the national reports, a twofold picture emerges. The main picture, is a picture of dissatisfaction with the way that public services are delivered. However, in parallel some case studies also provide a more positive picture. Residents witness that both focus and mechanisms for delivery of services have improved. Responsible agencies have rethought and restructured their services, and the residents’ responses to these changes are positive. However, still the dominant feature of resident assessment is negative. The critique addresses a number of issues.

Does not meet the most urgent needs of residents

In many neighbourhoods, exist a discrepancy between on the one hand what the residents consider as their most urgent needs and on the other hand what actually is delivered by agencies and professionals. In the case studies different possible explanations to this discrepancy are indicated. One explanation is lack of knowledge, i.e. services are delivered

under the assumption that they are effective and meet the most urgent needs of the residents. The discrepancy is due to different perceptions of needs and problems among on the on hand residents and on the other professionals. In this situation the solution lies in creating new modes for information and communication, i.e. modes that are assessed as comfortable for various groups of residents to express their needs and ambitions.

The way that services are provided creates dependence rather than independence
In the cases studies are witnessed that the impacts of services and other activities delivered to the neighbourhoods have changed over time. The welfare systems, particularly in central and northern Europe were originally built up as delivery systems for providing the basic goods of life to households with low incomes and insufficient resources to manage everyday life. As witnessed in the national reports the welfare systems were seen as providers of an 'extra value', additional to values and qualities created by formal work (employment). Residents were regarded as active subjects whose welfare mainly depended on their own capacity in the formal labour market and their ability to take part in and utilise the informal networks of the neighbourhood.

Due to structural changes in the labour market and subsequent changes in society the role of services delivered to these neighbourhoods has changed. What used to be a welfare system that supported a life situation created by individuals has turned into a system that determines the lives of affected residents. The conclusion from our case-studies is not that the abolishment of public welfare systems would create incentives for residential activities and informal networking that could compensate for the withdrawal of public services. On the contrary evidence from the case studies show that a withdrawal of public service or cuts in welfare programmes often hit hard on residents in disadvantaged neighbourhoods, as financial or other possibilities to compensate for the public service offered seldom are in place. Informal arrangements and networking is in realty not a realistic alternative as such arrangements needs a platform, that is not in place, and time to grow. Therefore, cuts in public services often get as the immediate effect, an increased stigmatisation and feeling among residents of being abandoned and let down by the outside world.

Rather the case studies provide arguments for reconsidering the role and organisation of the welfare systems. A conclusion that emerges clearly from the case studies is that welfare systems must be developed with sensitivity and respect for the residents in the neighbourhood. Insensitively developed systems for welfare delivery, not paying respect to the needs, ambitions and aspirations of residents are likely to be poorly targeted and will create dependence. When deciding on organisation and focus of public services our case studies provide arguments for taking the starting point in a careful audit of existing residential activities and informal networking. By such an examination two advantages could be achieved. First, services could be more adequately targeted at problems and issues which residents regard as the most urgent. Second, this auditing activity makes it possible to develop public services in such a way that they become complementary and supportive to informal residential activities. Our case studies confirm that activities that can be influenced or are controlled by residents often become a base for 'more' and 'better'.

Networks
Two kinds of networks can be observed in the neighbourhoods studied in the project; one informal among residents, one formal among agencies and professionals. These networks have the following characteristics:

All the national report witness the existence of *informal networks among residents*. These networks play important roles in the most of neighbourhoods. The networks can have social, cultural and economic functions. Social networks have two roles. First they are a platform for social interaction and building of social relations among residents. Second they are modes for neighbours helping each other out in times of social hardship. The cultural networks are based on a common feature uniting a specific group of residents. Cultural networks are perhaps specially noticeable in the neighbourhoods, included in the project, with large immigrant populations. But cultural network need not only be based on ethnicity. In the case studies is also reported cultural networks based on religion, working-experience and shared political values. The economic networks are mainly related to employment, and dealing with issues of helping members of the network in finding a job or starting up a business.

In most of the national reports the value of these networks is deemed to be of extraordinary importance. The informal networks mean for some residents the difference between making it out or not. The performance of these networks is dependent on differences in historical, cultural and political contexts. One clearly visible difference has a clear geographical dimension. In the south of Europe many informal networks seem to have been stronger than in the northern parts. This can be explained by the fact that public welfare systems in the north have been more comprehensive than in south. Another conclusion that can be drawn from the case studies is that the informal networks are fragile and to large extent dependent on the general development in the neighbourhood.

In parallel to the informal networks of residents exist *formal networks*. In these networks agencies and professionals are the nodes. The formal networks are complex in that they often include a substantial number of actors, i.e. public agencies within different sectors (e.g. social services, education, employment etc) and also agencies on different geographical levels (neighbourhood, city/municipality and region). Further complexity is added as agencies consist of individuals, not seldom with ambitions and interest that vary considerably. A common feature explicitly expressed as an objective in most of the case studies is the ambition to co-ordinate the variety of service delivered to the neighbourhood. Thus the challenge is to co-ordinate sectorial, hierarchical and professional interests.

Thus, the reality facing the neighbourhood included in our project is the existence of two parallel networks; informal and formal. Taken together these networks have a substantial impact on every day life and the welfare for residents in these neighbourhoods. However, the problem is that the formal and informal networks are often not interlinked, there is no ‘web’ tying formal and informal networks together despite residents’ and professionals’ joint interest in improving the neighbourhood. Consequently, the strategies and measures taken within the informal and the formal networks are often poorly co-ordinated. Our current research concludes that this lack of links and webs between networks contributes to the ineffective use of available resources. Residents are not involved in service provision and, consequently, there is a discrepancy between what is delivered by the professionals and what residents assess as their most urgent needs.

The need for new governance structures and mechanisms

Thus a conclusion from the case studies is that resources allocated to disadvantaged European neighbourhoods are used ineffectively. This ineffectiveness can be addressed in relation to different specific issues, e.g. needs versus actual delivery, stigma, and dependence versus

independence. However, we also argue that overcoming these deficiencies calls for a more 'open' approach to urban regeneration. Regardless of quality of specific services or activities they will not be effective unless they are integrated in a development process that fully recognises all stakeholders and issues at stake. Our conclusion is that the ineffectiveness described in the case studies must be recognised as causes of deficiencies in the local governance structures, which are not adequate for addressing the problems in disadvantaged neighbourhoods in contemporary Europe.

Obstacles and resistance to change

The effectiveness of service allocation can be questioned on grounds that there is a mismatch between on the one hand needs and on the other what actually is delivered. An explanation to this mismatch might be *organisational obstacles*, i.e. the public agency is not capable or willing to deliver what is regarded as most urgent by the residents. If the most urgent problems pointed out by the residents should be taken as a staring-point for specific measures in the neighbourhood, often a rather radical restructuring of the organisation of public services would be required. In some cases meeting the needs of the residents would call for a redistribution of resources between different public agencies. In theory, this kind of reallocation is uncomplicated. No one can question that public resources should be allocated to meet the most urgent needs. However the case studies show that real life is more complex than theory. In reality a number of obstacles for reallocation of resources appear. An agency's role and power is often related to its size and the amount of resources available. Reallocating resources can lead to the agency getting a new role, becoming relatively less important and powerful. There is an inherent resistance to accept changes that has this kind of effect. An assessment made in some the case studies is that 'new' organisational arrangements are valued both from resident and effectiveness perspectives. A keen ear and close relations between residents and professionals are assessed to be important 'new' features that have contributed to improved effectiveness.

Another aspect of organizational resistance to reallocation of resources lies in the structure of public work. From the reports of several countries is shown that public service to large extent is delivered by agencies and departments within a formal and rigid organizational framework. The resources for public services are allocated to departments, which in turn allocate money to different agencies within their jurisdiction. This principle for allocating resources create low incentives co-ordination in order to allocate resources to problems and issues assessed by the residents as the most urgent. Often collaboration and co-ordination between various departments and agencies are weak or non-existent. Not seldom are the relations between various department and agencies characterised by competition rather than collaboration.

A third organisational obstacle lies in the fact that the sectorial structure of delivery narrows the perspective. Rather than a focus on the neighbourhood and its needs the focus gets directed to 'your own' activity, e.g. an agency with the task of preventing juvenile delinquency is more likely to develop its own performance than to raise the question whether reallocation of resources and activities to the local school would be a more effective way of achieving the objectives of the activity.

Reasons to way services are not meeting the most urgent needs of the residents can also be understood in terms of *political obstacles.* These obstacles can have different explanations. In all case studies is clearly shown how globalisation and structural changes in the labour market have changed the social conditions for the residents of the neighbourhood and also the social

structure of the neighbourhood. The political responses to these changes in social conditions are in the case studies witnessed to be at the same time both responsive and inadequate. It is obvious that social exclusion has entered the policy agenda and received a high ranking. However, this political priority is not accompanied by a realisation that the 'new' problems of today call for 'new' approaches. The welfare systems successively built up after in the decades after the World War II are still in place. The incapacity of these welfare systems to address the most urgent needs of residents are most noticeable in the national case studies from countries in the middle and north of Europe. It needs to be underlined that the comprehensive picture given above is not unison. There is a growing realisation that the 'new conditions' of today calls for 'new approaches'. In several of the case studies 'new approaches' or at least elements of 'new approaches' can be observed.

A third reason to why current approaches do not meet the most urgent needs of the residents lies in *professional obstacles***.** As described above structural changes in society have significantly altered the social realities and problems of those served by professionals, so that there is a need for reformulating work methods, goals and priorities. However, these changes are not always embraced by professionals. On the contrary, there is often an outspoken or silent resistance to change based in the perception that existing professional roles and organisational structures are safe and habitual. At the same time, locally based officials and professionals may also be reluctant to change their practices because they exist at the peripheries of their own organisations and are not involved in the development of urban policies and programmes within their own agencies.

New arenas for communication, negotiation and decision-making
Our conclusion is that improved effectiveness requires the development of new structures and mechanisms for governance. The challenge lies in developing governance mechanisms and structures which recognise residents and other stakeholders with interests in the neighbourhood as well as reforming and/or creating new types of forums for communication, negotiation and decision making.

A first issue deals with the forums for interaction among the various actors with interests at stake. It is well documented, and clearly illustrated in the case studies, that present forums often do not function as intended. A problem reported in several case studies is that bureaucratic and organisational barriers make co-ordination and collaboration among public agencies difficult. From the perspective of residents, and also private actors and organised groups, existing forums do not invite their active participation. Rather, the structure and performance of the existing forums leave residents feeling discouraged about actively participating in the management and the development of their neighbourhood.

The second issue concerns communication and negotiations. While some individuals and organisations see the present forums as excellent bases of communication, others see them as less appropriate, discouraging or even frightening. The consequence is that some actors are reluctant to participate in communication and other feel shut out. This, in turn, leads to an 'information deficit' in planning and decision making processes for the development of the neighbourhood. Actors who are uncomfortable or who, for other reasons, do not participate in communication within existing forums lose their voice and the neighbourhood loses the possibility of using their knowledge and ideas as an input into decision making about the development of the neighbourhood. Thus, actors who do not enter the existing forums often

have very little possibility to influence the processes of negotiation and consensus building which usually precede decision making.

The third issue is that the role of residents in communication and negotiation needs to be more elaborated than is usually the case. In the regeneration and neighbourhood development programmes described in the case studies, residents are seen as a homogenous group of people, all sharing the hardship of living in a disadvantaged neighbourhood and, thus, sharing the same needs, values, hopes and life aspirations. Our project, and research by others, raises serious opposition to this kind of stereotyped cliché. Rather than comprising a single homogenous group, residents of a neighbourhood reflect as many needs, interests and ideas as there are varied individuals in the area. If this is not realised, ambitions to involve residents in neighbourhood management and regeneration processes can never be successful. Seen as a varied group of individuals, residents needs and interests will sometimes coincide and sometimes conflict. This complexity must be taken into account when establishing forums for communication and negotiation. A tentative conclusion is that the organisational forms for forums and the associated modes for communication and negotiation must be flexible, reflecting the preferences and resources among the groups and actors who have interests at stake and, therefore, want to participate in the process. This way of viewing communication and negotiation within neighbourhoods argues against models which are based on organisational effectiveness and expectations of large scale advantages.

The fourth issue reflects the division of power and power relations, on the one hand, and formal processes of decision making, on the other hand. The outcomes of communication and negotiation are partly dependent on the rules, regulations and legal frameworks for decision making, and partly depend on the power resources held by individual actors and how they deploy these resources to achieve their interests through negotiating strategies and coalition building. Work on sustainable regeneration indicates that there are severe problems associated with creating decision making procedures which guarantee a substantial influence to residents. The concept of governance which lies behind this proposal rests on the idea of ‘neighbourhood democracy’, that is, the restructuring of governance mechanisms in such a way that these mechanisms reflect and enlarge the scope of the ‘ordinary’ methods of conflict resolution used in everyday life by residents. The key to this concept of neighbourhood democracy is that it focuses attention on analysing the interests at stake and mediating conflict, rather than on formal decision making.

Conclusions and policy implications

Qualitative and quantitative indicators which capture the processes of social exclusion at the neighbourhood level and can be applied in comparative analysis in a range of EU countries
This work is developed in Sections 4.2 and 5.1. The conclusions to these sections are:

Cross national quantitative indicators only deal with large aggregates and from them it is only possible to see:

- Different patterns exist in different countries: From our data we can conclude that is not possible to understand social developments or to compare countries by using single indicators. Rather than individual indicators, it is the pattern of several indicators that can provide knowledge about social conditions. The analysis in section 4.2 shows how these patterns can be identified and interpreted. In the eight countries included in our research project two distinct patterns can be observed, a southern and a northern. If the project had included all fifteen member states it is possible that also other patterns could have been distinguished.
- Cross national qualitative indicators are identified in Section 4.2. What we have identified is a set of overall questions that should be answered for each country, but the specific indicators arise from national specificities and national data sets.
- At the neighbourhood level, indicators must address specific local patterns. The difference between the two English case studies suggests that there can be very distinctive local patterns. Section 5.1 identifies the questions to be asked.
- Section 5.1 distinguishes different kinds of neighbourhood indicators: One set is concerned with which vulnerable groups live in the area, second set is with land and housing markets operation to concentrate people, third set has to do with governance relationships.

A deeper understanding of everyday life in socially excluded neighbourhoods
This work is done in Section 5.3. The conclusions to this section are:

- The spatial *concentration* of people who are vulnerable to the effects of structural economic change supports the *containment* of this group in specific areas through the social process of stigmatisation. These two processes of concentration and containment form the economic, social and spatial structural framework within which people live their everyday lives in the neighbourhoods.
- There are two ‘inside’ processes which shape everyday life in the socially excluded neighbourhoods. The first is the demographic life cycle of neighbourhoods and the second is the creation of status differentiation within the neighbourhood. Demographic processes include conflicts between elder established residents and newcomers, and conflicts based on age and on ethnicity. Five dimensions can be observed for the processes of status differentiation; employment, quality of housing stock, participation in neighbourhood based organisations, ability to achieve ‘respectability’ and citizenship and immigration status and/or ethnicity. Both these processes tend to fragment and divide the population within the areas, which in turn leads to their weakness in representing themselves within the wider urban socio-spatial structure.
- From a governance perspective issues concerning relations between professionals and residents, and mediation of conflicts between residents have been addressed.

Policy intervention in terms of their impact on counteracting processes of social exclusion
Section 4.3 presents policy intervention on a member state level and Section 5.2 on a local level. The conclusions to these sections are:

- Social exclusion is an increasing concern on national as well as local policy agendas . However, sometimes the way interventions to combat social exclusion are carried out make the problem worse, partly by increasing stigmatisation, partly by not recognising the specific experience of people in the neighbourhoods, but mostly because it does not involve people in neighbourhoods in a way which develops and supports their self-activity as a collective.
- Existing organisations often are conservative, reluctant to change. Noticeable is that creating a new organisation, in itself, stimulates innovation and the search for new solutions.
- We have observed the parallel existence of formal and informal networks, often with a high level of agreement about the problems and appropriate solutions, but they are not tied together in ways which support collaborative approaches.

Specific effects on social exclusion in the neighbourhood relative to current EU policies and practices
Section 4.1 presents our findings about the local impact of EU policies to combat social exclusion. The conclusions to this section are:

- Some countries, particularly those highly dependent on EU funding, are uncritically adopting the EU approach, i.e. developing national policies and programmes not primarily to meet the most urgent needs of disadvantaged neighbourhoods, but rather to conform with EU policies.
- Poverty, urban regeneration, marginalisation (from looking at national policies) – need for EU to take initiative linking these issues spatially. The Sustainable cities policy presents considerable potential for developing this approach. Particularly important: some marginalised groups are institutionally invisible. As economic change proceeds, this is a problem which needs continuing attention because the change creates new marginalised groups.
- Economic change implies flexibilisation of labour. There is a need to address barriers to people 'flexibilising' themselves. Flexibilisation means very different things for people in different segments of labour market. There is an urgent need to understand how the institutional structure of the labour market interacts with neighbourhood processes of social exclusion in designing appropriate policies for people entering the labour market from these neighbourhoods.
- While substantial structural changes can be observed in the in the economic system for production, traditional welfare systems, have been subject to cuts, but fundamentally remained intact in terms of focus and structure. At national and EU level, attention needs to be directed to ensuring education, welfare benefits, and housing systems adapt to changed economic structures and processes of flexibilisation.

2. INTRODUCTION

2.1 What is social exclusion?

Social exclusion is not merely a specific single problem, rather it is a complex and multi-facetted phenomenon. Being poor, or unemployed, or belonging to an ethnic minority group living in a segregated neighbourhood are not conditions which, in isolation, provide evidence of social exclusion. Individuals can, despite these hardships, very well be part of a mainstream society. Having rich networks of relationships and taking part in a wide variety of social activities, individuals can have rich social and cultural lives.

Further the concept social exclusion is distinct in comparison to previously used concepts, such as poverty and marginalisation, by its strong emphasis on process rather than condition. These processes are of both individual and societal nature. Thus, privations of specific social or economic conditions does not necessary mean that an individual or group of individuals are excluded. However, it means that they become more vulnerable to social exclusion. The focus of process is also relevant by the fact that current structural changes in the economy lead to parallel processes of change in socio-economic conditions.

The definition of social exclusion used in this report is:

Social exclusion arises from processes of economic change which create new forms of social fragmentation, which mean that some groups are facing intertwined problems leaving them 'behind' and 'outside' and this threatens social harmony.

2.2 Social exclusion and the European Union

There is increasing policy concern about the processes of social exclusion within the European Union in general. In many countries rapid changes in the social conditions can be observed. An increasing social and economic gap is emerging between various population groups. While some groups are benefiting from the increasing economic and cultural integration within the European Union, others face increasing difficulties. For substantial groups of citizens the last few years can be described as a vicious circle that is successively taking them into poverty.

The EU recognises the dangers of increasing social divisions and social polarisation and the necessity for measures to increase social cohesion and to reintegrate excluded groups. The concern is shared by member states. Thus there is a common understanding of the seriousness of the social problems we are facing and also about the need for urgent action. Over the last few years social exclusion has become an issue with high priority on the political agendas in most member countries. In several countries special government committees have been set up and given the task to analyse mechanisms of social exclusion and to develop strategies to promote integration. As a result of this activity we can see newly adopted and emerging programmes in member countries, including improved concepts for addressing issues of exclusion and integration. It is worth noting that this activity, in many countries, has a close relation to ongoing research. Thus, we can see that findings from our ongoing and other

parallel projects, disseminated via various channels, have impacted on ongoing reformulation of social policies.

In conclusion can be said that an improvement of regeneration programmes is clearly visible in member countries. However, notably a lack of knowledge and understanding about how to tackle problems of social exclusion seem to be common for member countries. The ultimate objective of this project is to improve knowledge and increase understanding of how problems of social exclusion can be tackled.

2.3 Social exclusion and the neighbourhoods - main hypothesis and research strategy

Two observations have guided our research. The first is that the processes of social exclusion have a particularly strong impact on certain specific groups. Groups specially exposed to the risk of exclusion vary from country to country. However, often migrants, ethnic minorities, long term unemployed, young people, one parent families and elderly people are among groups vulnerable and exposed to exclusion.

The second observation is that social exclusion often is concentrated in smaller areas within cities and rural areas. These 'pockets' of poverty are not only discernible within declining regions, but also within regions and cities which are economically buoyant. The spatial concentration of 'groups at risk' suggests that there are highly localised dynamics which are important to understand in developing effective policies and programmes to combat social exclusion. Thus, a neighbourhood perspective has advantages in that it can focus on local dynamics, i.e. processes taking a neighbourhood into decline. Also it allows analysis of the relation and interdependence between EU, national and local policies to promote social cohesion.

The main hypothesis of this research is that resources allocated to these neighbourhoods often are used ineffectively. Explanations for ineffectiveness relates to a lack of knowledge about the process leading to exclusion and that our knowledge about socially excluded neighbourhoods is limited in some respects. In order to use available resources effectively we need to know more about residents in these neighbourhoods; their ways of thinking, values, needs and aspirations.

2.4 Outline of report

In the following section (3) a theoretical platform for understanding and analysing the concept of social exclusion is presented, followed by a description of research aims and objectives, and a description of the research methodology chosen. In Section 4 social exclusion within the European Union is focused. The section describes the EU and members state polices to combat social exclusion. It also presents data on social exclusion, poverty and unemployment in member states.

In Section 5 the issues of social exclusion are related to a neighbourhood level. First are processes of social exclusion are analysed and discussed, followed by a description of current

approaches to combat exclusion and promote social cohesion. The concluding part of the section describes how residents assess their everyday life in these neighbourhoods.

In Section 6 the effectiveness of local policy approaches are assessed. Issues of deficiencies in provision of services, informal and formal networks and the need for new governance arrangements are discussed. Conclusions and policy implications are presented in Section 7.

The concluding part of the report, Sections 8 and 9, contain acknowledgements and references, and a report about dissemination of results.

3 THEORETICAL ISSUES AND RESEARCH METHODOLOGY

3.1 Theoretical issues

Throughout Europe, structural integration has proceeded in parallel with a growing concern about the disintegration of everyday social relations. Global changes clearly affect all of Europe. Some of the major factors affecting the whole of Europe include competition in global markets, deregulation of labour markets, fundamental technological change, new communications technologies, and pressure from migrants moving east to west and north to south.

From the European Commission's perspective, the changing socio-spatial structure of Europe presents substantial risks for the future of the European project. One aspect of these risks is increasing social division and exclusion:

> The Community cannot be satisfied with a 'two-speed society' breeding, as it causes poverty, exclusion and frustration. The single frontier-free market and monetary union constitute growth factors for Europe as a whole, but they are also risk factors for the weakest regions and social groups and must be accompanied by more dynamic policies in the field of economic and social exclusion (CEC 1992).

Thus, the key element in the Commission's approach to social exclusion is that the potential for social fracture threatens progress towards ever closer Union. The Action Programme to combat social exclusion and promote solidarity (CEC 1993) focuses on those groups who have been socially excluded from education, employment, housing, health and other social services and gives special emphasis to issues of gender, culture, ethnicity and race. More significantly, the programme emphasises interventions at a local level using methods which embrace active participation by those whom the European project itself disadvantages.

At the same time, the unification of the European space and transformation of its component welfare states both have a major impact on shaping its cities and urban society. These changes present other types of risk for the European project:

> The starting point for future urban development must be to recognise the role of the cities as motors for regional, national and European economic progress. At the same time, it also has to be taken into account that urban areas, especially the depressed districts of medium-sized and larger cities, have borne many of the social costs of past changes in terms of industrial adjustment and dereliction, inadequate housing, long term unemployment, crime and social exclusion.
>
> The twin challenge facing European urban policy is therefore one of maintaining its cities at the forefront of an increasingly globalised and competitive economy while addressing the cumulative legacy of urban deprivation. These two aspects are complementary (CEC 1997).

The risks associated with social exclusion and urban dereliction are linked. All major European cities are seeing the symptoms of growing social exclusion in their depressed neighbourhoods: increasing rates of long term unemployment, male joblessness, the feminisation of an increasingly casualised labour force, widening gaps in income levels, increasing disparities in educational attainment, deteriorating health and life expectancies for the poorest members of society. In many cities, these changes are highly visible in the spatial concentration of minority ethnic groups and the physical degeneration of the built environment.

The processes which link the unification of the western European space and the fragmentation of its urban life are complex. The main aim of this research is to analyse how these twin processes come together to affect life in specific neighbourhoods whose residents are bearing many of the costs these changes.

The aims of this section of the report are:

- To further develop the theoretical perspective outlined in the first stage of this research and reported in Madanipour, Cars and Allen (1998)
- To review some of the theoretical perspectives in sociology and social geography which can help in understanding the social dynamics associated with the segmentation of cities and the segregation of groups vulnerable to social exclusion into certain distinctive neighbourhoods
- To develop a synthesis which can inform the interpretation of the case studies which form the basis of the second stage of the research

This section of the report starts by outlining the perspectives developed in the first stage of the research. It continues by outlining some of the most relevant theoretical positions relevant to understanding the wider genesis of 'socially excluded neighbourhoods'. It then summarises the main results from two significant reviews of the literature on 'poverty neighbourhoods'. Both these reviews are highly relevant because they focus on the extent to which living in a 'socially excluded neighbourhood' sets up specific kinds of social dynamics within the neighbourhood which further disadvantage their residents. It concludes by outlining some of the main points which are relevant to interpreting the findings from the ten case studies of 'socially excluded neighbourhoods' in eight member states.

What is social exclusion? Perspectives on social exclusion and neighbourhoods

In the most general terms, social exclusion can be said to be a set of social processes which restrict the activities and opportunities open to specific social groups. The extent to which the idea of social exclusion has gripped the popular imagination leads to considerable ambiguities and variations in the use of the phrase, depending on both national and practical contexts.

The first stage of this research (reported in Madanipour, Cars and Allen 1998) identified three basic components of a micro-level concept of social exclusion specifically tailored to addressing the problem of linking societal processes of social exclusion and their effects on 'socially excluded neighbourhoods'. At this micro-level:

- Social exclusion can best be understood by concentrating on individuals in their social context and how *processes* of social exclusion interact with urban processes in ways which concentrate and contain individuals in specific types of neighbourhoods

- The *experience* of social exclusion can best be understood by examining the everyday lives of people vulnerable to the wider social processes of exclusion and by understanding how these wider processes generate specific social processes within neighbourhoods
- Localised *policy* responses to social exclusion in specific neighbourhoods may enhance processes of exclusion or they may support individuals and groups in addressing the effects of wider social processes of exclusion

Thus, the key to the concept of social exclusion which informs this research is the idea that, at the neighbourhood level, it can be understood as a set of social processes which are set in motion by changing societal relationships. There are three linked elements within this idea:

- Firstly, these 'neighbourhood processes' have their origin in broader economic structural changes which affect all groups within a given society and which, thus, change the nature of the relationships among those groups (cf Lipietz 1996, 1998). For example, the flexibilisation of wage relations is simultaneously a response to problems of global competitiveness and a fundamental change in the nature of the relationships between workers and employers.
- Secondly, these systemically induced changes in neighbourhood processes challenge the capacity of existing forms of urban governance, that is, the institutionalised patterns of social relationships among groups which shape public decision making. Within this view, the formal political arrangements of government are only part of governance relationships.
- Thirdly, the changing social order (structural order, social stratification and mechanisms of social control) restructures the social boundaries among different social groups and so, has an impact on the everyday lives of individuals.

This very broad starting point for the second stage of the research emphasises how the concept of social exclusion can be used to link together ideas about the nature of structural economic change with its impact on the lives of specific groups living in specific localities in urban areas.

Theoretical approaches to social exclusion: From the outside in

The empirical phenomenon underlying this research is clear enough. Poor people are concentrated in specific neighbourhoods within urban areas. However, explaining why some people, living in some places, come to be living in poverty and why spatial concentrations of poor people come to have certain social organisational features is more difficult.

The theoretical approaches which are reviewed in this section have been selected for three reasons:

- They are relevant to the policy orientation of the European Commission.
- They are relevant to the political and academic debates which characterise national policy approaches in the member states which have been studied in this research (see section 4 of this report).
- They are relevant to explaining the links between structural processes and the dynamics of neighbourhoods which contain concentrations of poor people

Globalisation and European welfare states

One way of looking at the recent history of the European Union is as a self-reflexive response to economic globalisation (cf Beck, Giddens and Lash 1994). The aim of ever closer union is simultaneously an attempt to internalise the positive aspects of processes of globalisation and to defend the region as a whole against the negative aspects of these processes. The reflexivity or democratic self-consciousness of unionisation links the creation of a competitive and flexible labour force throughout the region with protecting those specific social groups whose position is significantly weakened by globalisation.

This common way of interpreting European Union policy rests on a set of implicit assumptions about the ways in which 'welfare delivery systems' within member states will evolve in future. The concept of 'welfare delivery system' used in this research recognises the combined effects of both 'welfare state' institutions and kinship relations in ensuring the basic welfare of families. In practice, both the specific types of institutions and the ways in which they combine with kinship relations varies. As a consequence, both the current structures and the future trajectories of 'welfare delivery systems' are significant elements in grasping the how processes of social exclusion affect poor people (see section 4.2 and 4.3 of this report). Yet, the literature on globalisation rarely addresses the linkages between changing European and national economic structures and changes in welfare state structures. Rather it adopts, as van Kempen (1997) expresses it, a model of workers who are "left behind" by economic structural change.

Thus, it is useful at this stage to note that there are widely different perspectives on the future of welfare delivery systems. Roche (1997) speculates that a distinctive 'European social model' will emerge from these processes, a mode of integrating national welfare regimes into the Union's emerging social policy framework. Nevertheless, there is no clear understanding or agreement on the nature of the specific processes by which national welfare regimes may be knit into this 'framework' European social model. Liebfried (1993) imagines a process of decomposition and recomposition of national welfare regimes while others (Hantrais 1995, Cram 1993) are more optimistic about a progressive movement towards harmonised national regimes. In contrast, Kleinman (1996) argues that there are very distinct limits on the extent to which different national welfare systems can be harmonised primarily because of the immense financial implications which would be involved[1].

Structural change: How does it affect 'socially excluded neighbourhoods'?

This section outlines four different theoretical views about the linkages between socially excluded neighbourhoods and structural change.

Marginalisation

Hadjimichalis and Sadler (1995) argue for an approach founded on the concept of marginalisation. Their main interest is in explaining how inequalities are produced and reproduced. They see the European response to global economic restructuring as simultaneously engendering processes of economic integration, on the one hand, and social and spatial segmentation, on the other hand. The marginalisation of groups and spaces is an

[1] These limits are very clear in relation to the provision of social housing throughout the Union and it is possible to argue that the recent restructuring of state housing systems in a number of member states directly links the financial orthodoxy of unionisation with processes which spatially immobilise sections of the population at risk of social exclusion.

outcome of these processes, but they stress that this outcome is multidimensional and may be unevenly structured, both spatially and along the major dimensions of social cleavage (class, gender, stratification, income, relationship to public and private consumption, etc.). At the same time, they conceptualise marginality as both a signifier of the social 'other' and potentially a position of counter-hegemonic critique and power, although Pickvance (1995) is sceptical that this position provides a base for mobilisation.

The strength of Hadjimichalis and Sadler's position is in its grasp of a wider socio-spatial process, marginalisation, within which spatially located enclaves of social exclusion are seen as one possible and contingent outcome. It thus directs attention to teasing out the common processes which may link very different localised instances of social exclusion. The weaknesses of the position, however, are twofold. Firstly, and largely due to its roots in structuralist theory, the theory of marginalisation remains general enough to explain any localised outcome (cf Kemeny and Lowe 1998 for a discussion of this problem in comparative analysis). More specific middle range theories are necessary to distinguish whether there are significantly different forms of marginalisation which may result from different structural positions and/or specific situational configurations in different locales. The converse of this question is whether the same kinds of marginalisation may occur in different structural situations, which is the assumption that lies behind the European Union's approach to social policy (see section 4.1). Both these questions are of some significance for fully comparative research. Secondly, in emphasising marginality as a counter-hegemonic position within a broad political-economic perspective, Hadjimichalis and Sadler do not pay sufficient attention to the social mechanisms which come into play to sustain social order during a period of social structural change. At the very least, a theorisation of social exclusion needs to consider the problem of stigmatisation and deviance as methods of social control, and in a theory which is founded in a concept of space, the role of specific places in processes of stigmatisation and containment.

The theory of marginalisation tends to assume rather uncritically that 'socially excluded' places develop different (if not deviant) normative frameworks, or 'moral communities', which underpin counter-hegemonic processes. It is, thus, a weak basis for explaining why such processes might not develop. This particular interpretive problem assumes considerable significance in a period of structural change which alters relationships among all groups in society and which can be expected to generate changes in societal normative frameworks. In practice, the case studies in this research tend to indicate that spatial marginalisation and the stigmatisation associated with it tends to reinforce commitment to common societal values rather than undermine them.

The new urban poverty

The second broad approach to looking at the phenomena associated with social exclusion and neighbourhoods is Mingione's concept of the new urban poverty. This rests on a strong concept of poverty, which he summarises in the following terms:

> The concept is based on the idea that, for various reasons and for variable periods of time, a part of the population lacks access to sufficient resources to enable it to survive at a historically and geographically determined minimum standard of life and that this leads to serious consequences in terms of behaviour and social relations (Mingione 1993, 324).

Mingione goes on to indicate that the major social dimensions which determine the nature of poverty in different places are clearly culturally and historically rooted. He lists the following as requiring investigation in any particular situation: Ethnic division, unemployment and class position, family, kinship and community arrangements to support individuals[2]. At the general level, he argues that what is new about current forms of urban poverty is the coincidence of economic exclusion with stigmatisation and institutional isolation. The nature of postfordist economic regimes means that there is little prospect of escaping the new urban poverty for a large part of the population who lack the educational and professional qualifications relevant to these new forms of organising economic production. He highlights the problem of stigmatisation, as a social response, in a trenchant observation:

> Poverty as a process of being deprived of sufficient entitlements and resources may well drive subjects towards forms of behaviour which differ from those typically adopted by the non-poor population, particularly when the deprivation is so long-lasting and severe as to prevent any form of 'rational' project. But the poor are such because they are deprived and excluded and not because they behave differently or are dangerous or disturb the tranquil life-style of the non-poor (1993, 325).

At the same time, privatisation and the reshaping of welfare systems substantially reduce the capacity for public responses to such problems, leading to increased reliance on family and community resources by the new urban poor. Within this framework, Mingione raises the question of whether new forms of social solidarity can be established to improve the life chances of individuals caught in the new urban poverty.

The strength of Mingione's theory is that it clearly separates process and outcome by seeing the new urban poverty as generated by a set of separate processes associated with economic exclusion, stigmatisation and institutional isolation. Furthermore, the focus on the experience of poverty and the resources available to the poor are also strong points. It also provides a structured explanation of how kinship based welfare delivery systems are generated and sustained. However, there are two problems with this approach as a basis for looking at excluded neighbourhoods. The first is that the spatial distribution of the new urban poverty is regarded as contingent, largely explained by the particular features of specific locales. The second problem is that the sense of the social processes associated with creating the new urban poverty is unidirectional. Crudely put, massive social forces bear on the lives of individuals, who mobilise their own cultural and familial resources as coping mechanisms. This explanation, therefore, lacks an opening for identifying the structural conditions under which these coping mechanisms can be mobilised to form a basis of solidarity at either the neighbourhood or the societal level. Rather, his emphasis on stigmatisation and institutional isolation tends to suggest that such a project is difficult, if not unlikely.

The underclass

The third theoretical approach relevant to understanding social exclusion and neighbourhoods is based on Julius Wilson's work. In developing the idea of an underclass, Wilson (1987) was concerned to explore the effects of living in an almost completely separated "society within a

---

[2] The particular attention which Mingione pays to the role of friendship and kinship partly reflects his empirical research in southern Italy where these aspects of the welfare delivery system are especially significant. Not surprisingly, Italian public debate about social exclusion has been very strongly shaped by a strong concept of 'deep poverty' (see the national report on Italy).

society". There can be little doubt that the position of blacks living in American ghettos far outstrips in its intensity any area of social exclusion found in Europe (Friedrichs 1997) so that the relevance of Wilson's work is as a "limit case" in the European context. Building on detailed empirical research, he shows how ghettos generate spatially and temporally bounded forms of rationality in the behaviour of their residents. These bounded rationalities interact with processes of stigmatisation to reinforce the economic exclusion of black people, which, when coupled with the strong socio-spatial barriers which characterise American ghettos, leads to processes of socialisation which are shaped by the absence of alternative role models for young people. Thus, there is a particularly pernicious interaction between stigmatisation, socialisation and spatial barriers in ghetto formation which generates locally bounded behaviour which is self defeating in the context of the wider society.

The strength of Wilson's view is that it concentrates on the everyday lived experience of social exclusion and within this, focuses on the interaction between stigmatisation and socialisation as accounting for specific patterns of behaviour. This turns the spotlight onto the value structures within the larger society itself and how they are formed. Stevenson, discussing changes in value structures in Britain, comments that, "Crudely put, those people who formed their values fifty years ago lean towards a set of values that emphasise the family, puritanism, rigidity and the rule of law" (1997, 21). European value structures differ in some very important ways from American value structures. Nevertheless, the usefulness of Wilson's delineation of ghetto formation is that it implicitly raises the question of the uncritical use of the idea of a 'mainstream' society which underlies most uses of the concept of social exclusion. In other words, "integration and inclusivity" (Stevenson 1997, 23) also need to be seen as a function of the relationships between the larger society and particular groups within it. In practice, the European value structures which underlie policies to combat social exclusion are founded in societal commitments to integration and inclusivity which can be seen as having their roots in the same values which generated the various western European welfare state institutions. These societal values are, largely, missing in the American context. Thus, in the European context, theories which privilege the behaviour and values of excluded groups have less explanatory power than they do in the American context. Stigmatisation and socialisation may generate specific forms of behaviour and values in European socially excluded neighbourhoods, but these patterns of behaviour and values may be different from those generated in the United States.

There are also two other problems with using Wilson's work which must be noted. Firstly, the fundamental social cleavage which shapes this theory is race. Although race and ethnicity are dimensions of exclusion which are relevant throughout Europe (Smith and Blanc 1996), they are by no means the only relevant dimension of cleavage and may be more or less important in different national and local contexts (cf Mingione 1993). In the European context, employment is usually assumed to be the privileged variable in generating social exclusion, reflecting its taken for granted significance as a basis for solidarity in European social welfare models (cf Roche and van Berkel 1997). In the American context, employment tends to be regarded as important not for its socialising and solidaristic functions, but for its function as almost the only route to escape material poverty.

The second problem with using Wilson's work is the way it has been taken up by the popular media, so that the phrase 'underclass' has come to be widely used as an acceptable euphemism for what used to be called the disreputable, undeserving or feckless poor. The normative

valence of Wilson's concept has been reversed in this process, from a cry of outrage that such a situation should exist to an unquestioned justification for the poor treatment of large groups of people. This transformation of the moral content of the theory is itself a sign of the strength of processes of stigmatisation (cf Leonard 1998). The facility with which stigmatisation conflates radically different social phenomena means that it creates emotionally laden images which can then be uncritically applied to groups who may be highly heterogeneous. How such images come to be formed and are taken as justifying stigmatisation is a part of the social process which itself requires explanation. More significantly, it poses the question of the role of public discourses, as well as welfare state delivery mechanisms in providing structuring elements which support both the development of locally bounded rationalities and in the stigmatisation of such behaviour (van Kempen 1996 and 1997).

Citizenship

The fourth theoretical approach to understanding the phenomenon of social exclusion locates it in relation to the concept of citizenship associated with the work of TH Marshall. In the most general terms, the concept of citizenship which characterises the European social model is rooted in a view of social inclusion through the exercise of common citizenship rights to employment and to welfare (Roche and van Berkel 1997). Leisink (1997) argues that the balance within this model is shifting towards employment and away from social security systems. He sees the development of active labour market policies as indicating a shift from a system which aimed "to provide income support for those workers who were unable to earn their living because of unemployment, disability or old age, to one which concentrates on activating able-bodied young men and women to look for a job or undergo training" (Leisink 1997, 54).

The strength of this approach is that it focuses attention on the role of work and employment in social participation. This then allows a focus on the links between employment and other social citizenship rights: Civil and political rights, which are usually assumed to be universal in social democracies (but see Meehan 1997 and Garcia 1997 for a more precise view about the ways that ethnicity and nationality restrict these rights for some groups in different European member states) and social rights to support when unable to work. The key problem which this approach highlights is the question of whether full employment and/or full labour force participation does lead to social cohesion and/or integration (Leisink 1997). Is the European social model appropriate to a flexibilised labour force? Does flexibilisation create tensions within the labour force which undermine social cohesion? Can the European social model succeed without a sense of moral community as well? In a situation of structural unemployment, how is this sense of moral community to be created? What is the role of family and community resources or voluntary work in creating moral community? In other words, sustaining moral community depends on a sense of interdependence which is itself shaped by specific social structures. What forms of social regulation work most effectively in different social structures? Van Berkel (1997) speculates that in a postfordist context, neighbourhood (rather than employment) becomes a key variable because it is the locale within which a sense of interdependence can be most easily developed. Both citizenship and underclass theories have the strength of problematising issues related to 'moral communities' and/or societal value structures while simultaneously highlighting the normative dimensions of both social theory and the practical activity of policy making and implementation in relationship to social exclusion.

Theoretical approaches to neighbourhood dynamics: Insider perspectives

The approaches reviewed above emphasise the role of structural and societal processes in shaping what happens in particular neighbourhoods. Broadly, they conceptualise the social dynamics within neighbourhoods as shaped by societal processes. They are rather weaker in suggesting how locally generated social dynamics may interact with broader societal processes to shape the everyday lives of residents in 'socially excluded neighbourhoods'. Both van Kempen (1998) and Friedrichs (1997) present approaches which are more helpful in looking at the specific social dynamics of neighbourhoods in which there is a concentration of poor people.

Van Kempen develops the concept of localised frames of reference to explain how neighbourhood based social dynamics have their own logic. Her theory is based on two methodological assumptions. The first is that local dynamics can only be understood by looking at the everyday lives of residents in a neighbourhood. The second is that the urban socio-spatial fabric is characterised by definite breaks which socially isolate particular neighbourhoods. As a consequence, she questions the structuralist hypothesis that workers are 'left behind' by shifts in the spatial location or skills demanded by employers. From a localised perspective, the problem is accessing jobs when access to many jobs is mediated by recruitment practices which rely on informal networks among existing employees. At the same time, access to skills training, and other resources, is mediated by social professionals whose interaction with residents creates a generalised 'pygmalion effect'. This has been most clearly documented in schools, where teachers assume that the children they teach have limited employment possibilities. These expectations become internalised by students and a self-fulfilling prophecy is created. There is also evidence that access to and management of both *de facto* and *de jure* social housing is mediated by similar judgements about the type of housing that is suitable for different applicants. Through these 'pygmalion' processes, the attitudes and behaviour of both residents and local social professionals come together to create localised frames of reference which contribute to the social reproduction of the local situation. Her research illustrates the difference between, for example, nationally and locally based agencies in terms of their ability to adapt to residents' demands. Locally based services are more likely to meet the specific needs of local residents than nationally based services delivered locally. Localised frames of reference shape the extent to which landlord organisations are willing to respond to the ‘non-housing’ needs of their tenants or the extent to which they assume that tenants do or do not have the social capacity for active involvement in housing management or neighbourhood issues. Van Kempen also points to the significance of local social differentiation in shaping localised frames of reference. She argues that people evaluate themselves against other people whom they judge to be in a ‘similar’ or in a ‘different’ position from themselves. These differentiations may rest on different social characteristics than those which shape agencies’ views about service delivery. An example is the racist backlash against equal opportunities approaches by service delivery agencies. Localised frames of reference are also reinforced by the way that socialisation and stigmatisation operate together as locally situated processes, creating definite breaks in the urban socio-spatial fabric. While she follows Wilson (1987) and Wacquant (1997) in looking for the social processes which create these breaks, it is reasonable to assume that breaks in the physical fabric of urban areas may also be important, for example, the way the distinctive design of social housing may create a marker of stigmatisation both for residents and for the professionals associated with managing it. In general, stigmatisation means that 'outsiders' do not use the neighbourhood, creating its social isolation within the urban fabric and further cutting it off from access to 'external' networks.

Friedrichs (1997) takes the analysis of the dynamics of ‘social isolation’ further by isolating a set of propositions derived from a review of the literature on "poverty neighbourhoods" and their effects on residents. Friedrichs' review is framed as an attempt to set Wilson's work within the wider range of community studies. It, thus, is also useful for isolating the specific kinds of empirical questions which need to be answered in order to decide whether and how processes of ghettoisation characterise particular neighbourhoods in which there is a concentration of impoverished residents. The outcome of this approach is that he identifies a wide range of localised social processes which need to be examined in specific cases. These processes are outlined in the following list of points:

- The majority of people living in poor neighbourhoods are strongly oriented towards 'mainstream' norms and values. However, processes of Internal social differentiation within these neighbourhoods further marginalise specific 'deviant' groups living within them.
- In practice, localised systems of social differentiation mean that there is little social contact among significantly different groups living within neighbourhoods. The local social status of some groups is sustained by ‘keeping themselves to themselves’ and avoiding social contact with those groups who are considered to be of lower social status.
- In the most marginalised neighbourhoods, there is more of a tendency to attribute low status to external factors, such as economic change, than there is in less marginalised neighbourhoods.
- The depth and duration of poverty affecting people living in the neighbourhood restricts their social networks and what they see as feasible life projects. This enhances the significance of status comparisons with other residents within the neighbourhood and, thus, further contributes to internal fragmentation.
- Family and kinship assume an especially important social role in shaping norms and behaviour in poor neighbourhoods for a number of reasons. On the one hand, family becomes an important source of social support. On the other hand, stigmatisation, and sometimes fears for safety and security, mean that the privacy of family relations is important. The significance of these dynamics is that they further enhance social fragmentation within the neighbourhood through a 'withdrawal into family'. At the same time, they increase the pressure on families, and can contribute to family breakdown.
- The extent to which social networks and life projects are restricted to the neighbourhood increases the significance of local opportunities within neighbourhoods.
- Because the social networks of poor people are smaller and more spatially restricted, mechanisms which reduce comparisons between residents’ social and material positions and the wider world are important ways of coping with low status and stigmatisation. This tends to both further restrict what residents see as ‘feasible life projects’ and increase the social isolation of the area.

Both van Kempen and Friedrichs contribute to understanding the local social dynamics in ‘socially excluded neighbourhoods’ in a way which highlights how these dynamics contribute to creating specific kinds of ‘moral communities’ in these neighbourhoods and the ways in which social differentiation within the neighbourhoods contributes to social isolation, fragmentation and potential *fracture*. The strength of van Kempen’s view is that it sees these social processes as arising out of the interaction between residents and social professionals, which creates localised frames of reference. The strength of Friedrichs approach is that it

stresses how localised processes of social differentiation contribute to both sustaining residents living in the neighbourhoods and the reproduction of the neighbourhood within the urban socio-spatial fabric.

Much of the research that is synthesised by van Kempen and Friedrichs is based on single case studies or, in some cases, the methodological individualism which characterises large scale quantitative research instruments. As a consequence, it is difficult to situate the results in terms of societal structures and/or structural change. Nevertheless, their work is exceptionally useful in three ways. Firstly, by providing an account of different localised social processes, it provides a template which can be used to identify the ways in which individual life experiences can be situated in relationship to the dynamics of local social contexts. Secondly, by emphasising an everyday life perspective, they show the richness of this methodological approach in identifying the specific elements of localised social processes. Thirdly, the concept of localised frames of reference provides a way of relating localised social dynamics to the dynamics of systemic social change. In other words, localised frames of reference can be seen as the window through which there is an exchange between locality and structure.

Conclusions: The contribution of social theory to understanding neighbourhoods and social exclusion

This review of some of the key literature relevant to understanding the relationship between neighbourhoods which contain a concentration of impoverished residents and processes of social exclusion indicates three main ways in which the analytical framework for understanding these relationships can usefully be developed: Through developing a more subtle understanding of systemic social change, through elaborating the ways in which localised frames of reference link systemic change and localised social dynamics, and through addressing methodological issues in framing specific research studies.

Firstly, the problem with most structural approaches is that they assume that structural economic change is the single relevant driver of the social processes which affect specific locales. Consequently, studies using this approach tend to focus on changes in labour markets and their links with poverty and social exclusion. However, taking all the literature together suggests developing a wider, more multidimensional view of systemic social change within which structural economic change is only one component. In this view, other components of systemic change interact with, contribute to shaping and set limits on the ways in which structural economic change affects households, individuals and specific locales. This wider, more multidimensional perspective needs to encompass three specific analytical elements:

- The concept of systemic structure needs to include three specific elements. The first is economic structures. The second is seeing welfare delivery systems as a whole and welfare state institutions specifically as part of a systemic structure. This has the consequence of focusing attention on ways of identifying key differences in systemic structures in different countries in comparative studies. The third element of a concept of systemic structures is the idea that changes in these structures entail changes in the social relationships among all strata and groups within the structure. Analytically, this suggests that the impact of structural economic change on poorer or more marginal groups may be the result of changes which directly affect other social strata and which, in turn, affect the relationship between (especially middle strata) and marginal groups. The advantage of developing the concept of systemic change is that it provides specific linkages with the construction of localised frames of reference.

- The concept of systemic change needs to link the processes associated with the evolution of 'ever closer Union' and processes within the member states. This is because the economic and institutional development of the European Union inserts the self-reflexive creation of a 'new' system into the framework for looking at systemic change within member states. This will affect the evolution of particular institutional structures within the changing systemic structures of member states. In other words, the paths of systemic change within member states cannot be understood without situating them within the context of the formation of the Union as a set of European wide institutional changes in response to globalisation. Equally, the development of European social policy needs to be understood as constrained by the systemic structures within its member states. While this aspect of systemic change is undoubtedly important, there are real problems about conceptualising how the specific linkages (and their effects) will evolve. Consequently, any specific analysis needs to framed in a way which takes account of these uncertainties.
- The third element of a concept of systemic change is that it needs to take account of the social mechanisms which function to maintain social order in a situation of rapid and turbulent change. Two particular control processes are significant. One is the process of stigmatisation and the second is the relative slowness of process associated with changes in societal value structures (cf Lauristin *et al* 1997)[3]. These two systemic processes interact in two ways which are especially important in looking at 'socially excluded neighbourhoods'. One is the way in which stigmatisation functions to generate commitment to societal value systems and the other is the way in which the slowness of changes in value structures introduces generational divisions into the concept of systemic structures.

This concept of systemic structure and change can then be linked to views about localised social dynamics in 'socially excluded neighbourhoods' by using the concept of the social construction of localised frames of references. These frames of reference are constructed at the interface between systemic dynamics and local dynamics largely through the interaction between social professionals working in the neighbourhoods and residents living in the neighbourhoods. The position of social professionals is partly shaped by the changing organisational structures within which they work and which are frequently part of welfare state institutional structures, which in turn can be located within changing systemic welfare delivery systems. These organisational structures and the ways they are changing will vary among countries. However, the position of local social professionals is also shaped by their own social position in the middle strata of social structures. The interaction between social professionals and residents is equally shaped by the ways in which local processes of status differentiation among residents operate in response to the 'social isolation' induced by two wider social processes: stigmatisation and the spatial concentration and containment of poor people in specific neighbourhoods. Within this sense of local social processes, the social fragmentation and enhanced significance of family within welfare delivery systems, even in highly developed welfare states, begins to make sense. Thus, the social construction of localised frames of reference can be seen as reinforcing the spatial concentration and social containment of poor households, in turn, reinforcing 'social isolation'.

[3] Lauristin *et al's* analysis compares changes in societal value structures in Estonia, undergoing rapid transformation, and Sweden where change is less rapid and more incremental. Nevertheless, in both countries the slow, intergenerational pace of change in societal value structures is similar.

The methodological implications of developing the concepts of systemic structural change and localised frames of reference together in the ways outlined above are fairly straightforward. Research based on this kind of theoretical approach needs to be shaped in order to do six things:

- Identify the ways in which specific neighbourhoods can be located within processes of systemic change
- Frame case studies in ways which ensure that they are as comparable as possible across national boundaries
- Focus on those aspects of everyday life which can be linked to systemic change
- Situate local social dynamics in relation to systemic change by examining the ways in which the interaction between local social professionals and local residents constructs localised frames of reference
- Distinguish between the land and property market processes which lead to the concentration of poor people in specific neighbourhoods and the social processes which lead to their containment (stigmatisation and social isolation)
- Identify the ways in which both systemic change, the heterogeneity of social groups living in an area, and local social dynamics generate social fragmentation within the neighbourhoods

Synthesising a perspective

This review of what can be gained from the theoretical literature relevant to the problem of linking processes of social exclusion and process within impoverished neighbourhoods suggests that there are three key elements in synthesising a perspective to support the interpretation of the empirical research reported in this study. Firstly, it contributes to developing a wider view of the 'living conditions' of poor people which can be linked to understandings of the processes of social exclusion. Secondly, it contributes to understanding how systemic change in social relations affects all groups in a society through processes of the 'recomposition' of European society. Thirdly, it suggests ways in which these perspectives can be carried through into developing policies to combat social exclusion as it is manifest in specific neighbourhoods.

Living conditions

The concept of social process is central to understanding the nature of social exclusion and its effects on the lives of people who are especially vulnerable to these processes. This can be contrasted with ways of studying ‘poverty’ which see people’s material conditions as a simple product of social functioning.

Although studying social exclusion can build on many of the same methods that have been used to study poverty[4], looking at it as more than “just” material poverty emphasises additional aspects of the problem. Such a wider perspective is reflected in national policies towards social exclusion:

[4] See the German report for an excellent review of different methodological approaches to empirical studies of poverty.

- The Italian and Danish reports stress that social exclusion can be though of as a kind of poverty which cannot be escaped without external aid.
- The Swedish, Danish, Portuguese and United Kingdom reports indicate that the systemic effects of social exclusion are significant. National policies in these countries explicitly see social exclusion as a social process which threatens the social balance and social harmony.
- The Italian and Portuguese reports argue that social exclusion is a kind of poverty which "installs in the social tissue a set of processes which disrupt normal social functioning" as a consequence of systemic changes which fragment the conditions of social mobility and disrupt the link between 'normal' expectations and realistic possibilities for the most vulnerable groups.

In several reports, 'poverty' is characterised as a transitory state from which individuals and households can escape. Social exclusion, on the other hand, is a state of being trapped in poverty. As a consequence, any concept of the 'living conditions' of those trapped by social exclusion needs to include considerations of the specific social processes which close the trap. These include, for example, the local socio-political processes which limit people's ability to give voice to their experience, and hence, erode their political rights and ability to change their circumstances. If localised frames of reference constitute the window of exchange between local social dynamics and systemic change, it may well be that the window is firmly shut.

Social exclusion and systemic change

Social exclusion is an emergent characteristic of the reconstitution of European society, both internally as a function of 'ever closer Union' and as a consequence of the changing position of the European Union in an international order. In other words, what is happening is the constitution of a 'European' society where Europe is seen as a whole rather than as a set of fifteen separate member states. There are a number of specific implications of this perspective. Firstly, social exclusion cannot be separated from the promotion of competitiveness through processes such as flexibilising the labour force. Flexibilisation follows a logic of decomposing and homogenising the labour force across the member states. Secondly, flexibilisation is related, in turn, to processes of the recomposing the bases of social differentiation within the European space, for example, through the processes which are associated with regionalism within member states, or with the ethnically based nationalism and racism reinforced by ‘closing the European borders’. Thirdly, these processes affect the relationships among all groups in a society, both those who are materially better off and those who are poor. Flexibilisation affects middle strata and lower strata in different ways. Harmonisation of working conditions across the Union is designed to ensure that, within each member state, insecurity of employment cannot be used as a method of denying access to particular social citizenship rights (eg unemployment insurance, pensions, etc). An increasing proportion of the 'middle strata' (including social professionals) work under increasingly insecure employment conditions (cf Hutton 1996, Lipietz 1996 and 1998). For the lower strata, flexibilisation is more a matter of casualisation. Nevertheless, as middle strata feel increasingly insecure, they seek to increase their relative security at the expense of lower strata. Thus, one strategy for managing the implicit conflicts between strata is to 'socially exclude' the lower strata in ways which both limit their access to employment opportunities and to the political mechanisms for contesting these limits. Fourthly, these processes have implications for looking at the ways in which national societies are being recomposed within the European project. Of particular importance is the role of different types of welfare states in shaping the living conditions of groups exposed to structural change. Within this point of view, welfare states need to be

conceptualised not simply as mechanisms for 'correcting the deficiencies of markets in distributing income and well-being', but also as a set of social, political and economic structures which maintain and regulate social relations as a whole and which have their own specific efficacy in determining the living conditions of groups exposed to processes of social exclusion. Fifthly and finally, this discussion indicates the underlying social processes which give discussions of the 'underclass' such high political salience. It expresses the fear that some strata are excluded not just from material wealth and well-being, but also from the forms of political participation which allow them to contest their position within 'normal democratic processes'. As a consequence, there is a fear that increasing social exclusion will lead to rebelliousness and social *fracture*. These fears are never far from the surface in the way that social exclusion is discussed in both national and European policy formulation.

Developing new policy approaches to social exclusion and neighbourhoods

These observations about the nature of processes associated with social exclusion have a two significant implications for generating effective policy responses to the problem.

Firstly, there is the problem of ‘joined up thinking’, as the United Kingdom discussion puts it. If the integration of welfare states into processes of societal management is part of the problem, then solutions need to recognise the significance of the size and functional divisions within welfare states. Each department serves its clients (elderly people, disabled people, unemployed people, etc). Moreover, both health and education services are important in supporting individuals' abilities to challenge and/or alter living conditions. While each of the elements of the welfare state is ‘client based’, the problem is that the ‘client’ may often be, simultaneously, a client of separate and multiple services. In these circumstances, it is often the individual client who is, *ipso facto*, responsible for ‘joining up’ the various services.

The problem with the 'joined up thinking' approach is that it can easily slide into initiatives aimed at 'better coordination' at all levels of government. As some of the case studies show, 'better coordination' can, in some circumstances, simply lead to more bureaucratic obstacles to change if it is implemented in a top down fashion and overly concerned with narrow views of accountability which emphasise output over outcome. Thus, it is better to conceive of the call for 'joined up thinking' as useful only when it is rooted in the everyday life experiences of residents in 'socially excluded neighbourhoods'. Looked at in this way, the criteria which should govern the development of new policy approaches to these neighbourhoods are flexibility and openness, rather than 'coordination'. It is quite possible that well focused and designed small scale initiatives will have a larger impact on individual's living conditions than comprehensive and coordinated strategies. In addition, the design of specific initiatives need to reflect the extent, quality and comprehensiveness of the delivery of basic welfare state functions, so that the type and scope of initiatives may vary across countries.

Secondly, the level of generalisation which characterises theoretical approaches to thinking about social exclusion tends to generate an ecological fallacy when applied at the neighbourhood level. If those who come to be excluded socially are seen as spatially concentrated in particular neighbourhoods, then there is a tendency to see the problem as one of the ‘area’ rather than as one which affects different social groups who happen to live within that area. Consequently, the ecological fallacy tends to lead to ‘area’ approaches, and at its worst, may confuse the physical conditions of the area with the social consequences of exclusion. Such an approach may lead, for example, to upgrading of the housing stock while

ignoring the ways in which the social processes associated with living in that stock further disempower those who had no choice about living in it in the first place. Similarly, replacing deteriorated school buildings does not address the issues of leadership which are required to improve the quality of education. In the worst circumstances, the ecological fallacy combines with the 'departmentalism' of welfare state delivery structures to obscure the ways in which the middle strata who work in welfare state services in neighbourhoods (teachers, health care workers, social workers, etc) have a generalised social positional interest in sustaining processes of social exclusion.

3.2 Research aims and objectives

The overall aim behind the research reported in this document was "to study social exclusion as a process in its spatial, cultural and policy dimensions". The specific objectives of the project were:

5. To explore and develop qualitative and quantitative indicators which capture the processes of social exclusion at the neighbourhood level and which can be applied in comparative analysis in a range of European Union countries

6. To describe and get a deeper understanding of everyday life in socially excluded neighbourhoods

7. To identify and compare forms of policy intervention in terms of their impact on counteracting processes of social exclusion

8. To identify the specific effects on social exclusion in the neighbourhood relative to current European Union policies and practices

3.3 Research process and methods

The research has been a collaborative process involving a team of researchers in nine countries working together over a long period of time. Its origins lie in a seminar on the theme of social exclusion and neighbourhoods sponsored by the University of Newcastle in January 1996. This seminar brought members of the team together for the first time and provided all members of the team with a working knowledge of aspects of and approaches to the problem in all the countries. At the end of the seminar, the team decided that it wished to collaborate over a longer period of time within a systematic framework and that it would seek European Union funding for a comparative research project in order to do this.

The work of the team following the Newcastle seminar has been structured in two stages. The first stage was designed to explore systematically the broad methodological and conceptual issues associated with the project, and the second stage was designed to generate a set of fully comparable case studies in each of eight countries. Throughout, the research team has been committed to an approach which is rooted in the everyday experience of processes of social exclusion.

Stage One: Identifying methodological and conceptual approaches

The first stage of the research process was a set of initial case studies by members of the team which were designed to:

- Identify feasible objectives for further collaborative research
- Identify the main parameters for comparisons across the countries
- Develop specific hypotheses which could frame a set of fully comparable case studies

This stage is reported in Madanipour, Cars and Allen (1998). It is based on an initial set of case studies which identified three key components in examining the relationship between neighbourhoods and social exclusion:

- Social exclusion can best be understood at the micro-level by concentrating on individuals in their social context and on how *processes* of social exclusion interact with urban processes which contain individuals spatially in specific types of neighbourhoods
- The *experience* of social exclusion can be studied, firstly, by looking at the ways in which absence of access to work, to decision making and to common cultural practices influences everyday life, and secondly, by understanding how this generates specific social processes within neighbourhoods
- Localised policy *responses* to social exclusion and neighbourhoods must address the lack of support for individuals and groups to escape unaided from the effects of structural change on their lives

This broad understanding generated the specific objectives set out in section 3.2 above, a set of specific hypotheses to underpin fully comparative case studies (see Appendix A), and the need for three ancillary studies to support these further case studies. The supporting studies, carried out in parallel with and informed by the further case studies, were designed to:

- Review the major approaches in sociology and social geography which were relevant to determining gaps in the theoretical understanding of how processes of social exclusion affect neighbourhoods
- Review the development of European Union policies relevant to its focus on social exclusion
- Review the major quantitative indicators relevant to social exclusion which are available on a fully comparable basis across all member states

Stage Two: Conducting detailed comparative case studies in eight countries

The research team remained committed to the case study approach because it is the best method for linking three major concerns central to the research objectives:

- Identifying the effects of social exclusion on the everyday life of individuals
- Locating individuals in their social context and understanding how social relationships within neighbourhoods affects their everyday lives

- Identifying the impact of localised policies for neighbourhoods on social relationships within the neighbourhoods and on the 'place' of the neighbourhood in the wider urban fabric

Developing fully comparable case studies across the eight countries included in the research requires careful attention to developing a research method which specifies key variables in a way which recognises the impact of cultural and institutional variation among countries. Consequently, the field work was developed in three steps to allow full collaboration among the team members in addressing these problems. Each of the steps was preceded by a full team meeting:

Step 1: Agreeing detailed methods for the case studies.
Building on the experience and analysis of the initial set of case studies, team members agreed:

- The format and content for reports on national approaches to and policy for combating social exclusion:
  - Current policies to combat social exclusion and an assessment of its priority on the political agenda
  - How the concept has emerged in national policies and how it is interpreted
  - Which groups are considered to be subject to processes of social exclusion
  - The division of responsibility for combating social exclusion between national, regional and local levels of government
- The detailed hypotheses to be explored in the second round of case studies (see Appendix A)
- The criteria for choosing the neighbourhoods for the second round
  - Neighbourhoods which are identified as stigmatised in local social and political processes and which contain significant groups of people vulnerable to social exclusion
- The criteria for choosing the samples of local residents and social professionals working in the neighbourhoods
- To include residents in three groups identified as vulnerable in all countries; unemployed, on social welfare and immigrants
  The selection of social professionals would reflect institutional arrangements within each country
- The main topics to be covered in interviews with both local residents and social professionals

Step 2: Reviewing progress
Building on the work done to date, the team met to:

- Consider the final reports on the national policy contexts in order to:
  - Identify the major similarities and differences among countries at this level
  - Consider how differences at the national level these might affect experience at the neighbourhood level
- Review progress on the neighbourhood studies
  - Identify main themes which were emerging at this stage
  - Identify whether their understanding of national policies and the themes emerging at neighbourhood level required additional work to ensure comparability among the case studies

- Agree a format for writing up the final versions of the neighbourhood studies in a way which would reflect the team's common understanding of social exclusion and neighbourhoods

Step 3: Interpretation and policy implications
At its final meeting, the team:

- Considered the final drafts of the neighbourhood studies
- Identified the main cross-national findings emerging from the neighbourhood studies
- Construct a common framework for interpreting the team's findings which reflected the disciplinary expertises of team members, the variations in national approaches and the similarities and differences in everyday experiences among the neighbourhoods
- Identify the major policy implications arising from the national studies

4. SOCIAL EXCLUSION AND THE EUROPEAN UNION

The section of the report sets out the general context within which the study of neighbourhoods and social exclusion has been carried out. The first part explains the evolution of European Union policy directed towards combating social exclusion and the second part looks at key indicators of unemployment and poverty for the Union as a whole and for the member states included within this study. This examination, based on fully comparable data for the eight member states in the study, provides the basis for understanding how the changing European economic space affects specific member states differently. More detailed information, included in each of the national reports, is based on national data sources which cannot always be readily compared.

4.1 The evolution of European Union policy to combat social exclusion

A specific awareness of social exclusion entered the European Union's agenda in 1989. Its policies targeted against exclusion focus primarily on exclusion from job markets, reflecting the basis of its powers in the treaties which form its constitutional basis.

In 1957, the Treaty of Rome set up the European Social Fund. The aims of the Fund are to fight long term unemployment to facilitate entry into employment by young people and others. These were set within the more general purpose of building social cohesion within the European Community.

Between 1957 and 1974, European programmes focused on economic policies and the initiatives required to build a European community capable of facing increasing international competition. During this period, there were a limited number of social programmes targeted towards specific groups (eg women and handicapped people) and towards specific types of action to improve working conditions.

In 1975, the Council of Ministers passed the first Social Action Programme aimed at fighting poverty, with a budget of ecu 20m. In 1984, the second Social Action Programme (known as Poverty 2) was agreed with a budget of ecu 29m. Both these programmes focused on social innovations and on the exchange of experience among member states.

In 1988, the Commission published the Interim Report on Specific European Actions in the Fight against Poverty. This report formed the basis for several key decisions taken in 1989, including:

- Creating a Social Charter, outlining specific social rights within the European job market. The Charter was not compulsory on all member states and was not endorsed by the United Kingdom.
- Setting up a group concerned with Poverty and Social Exclusion, to advise on the development of European policy.
- Passing the third Social Action Programme (Poverty 3) with a significantly increased budget of ecu 59m. While the Programme was still focused on social innovation and the

exchange of experience, it also included two significant new features. The first was the need for better co-ordination of European actions towards disadvantaged groups and the second was the need to improve the knowledge base about these sections of the population throughout Europe.

- Setting up National Observatories, within the European Social Fund, on policies for combating social exclusion. The aim was to increase the efficiency of policy in this area.
- Setting up the European Anti-Poverty Network in order to bring together non-governmental organisations concerned with the fight against poverty.

In 1992, an Annexe to the Maastricht Treaty included a Protocol on Social Policy. Thus, for the first time the objective of promoting social cohesion was explicitly included in the Treaties. However, the struggle against social exclusion was still understood in terms of integrating excluded people back into the job market. The Protocol stipulates that European Directives would implement basic minimum requirements while a number of other matters would continue to lie outside the Union's competences. The Protocol also stipulates the decision making processes to be used for different aspects of social policy relating to employment. The table below summarises the Protocol and also shows clearly the matters which are felt to lie within a 'European social policy'.

Table 4.1: *Decision making processes relevant to social policy matters*

Unanimity of EU member states	**Qualified majority of EU member states**	**Matters lying outside EU intervention**
• Workers' social security • Workers' social protection • Workers' protection against dismissal from employment • Workers' and employers' representation • Working conditions for non-EU migrants • Financial assistance for job creation	• Improvement in working environment (health and safety) • Working conditions • Workers' information and consultation • Equality between men and women • Integration of people excluded from the job market	• Wages • Union laws • Laws on strikes and lock-outs

In 1993, the Commission prepared the Poverty 4 Programme, with a proposed budget of ecu 122m. The Programme was projected to cover the period between 1994 and 1999, but its implementation was delayed when the German government, concerned about the principal of subsidiarity, refused to endorse it in 1994. Consequently, the Social Action Programme for 1995-97 was oriented towards exclusion from job markets. It mixed existing economic and social actions with some new actions targeted on handicapped and elderly people and supported the role of the European Forum of non-governmental organisations. Nevertheless, the application of the subsidiarity principal particularly affected measures for elderly people.

In 1994, the Commission published the White Paper on Social Policy, which proposed extending the fight against social exclusion to domains other than employment. Housing, ageing and health were important elements in this new vision of the nature of social exclusion. However, employment based measures were still the main priority. Reflecting the Maastricht Treaty's approach to social policy, these include: training policies, minimum rights for workers, health and safety conditions in the workplace, and the insertion of non-EU migrants into the labour market.

The Social Action Programme for 1998-2000 reflects the developing broader concept of social policy following the White Paper. It aims at promoting a decent quality of life and standard of living in an inclusive society by encouraging access to employment, good working conditions and equality of opportunity. These broader objectives are set within a framework which envisages a closer integration between social policy within member states and European Union actions aimed at, for example, promoting equal opportunities between men and women and improved health protection. In particular, the better integration of European and national social policy is seen to have an important role in promoting an inclusive society through:

- Modernising and improving social protection, and in particular, adapting the systems to the consequences of an ageing population in the context of pay as you go pension systems in member states;
- Enhancing job creation and preventing unemployment by linking measures to improve employability, support entrepreneurship, enhance adaptability and promote equal opportunities for specific groups in the job market. These measures focus on women, young people and the long term unemployed and are set within a perspective which emphasises human resource development;
- Promoting the free movement of workers between EU countries.

The Commission's approach to social policy also addresses key issues associated with enlargement to include eastern European countries. In particular, the Commission wishes to:

- Assure the gradual involvement of applicant countries in social policy programmes and activities especially related to employment. This involvement is considered as a key aspect of integration.
- Assist applicant countries to improve their social infrastructure and legislation to bring it into line with existing EU standards.

Most importantly, in the face of increasingly difficult economic conditions, European policy makers are seeking a better understanding and diagnosis of the problems associated with social exclusion in order to reorganise programmes to achieve their aims more efficiently. The need for greater efficiency in achieving broad European social policy aims is partly a consequence of the complexity of the structure of funding programmes for EU supported activities in member states. The complexity and interlinked nature of actions under different funding programmes makes it difficult to assess their efficiency in terms of support provided for different groups at risk of social exclusion.

There are three main types of European financial contributions to activities in member states:

- Structural Funds
- European Action Programmes (eg the Social Action Programme)
- Cohesion Funds

The Structural Funds and European Action Programmes both contain elements which are relevant to combating social exclusion. The Cohesion Funds are designed to help designated member states (Ireland, Greece, Portugal and Spain) to finance significant environmental and transport infrastructure projects.

There are currently four Structural Funds in operation. They are:

- European Regional Planning Fund
- European Social Fund
- European Agricultural Orientation and Guarantee
- Fishing Orientation Financial Instrument

The Structural Funds are oriented towards achieving six broad objectives related to achieving economic cohesion:

- To improve the economic health of the regions whose development is lagging behind
- To help areas affected by serious economic decline in obsolete industries to modernise and introduce new technologies
- To combat long term unemployment of people aged over 25
- To integrate young people into the job market
- To adjust agricultural structures and develop rural areas
- To address specific issues in the arctic regions

These objectives are the basis on which money may be spent. Four of them are area based and may contribute to combating social exclusion in the more general sense that a declining regional economy places more people at risk of social exclusion. Two of the objectives are person based, one focusing on young people generally and the other focused on long term unemployment. Thus, combating social exclusion is mainly a by-product of activities developed to meet these broader objectives, for example, the creation and development of economic activities, enhancing human resources, training and retraining programmes, job counselling and other individual support programmes, etc.

Funding under the Structural Funds is implemented through Purpose Programmes and Community Initiative Programmes. Purpose Programmes contribute to national and local development activities favouring disadvantaged areas and are designed to mitigate unequal development among EU regions. Community Initiative Programmes are designed to translate specific EU policies into action. The main initiative Programmes which are relevant to combating social exclusion are:

- HORIZON, designed to create job opportunities for specific disadvantaged groups, eg handicapped persons, former prisoners, migrants, homeless people
- HELIOS, focused exclusively on handicapped persons

- YOUTHSTART, concerned with professional insertion for young people under 20 years old
- INTEGRA, devoted to migrants and refugees

The HORIZON programme is also linked with the URBAN and LEADER Programmes, which are designed to include excluded or marginalised people within the framework of urban and rural district rehabilitation programmes.

In contrast to the Community Initiative Programmes, which are fundamentally top down funding programmes into which national, regional and local governments can tap, the European Action Programmes are more flexible. They are designed to encourage common transnational action in specific domains. The most significant of these programmes in terms of combating social exclusion has been the Social Action Programmes, specifically Poverty 3 and 4. The groups which have benefited from the Social Action Programmes can be defined more flexibly than under the Structural Funds and have included, for example, one parent families and elderly people. It has been through this programme that the EU's developing approach to social policy has been most clearly implemented.

In summary, combating social exclusion first found its way onto the European Union agenda in 1989. Throughout the 1990s, the EU's perspective on this issue has developed alongside a widening and deepening of its approach to social policy. While EU social policy is, in general, restricted to promoting social cohesion through the harmonisation of working conditions among member states, the Poverty 3 and 4 programmes have extended the range and ways of defining specific groups who may be helped through EU funding. In contrast, funding under the Structural Funds has been oriented to either the economic restructuring of specific regions and/or member states or support for very broadly defined groups, young persons and the long term unemployed. The deeper and wider approach to social policy which developed throughout the 1990s has raised the problem of closer targeting while the introduction of qualified majority voting has supported more flexibility in EU activity. Nevertheless, the complexity of EU funding programmes makes it difficult to assess the effectiveness of the entire range of programmes in terms of specific groups at risk of social exclusion. At the same time, there is now a recognition of the need for a better knowledge of the social and economic dynamics which generate social exclusion as a basis for more efficient targeting of funding programmes across the member states.

4.2 Social exclusion, unemployment and poverty in the European Union and its member states

The previous section of the report has outlined the development of European Union policy towards social exclusion. Broadly, the policy has developed on the basis of the longstanding objectives behind the Structural Funds. The Funds themselves have been oriented towards addressing two kinds of phenomena:

- The long run restructuring of the European economy, both as a consequence of the decline of specific industries and specific regions and as a consequence of closer economic integration
- The labour market position of those who lose their jobs as a consequence of restructuring (the long term unemployed) and those who are entering the job market

Experience with the structural funds has supported closer targeting of support in two ways, defining more specific groups and smaller spatial areas of concern. Closer targeting of more specific groups through the Community Initiative Programmes and the Social Action Programmes has included: Handicapped persons, migrants, former prisoners, homeless people, young people under 20 years old and refugees, one parent families and elderly people. In addition, the URBAN and LEADER programmes have focused on smaller areas within cities and rural areas, recognising that there may be severe problems both within declining regions and within those regions which have been economically buoyant.

Finally, closer targeting has developed within the context of an increasingly robust approach to social policy by the Union, primarily concerned with harmonising working conditions across the member states in order to promote social cohesion and the free mobility of labour. It is in the nature of harmonisation that these initiatives have had an important impact on those in low paid and/or flexible forms of employment[5].

Thus, the concept of social exclusion rests on a consideration of the changing nature of work throughout the Union. The changes have two components: The economic and spatial restructuring of employment throughout the European space, and changing conditions under which people work. Both these changes are associated with an increased risk of poverty for the individuals concerned and their households. Underlying the concern with these effects of economic change is that they create a group which is positioned in such a way that they will be permanently unable to benefit from continued economic growth in the European Union.

This section of the report looks at seven key indicators of unemployment and poverty to assess the scale and nature of unemployment and household poverty across the Union and within the member states included in this study. This examination provides the basis for understanding how these problems affect specific member states differently[6].

[5] Defined to include self-employed, family, part time and temporary workers, as well as those working longer or shorter than usual hours, shifts, evenings, nights and weekends, working from home, and requiring two jobs. In 1992, 20% of employment involved such flexible forms of working (Hudson 1999, 39)

[6] More detailed information is included in each of the national reports. The aim in this section is to use data sources which are standardised across the Union.

Unemployment

Table 4.2: *Standard Unemployment Rates, 1986-1997*

Country	Average 1986-1997 (%)	Difference from EU 15 average	Characterisation
Denmark	7.35	-2.40	Low
Germany	6.50	-3.25	Very low, but rising to converge with EU average
Greece	8.10	-1.65	Low
Ireland	14.75	+5.00	High but falling to converge with EU average
Italy	10.70	+.95	Average
Portugal	6.00	-3.75	Very low
Sweden	5.70	-4.05	Very low
United Kingdom	8.90	-.85	Average
EU average	9.75		

SOURCE: Eurostat, Portrait Social de l'Europe, 1995 and 1998. 1997 figures from Enquete sur les forces de travail

Table 4.2 presents summary data on unemployment rates in the eight countries in the study. Standard unemployment rates for the years 1986 to 1997 have been averaged for each of the countries. These averages have been compared with the average of the EU15 average rate over the same period.

Five of the study countries have average unemployment rates below the EU15 average: Denmark, Germany, Greece, Portugal and Sweden. Of these countries, the unemployment rates in Germany and Sweden began to rise after 1989/90 and are now beginning to converge with EU15 rates.

Two of the study countries, Italy and the United Kingdom, have average unemployment rates very close to the EU15 average rate.

One study country, Ireland, had very high unemployment rates, but these have fallen more or less steadily since 1986 to begin to converge with the EU15 average rate.

Table 4.3: *Long term unemployment as a percentage of total unemployed, 1986-1997*

Country	Average 1986-1997 (%)	Difference From EU15 Average	Characterisation
Denmark	27.70	-22.15	Low
Germany	52.35	-2.50	Average
Greece	51.65	-1.40	Average
Ireland	63.40	+13.55	High
Italy	67.75	+17.90	High
Portugal	46.80	-3.95	Average
Sweden	Incomplete data		
United Kingdom	39.85	-10.00	Low
EU average	49.85		

SOURCE: Eurostat 1997 Yearbook and Statistiques en Bref, Enquete sur les forces de travail: principaux resultats 1997, 1998

Table 4.3 presents summary data based on the percentage of all unemployed people who have been unemployed for more than one year. These rates have been averaged for each of these countries over the period 1986 to 1997 and compared to the average rate for the EU15 over the same period.

While there are striking differences among the study countries, these data must be interpreted with some caution. They are strongly affected by the availability, within each country, of institutionalised alternatives to long run unemployment. For example, within Denmark and increasingly over the period in the United Kingdom, early retirement and retirement for reasons of disability have absorbed large numbers of middle aged workers who would otherwise have become members of the long term unemployed. Therefore, they are best used to gain a better understanding of the shape of the problem of social exclusion within specific countries.

However, over the entire period, long term unemployment has been has been falling across the EU15. In this context, therefore, the detailed data for Portugal contrast strongly with that for the other study countries. In Portugal, there has been a steady increase in the proportion of unemployed people since 1992 and the rate now exceeds the EU15 average.

Part time employment

***Table 4.4a**: Percentage of labour force working part time, 1986, 1991, 1996*

Country	1986	1991	1996
Denmark	17.6	15.6	14.0
Germany	13.5	13.7	14.8
Greece	3.8	2.7	3.4
Ireland	5.4	6.9	8.8
Italy	3.5	3.9	4.9
Portugal	4.0	4.4	5.2
Sweden	18.8	17.3	16.9
United Kingdom	20.0	19.8	19.1
EU average	10.0	10.8	11.6

The table above presents data on the percentage of the labour force in each of the eight study countries which is working on a part time basis. The countries can be divided into two groups. One group is characterised by high levels of part time working (average 16.2% of the work force in 1996) and comprises Denmark, Germany, United Kingdom and Sweden. The second group is characterised by low levels of part time working (average 5.5% in 1996) and comprises Greece, Ireland, Italy and Portugal.

***Table 4.4b:** Percentage of labour force working part time by gender, 1986, 1991, 1996*

	1986		1991		1996	
	Men	Women	Men	Women	Men	Women
Denmark	8.7	41.9	10.5	37.8	10.8	34.5
Germany	2.1	29.8	2.4	30.1	3.6	33.6
Greece	3.4	10.4	2.2	7.2	3.3	9.0
Ireland	2.5	14.2	3.6	17.9	5.0	22.1
Italy	2.8	9.5	2.9	10.4	3.1	12.7
Portugal	3.4	10.4	4.0	11.0	5.1	13.0
Sweden	5.9	42.6	7.4	40.1	8.8	39.7
United Kingdom	4.6	45.0	5.5	43.7	8.1	44.8
EU Average	4.2	25.5	4.0	27.7	5.5	31.5

Table 4.4b gives the proportions of men and women working part time in each of the study countries and shows how these proportions have changed over time. In general, the difference between countries with high levels of part time working and those with low levels is accounted for by the much larger proportion of the women working part time. Table 4c analyses data in table 4.4b to show the how the differences in proportions between men and women have changed over time.

Table 4.4c: *Differences in proportions between women and men working part time, 1986, 1991, 1996*

Country	1986	1991	1996
Denmark	33.2	27.3	23.7
Germany	27.7	27.7	30.0
Greece	7.0	5.0	5.7
Ireland	11.7	14.3	17.1
Italy	6.7	7.5	9.6
Portugal	7.0	7.0	7.9
Sweden	36.7	32.7	30.9
United Kingdom	40.4	38.2	36.7
EU average	21.3	23.7	26.0

While there has been an increasing difference between the proportions of men and women working part time across the Union as a whole, the trends in the two groups of countries are quite different.

In the countries with a high level of part time working, the differences between genders are decreasing. However, the reasons for the decreases vary. There are fewer women working part time in Denmark in 1996 than in 1986 while in United Kingdom and Sweden there is an increasing proportion of men working part time. The German data has remained fairly stable.

Among those countries with low levels of part time working, an increasing proportion of women are working part time in Ireland and Italy. In Portugal, part time working by both men and women has increased at approximately the same rate while in Greece the proportions of both men and women working part time have been volatile with no clear long run trend.

In general, women's work and part time work are lower paid and less secure than men's work and full time work. Thus, to the extent that poorer households are reliant on women's part time working for part or all of their income, then the total level of income is likely to be more volatile and less secure.

Households and work

Table 4.5a: *Percentage of households by number of workers in the household, 1983 and 1994*

	1983				1994			
	No adult is working	Some adults are working	All are working	Total	No adult is working	Some adults are working	All are working	Total
Denmark	Data not available				Data not available			
Germany	15.0	32.5	52.5	100.0	15.5	25.9	58.9	100.0
Greece	16.0	46.3	37.7	100.0	17.6	38.9	43.5	100.0
Ireland	17.2	47.3	35.5	100.0	22.3	36.9	40.8	100.0
Italy	13.2	47.4	39.4	100.0	17.2	42.8	40.0	100.0
Portugal	12.7	38.3	49.0	100.0	11.0	32.6	56.4	100.0
Sweden	Data not available				Data not available			
United Kingdom	16.0	30.1	53.9	100.0	19.0	18.8	62.2	100.0
Average (six countries)	15.0	40.3	44.7	100.0	17.1	32.6	50.3	100.0

SOURCE: Sysdem, Employment Policy

Table 4.5b**:** *Changes in the percentage of households, by number of workers within the household, 1983 to 1994*

Country	No adult is working	Some adults are working	All adults are working
Germany	.5	-6.9	6.4
Greece	1.6	-7.4	5.8
Ireland	5.1	-10.4	5.3
Italy	4.0	-4.6	.6
Portugal	-1.7	-5.7	7.4
United Kingdom	3.0	-11.3	8.3
Average (six countries)	2.1	-7.7	5.6

The impact of falling unemployment rates between 1983 and 1994 did not fall equally on all households. For the six countries taken together, there was a 14% increase in the proportion of households in which no adults were working and a 13% increase in the proportion of households in which all adults were working. These were accompanied by a fall of 19% in the proportion of households in which some adults were working.

However, the pattern of change varied among the six study countries for which data is available. The six countries can be divided into two groups, one group with relatively high proportions of households in which all adults were working and one group with relatively lower proportions.

In both 1983 and 1994, Germany, Portugal and the United Kingdom had very high proportions of households in which all adults were working, and the proportions increased over the period. However, in the United Kingdom there was also an increase in the proportion of households with no workers, while in Germany there was little change and in Portugal a slight decrease. Thus, within this group of countries, increases in inequalities among households would have been greatest in the United Kingdom.

On the other hand, Greece, Ireland and Italy had lower proportions of households in which all adults were working. However, the patterns of change are very different among these three countries. In Italy, most of the change in the period is accounted for by an increase in the proportion of households with no workers in them. In both Greece and Ireland, there were comparable increases in the percentage of households in which all adults were working. However, there was also a substantial increase in the proportion of households with no workers in Ireland compared to a much smaller increase in Greece. Among this second group of countries, therefore, the changes in Italy and Ireland are likely to be associated with increased inequalities among households.

Overall, there are three countries in which the changes in employment structures within households are likely to have contributed to increased inequalities among households: Italy, Ireland and the United Kingdom.

Households and poverty

Popular concepts of social exclusion sees it as either based on unemployment, that is, exclusion from the job market, or based on material poverty which limits people's ability to 'participate in the mainstream society'. Hudson and Williams present data which illustrate the relationship between unemployment and poverty within the European Union[7].

[7] Poverty is defined as less than 50 per cent of average equalised net monthly income in each member state.

Table 4.6: *Economic/demographic composition of households living in poverty in the European Union, 1993*

	% of all poor households
In paid work	35
Unemployed	13
Retired	33
Other economically active (in education, training, at home, etc)	19
Total	100

SOURCE: Hudson and Williams (1999, 23) based on Eurostat (1997)

Compared to the 13% of all households in poverty due to unemployment, over a third (35%) are impoverished because one or more of their members are working in low paid jobs.

Nor is poverty distributed equally throughout the European Union. Table 4.7 shows the percentage of households within each country who were classified as poor for four years between 1980 and 1994

Table 4.7: **Poor households as a percentage of all households, 1980, 1985, 1988, 1994**

	1980	1985	1988	1994	% Change 1980-1994
Denmark	8.0	8.0	**	6.3	-21.3
Germany	10.3	9.2	13.1	14.7	33.0
Greece	20.5	17.4	21.1	21.1	2.9
Ireland	18.5	17.4	17.4	24.8	34.1
Italy	12.0	14.7	22.7	17.2	43.3
Portugal	31.4	31.7	28.7	24.0	-23.6
Sweden	Data not available				
United Kingdom	14.1	18.9	19.9	22.6	60.3
EU Average*	15.1	14.8	17.1	17.0	12.6

* Unweighted average
** Data not available

While the percentage of poor households has remained relatively steady for the European Union as a whole, there have been changes in the relative distribution of poverty within the seven study countries for which there is data. While Germany and Denmark still had the lowest proportions of poor households in the seven countries at the end of the period, the position in Denmark improved while the German position deteriorated.

At the same time the position in Portugal improved dramatically although it started the period having a significantly higher proportion of poor households than any of the other six study countries. At the same time, Ireland's position deteriorated to the extent that it had a higher proportion of impoverished households than Portugal in 1994.

The largest change in the proportion of poor households occurred in the United Kingdom, an increase of 60.3% over the period. The least change occurred in Greece.

Although data are not available for Sweden, the very rapid rise in unemployment there since 1991 is likely to mean an increase in the proportion of poor households.

When these data are compared with the data on unemployment rates, they suggest important differences in country specific processes associated with poverty. In particular, both Italy and the United Kingdom's unemployment rates are close to the EU15 average, but there has been a marked increase in the proportion of poor households in both countries. The problem is even more marked in Ireland where the unemployment rate has been falling rapidly to converge with the EU15 average, but the proportion of poor households has increased at the same time. In these three countries, there appear to be complex internal processes which have increased the proportion of households at risk of social exclusion through poverty.

On the other hand, Portugal and Denmark's very low unemployment rates seem to be straightforwardly related to a fall in the proportion of poor households while the increase in the proportion of poor households is equally straightforwardly related to rising unemployment in Germany[8]. In these three countries, there appears to be a straightforward relationship between unemployment and risk of social exclusion through impoverishment.

In contrast to Portugal and Denmark, however, the low unemployment rate in Greece does not appear to have led to a decrease in the proportion of poor households. In practice, neither the unemployment rate nor the 'household poverty' rate fluctuate as greatly as they do in the other countries.

Table 4.8a: *Percentage of poor households by household type, 1988*

	Person on their own aged 65 or more	Person on their own aged less than 65	Couples without children	Couples with 3 children or less	Couples with more than 3 children	One pa-rent families	Other households	Share for all categories
Denmark	2.4	2.9	4.0	4.0	25.6	3.8	0.0	3.6
Germany	14.6	7.2	8.0	10.8	30.1	25.2	11.5	10.8
Greece	11.1	33.1	27.5	15.2	35.0	17.1	25.8	20.6
Ireland	23.2	13.7	9.1	13.3	29.9	24.5	13.9	16.9
Italy	10.7	28.7	20.6	18.7	51.5	20.9	23.0	20.6
Portugal	47.2	23.4	28.6	15.1	44.2	27.2	31.9	25.2
Sweden	Data not available							
United Kingdom	23.7	9.1	12.0	11.8	39.5	25.1	11.4	14.6
EU share	21.5	9.1	12.4	12.5	38.5	21.6	16.1	14.3

[8] In practice, the change in the German situation can be attributed largely to the effects of unification.

The table above presents, in percentages, the proportion of each household type which is poor. Although the data is somewhat dated, it shows the complexity associated with the distribution of poverty within each of the countries. The table below standardises the data in order to facilitate comparisons.

Table 4.8b: *Standardised index of poor households by household type, 1988.*

	Person on their own aged 65 or more	Person on their own aged less than 65	Couples without children	Couples with 3 children or less	Couples with more than 3 children	One pa-rent families	Other households	Share for all categories
Denmark	44.6	124.1	125.3	125.3	258.8	68.5	00.0	100.0
Germany	89.9	104.8	85.4	114.4	103.6	154.6	34.6	100.0
Greece	35.8	252.4	153.5	84.4	63.1	55.0	11.2	100.0
Ireland	91.3	127.3	62.1	90.0	65.7	95.9	73.0	100.0
Italy	34.6	218.9	115.3	103.8	92.8	67.2	99.2	100.0
Portugal	124.6	145.9	130.9	68.6	65.2	71.5	112.4	100.0
United Kingdom	107.9	97.9	94.8	92.5	100.5	113.8	69.3	100.0
EU share	100.0	100.0	100.0	100.0	100.0	100.0	100.0	

NOTE: There appears to be an error in the Danish data set for 'other households'. Given the structure of the data set reported in Table 7a, this will affect direct comparisons with the other study countries, but the proportions will remain the same within the Danish indices.

The data in the table above has been standardised along both dimensions. As an index, therefore, it shows whether or not a household of a particular type in a specific country is more or less likely to be poor than if inequality were distributed equally by household type and country. An index greater than 100 means that a particular type of household in a specific country has 'more than its fair share' of poor households. An index of less than 100 means that there are relatively fewer poor households of that household type within that country. Thus, reading across the table, along the rows, allows an assessment of the types of household within a country which are relatively more or less impoverished. Reading down the table, along the columns, allows an assessment of which countries are able to privilege or disprivilege a specific type of household.

Welfare outcomes of this nature are a consequence of two major factors. The first is the very different welfare systems within each of the study countries and the second is the effect of very different family structures and practices within each country. Esping-Anderson's study (1990) of the welfare systems within the study countries groups them into three types:

- Southern systems, characterised by larger families and a heavy reliance on third sector organisations for the delivery of welfare. This grouping would include Greece, Italy and Portugal. Within the grouping, the Greek system is sometimes characterised as 'rudimentary' while the Italian system is characterised by a division between north and south and a well developed state pension scheme.

- Anglo-Saxon systems including both Ireland and the United Kingdom, characterised by a largely unmediated state delivery of social welfare.
- Continental or corporatist systems, including Sweden, Denmark and Germany. These systems are characterised by the involvement of the social partners in the structure and implementation of welfare systems. Within this framework, the German system is sometimes termed 'Bismarckian' to distinguish it from the Scandinavian systems.

Liebfried's work (1993) contains a more explicit recognition of the role of family practices in the delivery of welfare outcomes and groups Ireland with the southern European countries within a 'Latin Rim' model, in recognition of the different role played by large and/or extended families in Ireland. Within this framework, the United Kingdom and German systems are grouped together as based on family policies that assume a nuclear family, single breadwinner model and the Scandinavian systems are distinguished by the assumption that the individual, whether within a family household or not, is the object of social policy.

These debates in the social policy literature provide a useful context for discussing the patterns shown in Table 4.7b. Two patterns stand out in the table as a whole:

- Outcomes are most equally distributed across household types in the United Kingdom. This pattern is so marked that it supports a conclusion that the United Kingdom system should be categorised separately from the other study countries.
- In five of the seven countries (Denmark, Germany, Greece, Ireland and Italy) single elderly people are relatively well protected from poverty. Although the outcome is similar in the five countries, it is likely that the systems which deliver this outcome are highly dissimilar with extended families playing a much larger role in Greece, Ireland and Italy.
- Taken together, Greece, Ireland, Italy and Portugal show distinct biases towards households with children. The position of non-elderly single person households is significantly worse than that for households with children and is almost certainly a consequence of the much more significant role played by family practices in these four countries, supporting the Latin Rim type model.
- The German system shows a distinct bias against single parent families, probably partly as a consequence of the significance of Bismarckian insurance systems as the mainstay of the German welfare delivery system. In contrast, the Danish system privileges single parent families along the lines of argument distinguishing Bismarckian and Scandinavian welfare systems within the continental/corporatist framework.
- Within four of the countries (Germany, Greece, Ireland and United Kingdom) 'other households' are relatively better off. Since these are households with three or more adults living in them, it is likely that this is a consequence of the household containing more than one person active in the labour force.

These data are significant in understanding the underlying conditions within processes of social exclusion affect different types of households in different national contexts. On the one hand, formal welfare systems function to mitigate poverty for some groups, for example, single elderly people in Denmark, Germany and Italy. On the other hand, family practices (and in particular, both material and non-material transfers within extended families) provide additional support to households with children in the Latin Rim countries.

Cross national context: Summary and conclusions

Seven key cross national indicators have been analysed for the eight study countries. The indicators are:

- Rates of unemployment 1988-1997
- Long term unemployment as a percentage of total unemployed, 1988-1997
- Percentage of the labour force working part time, 1986, 1991 and 1996
- Percentage of the labour force working part time by gender, 1986, 1991, and 1996
- Percentage of households by number of workers in the household, 1983 and 1994
- Poor households as a percentage of all households, 1980, 1985, 1988 and 1994
- Percentage of poor households by household type, 1988

These indicators show very marked differences among the study countries. The results are summarised in Table 8. Unfortunately, many of the key indicators are not available for Sweden so it is not included in this analysis.

Table 8 is organised to show the differences between those northern European countries with highly developed welfare states and the Latin Rim countries in which the welfare states are less well developed. Within each of these categories, the study countries are arranged in order of the average rates of unemployment over the period from 1986 to 1987. This way of organising the data makes a number of points clear about the interaction between economic change and the distribution of poverty within countries.

For the countries with highly developed welfare states:

- All three countries have high levels of part time working, although the gender composition of the part time labour force is changing in Denmark and the United Kingdom leading to higher proportions of men in the part time labour force. In Germany, the gender division has not changed.
- For the two countries for which data is available, Germany and the United Kingdom, there is a high proportion of households in which all adults are working. In addition, in the United Kingdom there is also a high proportion of households in which no adult is working.
- However, the welfare delivery systems in the three countries operate to distribute poverty among households in very different ways. In Denmark, there has been a fall in the proportion of poor households indicating a relatively egalitarian income distribution. The most disadvantaged household type is couples with children. In Germany, there is a rising proportion of poor households, possibly a consequence of unification given the dates for the basic information. However, there is a significantly greater degree of poverty among single parent households than in any other country and couples without children, as a household type, have the lowest proportion of poor households. In the United Kingdom, there has been an exceptionally large increase in the proportion of households who are poor, indicating a dramatically worsening of inequalities in the income distribution among households. This appears to be associated with the increasing proportion of households in which no adult is working and with increased levels of part time working by men. However, the system works so that all household types share more or less equally in poverty. The least disadvantaged group is multi-adult households, which probably reflects the increasing proportion of households in which all adults are working.

Thus, the three countries with highly developed welfare states show low to average levels of unemployment, combined with high levels of part time working. However, the welfare systems within these countries have very different distributive effects. The Danish system appears to be very egalitarian, assuring that very few households are poor. The United Kingdom system appears to be highly inegalitarian in terms of the basic income distribution, with a dramatic increase in the proportion of poor households. However, within a deeply inegalitarian basic income distribution, the United Kingdom welfare system works to distribute poverty relatively equally among different household types.

The Latin Rim countries show a very different basic pattern:

- Unemployment rates range from very low in Portugal to high, but falling, in Ireland
- In contrast with the 'northern' countries, there are very low levels of part time working, although it is increasing in all the countries except Greece.
- In Portugal, there is a high and increasing proportion of households in which all adults are working. In Greece and Ireland, there are low but increasing proportions of households in which all adults are working, but there has been no change in this proportion in Italy. Both Italy and Ireland are similar to the United Kingdom, in that there are also increasing proportions of households in which no adult is working.
- In Portugal, there has been a large fall in the proportion of poor households. The proportion in Greece has remained steady, and there have been large increases in both Italy and Ireland. However, in all four countries, households with children have lower than average rates in poverty, although there are differences in the household types which fare best.

Taking all of the countries together, what stands out is the way that full time and part time employment have become more important. However, there are marked differences in the ways that jobs are distributed among households, with increasing proportions of households in which all adults are working (except in Italy, where the figure has remained low). At the same time, however, the way these changes do or do not lead to access to adequate household incomes varies among the countries. In three countries, there are also increasing proportions of households in which no adult is working: United Kingdom, Italy and Ireland. In only two countries, Portugal and Denmark, has there been a fall in the proportion of all households who are poor. In all the other countries, there are increasing proportions of poor households. Among the countries, however, there are marked differences in the types of households who are increasingly at risk of poverty. There is no clear pattern characterising the northern countries, but the Latin Rim countries have socio-economic welfare delivery systems which generally operate to protect households with children.

Table 4.9: *Summary*

Country	Unem- ployment	Long term unem-ployment	Number of workers in household	Part time working and gender	Poor households and household type
Countries with well developed welfare states					
Denmark	Low	Low	No data	High level of part time working, falling slightly Fewer women working part time now than before	% is low and falling Single elderly and one parent households protected Couples with 3+ children do worst
Germany	Very low, rising to converge with EU average	Average	High and increasing % of HHs where all adults are working	High level of part time working, rising slightly No change in gender division	% is low and rising Single elderly protected Large bias against single parent households Couples without children do best

United Kingdom	Average	Low	High % of HHs where all adults are working plus high % of HHs where no adults are working	High level of part time working, very little change More men working part time now than before	Exceptionally large rise in % of households Poverty equally spread across all household types, with some bias against single parent households and single elderly people Multi-adult households do best
Countries with poorly developed welfare states (Latin Rim)					
Portugal	Very low	Average	High and increasing % of HHs where all adults are working	Low level of part time working, but rising Increased part time working by both men and women	Large fall in % of households Households with children protected Couples with 3 or more children do best
Greece	Low	Average	Low but increasing % of HHs where all adults are working	Low level of part time working, volatile, no change in long run Volatile gender division	Stable, but relatively high % Single elderly protected Households with children protected Multi adult households do best

Italy	Average	High	Low % of HHs where all adults are working, increasing % of HHs where no one is working	Low level of part time working, but rising Increasing proportion of women working	Large increase in % of poor households Single elderly protected Households with children protected One parent families do best
Ireland	High, falling to converge with EU average	High	Low but increasing % of HHs where all adults are working, increasing % of HHs where no one is working	Low level of part time working, but rising Increasing proportion of women working part time	Large rise in % of poor households Single elderly protected Households with children protected Couples without children do best

4.3 Policy approaches in different member states

The policy stances taken towards social exclusion by different member states vary enormously. At one end of the spectrum, the government in the United Kingdom has set combating social exclusion at the heart of its vision for policy reform a cross a wide number of fields (social welfare, education, health, housing, etc) while at the other end of the spectrum, the German Federal government doesn't recognise that social exclusion exists within the country. For most of the member states included in this research, their 'view' of and policy towards social exclusion can only be identified by analysing policies from a number of other relevant fields.

The previous section of this report showed that the groups most vulnerable to poverty and social exclusion vary among the member countries as a consequence of different institutional structures within each country. The analysis in this section of the report further explores variations among the member states. It starts by briefly considering some aspects of the development of the European Union which provide a broad context for looking at variation among the member states. The second part of this section then looks more specifically at member states approaches to problems of social exclusion. For each member state, three aspects of their policy stance are outlined: the groups who are seen as being most at risk of social exclusion, the underlying concept of social exclusion which characterises each member states' policy approaches, and finally, how they have constructed their policy approach.

The development of the European Union: Context for member states' policies

Three preliminary comments about change within the European Union are necessary in order to set the context for analysing policy appr oaches to social exclusion by the member states included within this research. These remarks will also serve to indicate how the analysis in the previous section of this report can be related to the experience of the various member states.

Firstly, the concept of combating social exclusion needs to be set within the context of economic change throughout the European Union. The welfare state structures of western Europe were constructed after the second war in ways which were compatible with the fordist economic regimes which characterised the long postwar boom. From approximately 1975 onwards, the western European economy has been subject to fundamental restructuring as large scale manufacturing activity has dwindled in importance and been relocated to countries with low labour costs. Consequently, private industry, now increasingly concentrated in the financial and service sectors, requires new skills from its labour force. The welfare state structures associated with social insurance, education and housing, were designed to support fordist economic regimes and are no longer fully appropriate to the ways in which employment markets have changed. However, transforming these state (and state sponsored) structures is a massive task which is only

beginning to be tackled comprehensively in member countries. This has two implications for ways of thinking about the task of combating social exclusion.

- If 'eradicating poverty' is the concept which lay at the heart of the construction of the postwar welfare states, then 'social exclusion' is the concept which is appropriate to transforming those structures in order to make them appropriate to postfordist economic regimes. Different member states vary in the extent to which their policy approaches to social exclusion reflect this conceptual/practical change.
- The concept of 'social exclusion' is based on the experience of those workers and households who have 'lost their place' in the disappearing fordist economy and/or 'cannot gain a place' in the growing postfordist economy. They become highly dependent on existing, largely fordist welfare state mechanisms for their material subsistence. In most countries, the extent and scale of such dependence creates significant political barriers to reforming and/or transforming the welfare state structures to make them appropriate to postfordist economic regimes. A particular problem in some member states, mainly those in the northern group of countries, is that the fordist welfare state mechanisms privilege those workers who have 'lost their place' over those who 'cannot gain a place' in the new economic production structures. The problem is, ironically, much less significant in the Latin Rim countries because their formal, state welfare systems were less universalistic ally and coherently developed.

As a consequence, all research partners identified issues related to the reform of welfare state policies as relevant to understanding policies for combating social exclusion at both national and neighbourhood levels.

Secondly, the concept of social exclusion has been diffused throughout Europe along a specific path. It was introduced onto the 'European' political agenda around 1990 after gestating in France for the previous two decades. It has, thus, found its way to all the member states through three different routes. The first has been top down, from the European Union's policies around the concept. The second route has been as member states borrow ideas, policies and programmes from each other, fashioning them to meet their own specific circumstances. The third route has been through academic discussion and debate within and across member states. In addition, the timing and terms of accession to the Union mean that the some of the member states have been more sensitive to changes in Union policy than others. In particular, European Union funding for the integration of Greece, Portugal, Spain and Ireland means that they are more responsive to shifts in Union policy than member states which have been less dependent on Union funding to support economic change and integration. The different routes of innovation diffusion mean that national approaches to combating social exclusion are best characterised as a 'family of ideas'. There is no one 'ideal' approach, but rather a variety of approaches designed to fit within broader national policy frameworks, political programmes and political and administrative structures.

Thirdly, the European Union's commitment to combating social exclusion signals a subtle, but profound change in its approaches to policy making. Broadly, this is a shift from policy approaches founded in a vision of the European population as distinguished by national boundaries to policy approaches which consider the whole of the population and see citizens of the Union as having common problems wherever they may live. This shift has been facilitated by the introduction of qualified majority voting within the Commission and by an increasingly assertive European Parliament. It is supported by the patient construction of cross national interest groupings and lobby groups. The Social Policy White Paper and National Action Plans following the Luxembourg Summit exemplify an ambition to coordinate national and Union policy frameworks more coherently. At the same time, within this emerging perspective, actions aimed at small geographical areas, such as neighbourhoods or parts of urban areas, acquire a new significance. They move from being experiments or demonstration projects which might be applied elsewhere to being direct instruments of policy targeted at specific groups of citizens and localised problems within the Union as a whole.

Nevertheless, the principle of subsidiarity is alive and well, both between the Union and member states and within member states, and this has a profound effect on how policies for combating social exclusion are shaped within member states. Each member state has its own policy history and internal political administrative structures which shape policies for combating social exclusion in neighbourhoods.

This brief sketch of the development of the European Union and its policies towards social exclusion provides a context in which it is clear that different member states occupy different positions in the overall picture. These different positions of member states relative to each other within the Union explain part of the variation in the member states' policy approaches to social exclusion. The other source of variation, of course, lies in the specificities of policy making within the states. The next part of this section of the report looks at the looks at each of the member states in turn. This examination divides the member states into two groups based on the analysis of cross-national indicators. The first group includes the 'northern' countries, with their more highly developed state welfare mechanisms and the second group includes the 'southern' countries with less universalistic and coherent welfare state mechanisms.

Member states' policy approaches to social exclusion

Sweden

a) *Groups most at risk*: Individuals with cumulative handicap exposed to structural change, new labour market entrants: young people and immigrants, lowest income groups concentrated in poorest neighbourhoods.
b) *Underlying concept of social exclusion*: Social exclusion threatens social harmony and decomposition. It is closely associated with increasing segregation and segmentation within cities.
c) *Policy approach*: Swedish policies towards social exclusion are rooted in two

policy areas:

- Policy to promote social, economic and ethnic integration. Swedish welfare policy is basically still of a general character, i.e. aimed at all citizens. However, during recent years a special focus has been directed on immigrant groups. Policy towards immigrants has changed in the 1990s. Anti-discrimination legislation was passed in 1994 and on this basis, the main focuses of policy are: to promote equal opportunity to work, political participation, equality, freedom of cultural choice, and cooperation and solidarity between Swedes and members of minority ethnic groups.

- Neighbourhood policy. In the past, this was characterised by a top down approach to the physical renewal of specific rundown neighbourhoods. The success of this approach meant that the physical renewal of decayed housing stock exposed the failure of the approach in solving social problems. Thus, Swedish neighbourhood policy has recently shifted from a physical to a social renewal perspective and stresses actively engaging residents in renewal activities.

The Swedish system of government is characterised by the very strong powers of local authorities, which have considerable functional and financial autonomy. Central government policies provide direction and a framework for local authority policies and programmes. The Swedish approach can, thus, be characterised as one in which local authorities can fashion specific programmes for neighbourhoods, but within and supported by a central government approach which is focused on particular excluded groups and provides an active framework of support for local programmes.

Germany

Until recently, the Federal Government in Germany denied the existence of long term poverty in the country. For a long time there were no policies directed to the new forms of poverty and social division which are emerging as a consequence of economic change. Recently a Federal programme recognising the need for development of new approaches has been adopted (Programm Soziale Stadt - Stadtteile mit besonderem Entwicklungsbedarf). Also, several Federal States have developed relevant policies. It is the Federal State policy for Northrhine-Westphalia, where the research for this study was located, which is discussed here.

a) *Groups most at risk:* Those exposed by unemployment and the failure of the social security system. An important specific problem within the German welfare state structure is that the main social insurance system privileges those individuals with strong labour market connections and positions.

b) *Underlying concept of social exclusion:* New forms of social division and decreasing social solidarity endanger social balance and the social climate. Spatial segregation reinforces poverty by creating a social aggregate with its own internal dynamic.

c) *Policy approach:* The Northrhine-Westphalia (NRW) State government has a general policy which is directed to stabilising disadvantaged neighbourhoods and the local

residents' condition. Its neighbourhood revitalisation programme is oriented to "deficits in social structure, physical condition, job opportunities, quantity of housing stock as well as the built and natural environments". In order to receive funding, proposed projects must demonstrate how they will apply integrated concepts in a neighbourhood, linking different spheres of action (economy, jobs, housing, social policy, etc). The specific aims of the programme are to prevent further decline, improve living conditions and to lift stigmatisation.

In NRW, all participating State Ministries come together through an Interministerial Working Committee in order to coordinate funding from their budgets. In addition, there is interdepartmental coordination at the municipal level. These coordination and steering mechanisms create considerable synergy in implementation. As a consequence, the political and administrative structures, as well as the terms of the funding, are adapted to the complex life realities of the groups who are to be helped in the neighbourhoods.

The national social legislation provides a framework, and some funding, within which the State programmes are set. State governments provide the most significant source of funding and more detailed guidelines. However, the development of the appropriate type of integrated concept for a specific neighbourhood is the responsibility of the municipality. There is thus considerable flexibility in the types of schemes which can be developed although there are also severe funding constraints. The integrated concepts for revitalising neighbourhoods are expected to involve the private and voluntary sector, residents' initiatives groups and the German 'intermediary sector' (essentially national federations of voluntary groups). Coordinating and networking the involvement of these groups is a municipal responsibility.

Thus, German policy towards social exclusion and neighbourhoods is characterised by a very strong application of the subsidiarity principle, with virtually all responsibility devolved to States, which are free to develop policies or not, and within the States, to the municipalities.

Denmark

a) Groups most at risk: Marginalised subgroups, including homeless people, drug addicts, alcoholics, mentally ill and handicapped persons are 'absolutely excluded'. Other groups are excluded by economic change: the long term unemployed (especially a large group of 30-40 year olds who could not find jobs when young and who have remained unemployed), those in long term poverty and dependent on social welfare, those lacking skills and education. Members of ethnic minority groups figure strongly in both ways of looking at the problem.

b) Underlying concept of social exclusion: New 'lower classes' have been created among the 20% of the population whose socio-economic position has not improved since the peak of unemployment in 1993. At the same time, there is a strong cross-cutting concern about the integration of immigrants into Danish society.

c) *Policy approach:* Policy formulation, as well as the instigation and funding of specific action programmes, is led by the Urban Committee. This is an Interministerial Committee set up in 1993 to address the political perception, at central government level, that 'ghettos' were emerging in Denmark. The Committee was initially led by the Interior Ministry. The Urban Committee's wo rk initially focused on 'troubled housing estates'. The action model primarily addressed physical renewal. Funding requires close cooperation between municipalities and the housing associations which own the estates. Associations have strong systems of tenant representation and management, and specific estates ('sections') within larger associations are relatively independent because financing is organised completely on an estate basis. By 1997, it was clear that physical renewal had not solved social p roblems on the troubled estates and responsibility for leading the Urban Committee was transferred to the Ministry of Housing and Urban Affairs and it was decided to extend the 'social renewal' aspects of its work.

A separate programme for 'neighbourhood upgrading' was instituted in 1996 directed at mixed tenure areas. This approach was a more comprehensive, bottom up programme set within an urban regeneration perspective. There were seven such projects altogether.

Throughout, both programmes have focus ed on the problems of minority ethnic groups, but these actions have been set within a broader context. The concept of 'integration' is used throughout a range of policy areas, but is both closely associated with the position of minority ethnic groups in Denmark and poorly defined. The initial policy was one of 'dilution' (or dispersal) of minority groups, but this has been replaced by approaches which begin to address the more specific problems of such groups.

United Kingdom

a) *Groups most at risk:* People on low incomes and those who are unemployed (especially in households where no adult is working), people living on the worst social housing estates, young people. More specific priority groups are defined from time to time within a rolling programme fo r combating social exclusion. A specific problem is the operation of the cash benefits system which creates an 'unemployment trap'.
b) *Underlying concept of social exclusion:* The definition of social exclusion which formally underlies government policy is t hat 'social exclusion is about income, but it is [also] about prospects and networks and life-chances. [It] is more harmful to the individual [and] more corrosive for society as a whole . . . than material poverty'. In short, it is a 'shorthand label for what can happen when individuals or areas suffer from a combination of linked problems'.
c) *Policy approach:* In 1997, the Government set up the Social Exclusion Unit within the Cabinet Office. It's work is overseen by an Interministerial Committee, chaire d by the Prime Minister. Main responsibility for its work is taken by the Minister for Housing and Local Government. The Unit is charged with linking issues of social

exclusion to the three yearly governmental Comprehensive Spending Reviews, with linking together agencies at all levels of government, and with defining key indicators and monitoring social exclusion. It operates by addressing specific problems which cut across the activities of government at all levels. The priorities for its work are determined by the Prime Minister. Its initial priorities were: eradicating homelessness on the streets, reducing the incidence of pupils being excluded from school and addressing the problems of socially excluded neighbourhoods. Reports on the first two problems have been completed and the very wide ranging work on socially excluded neighbourhoods will be completed early in 2000. The Unit's working methods bring together a wide range of representatives from the public, private and voluntary sectors to analyse 'cross cutting problems' and stimulate coordinated actions to resolve them. It does not have responsibility for implementation.

Social exclusion, partnership and cross cutting problems are main political themes running through a wide range of government initiatives, many of which are implemented through sectoral Ministries: Health Action Zones, Education Action Zones, and a reorientation of the Single Regeneration Budget, which is concerned with investment to support social renewal in neighbourhoods. Specific responsibility for implementing the sectoral programmes lies with local authorities working in partnership with other relevant statutory and voluntary organisations.

As a cross-cutting theme, the emphasis on social exclusion runs through the Government's wider political agenda which includes: wide ranging constitutional reform (devolution to Wales, Scotland and self-rule in Northern Ireland; enhancing the organisational infrastructure to underpin regional government in England in future; strengthening the autonomy and capacity of local authorities); reforming the welfare state to support active labour market policies linked to education, training and childcare; reforming the cash benefit systems to support flexible labour markets and removing barriers to employment; and supporting an enhanced and more integrated role for the private and voluntary sectors.

Greece

a) *Groups most at risk:* Poor people, people suffering from long run structural unemployment and immigrants. Elderly people are increasingly at risk as women enter the labour market. The target groups for the formal policy on social exclusion are: persons with special needs, repatriating Greeks from the former Soviet Union and Albania, foreign refugees, legal immigrants from third world countries, prisoners and those recently released from prison, adolescent delinquents, substance abusers, single parent families, poor people living geographically remote regions or islands, people with language, cultural or religious particularities and AIDS victims. Actions are directed towards support for individuals.
b) *Underlying concept of social exclusion:* Greek national policy towards social exclusion is conceived almost entirely in terms of combating exclusion from the labour market.

c) *Policy approach:* Responsibility for the social exclusion programme lies within the Ministry of Labour and Social Security. This programme was developed as part of the Second (European) Community Support Framework programme for 1994 -1998. The structure of the social benefits system, combined with the nature of the target groups, means that, In practice, responsibility for action is shared between the Ministry of Labour, for those who have been employed, and the Ministry of Health and Social Services, for those individuals who have never entered the job market. Local government has no responsibility for nor, indeed, much institutional capacity to develop specific programmes aimed at combating social exclusion. Nevertheless, four specific local initiatives were developed under the Poverty 3 programme which brought local government together with labour market, welfare and cultural institutions, and labour unions.

Portugal

a) Groups most at risk: Heterogeneous groups negatively affected by rapid modernisation, especially in urban areas.

b) *Underlying concept of social exclusion:* A political discourse on social exclusion emerged in Portugal in the early 1990s as a consequence of the discovery of deep urban poverty, the vulnerability and dependency of specific social groups and the multiform nature of their problems. This discourse reflected the consequences of rapid modernisation: rent distribution stress, the emergence of new and deep social differences, expectations no longer matching possibilities, weakened social solidarities and new forms of social segregation. Social exclusion was seen as exclusion from the processes that lead to social integration and identity. More specifically, it installs mechanisms in the social tissue that stress or push people out of normal societal functioning and participation in prosperity.

c) *Policy approach:* The national policy addresses all nine domains for action identified in the European Union's Poverty 3 programme: salaries, wealth and ownership, expenses and consumption, housing conditions, education, health, employment and social security. It involves seven different Ministries: Work and Solidarity, Health, Education, Justice, Public Works Transport and Communication, Internal Affairs and the Minister's Council Presidency. Implementation is shared by the regions, municipalities and some non-governmental organisations. Actions are aimed at three levels of intervention. The first is prevention and is sectorally based. The second is developing social protection mechanisms as part of the development of stronger welfare state mechanisms generally in Portugal, and the third type of action aims at social integration. This third type of action is locally based and oriented towards specific social groups, creating new mechanisms of local intervention.

Italy

a) *Groups most at risk:* Young people attempting to enter the job market, marginalised groups who are 'invisible' because no formal institutions have responsibility for them, poor families, people ill-equipped to deal with technological change in the job market

b) *Underlying concept of social exclusion:* Social exclusion is linked to new and more fragmented forms of social mobility, new situations of instability, and the active or passive roles of various institutions (eg family, community, state) in this context. Until recently, poverty was considered to be a transitory phenomenon. Now, social exclusion means that many households those who cannot get out of poverty.

c) *Policy approach:* Italy is generally characterised by very strong regional differentiation and by a highly fragmented governmental system. These two factors have a strong impact on policy formulation and implementation generally. The governmental system means that actions are generally left to local authorities, leading to under-resourced, fragmentary, highly uneven and highly diverse initiatives. Regional differentiation means that the underlying problems are very different, particularly between the north and the south.

Although Prime Minister D'Alemo declared, in December 1998, that fighting social exclusion was a political goal for his Government, the two policy areas relevant to pursuing this goal have historically been deeply split. The first policy is on poverty. Since the 1980s, there has been a central government Co mmittee on Poverty and Marginalisation, which is responsible for monitoring poverty and has identified permanent poverty as poverty which cannot be escaped without external aid. However, action has been confined to small scale experiments. A poverty subs idy for individuals, associated with individual contracts of insertion, has been instituted in ten cities. There is, however, increasing pressure on the government to develop a stronger policy stance in relationship to poverty.

The second, and much more strongly developed, policy area relevant to combating social exclusion is concerned with urban decay in residential areas. Activity in this area is now organised around Integrated Action Programmes addressing several types of urban function (housing, manu facturing, services), types of building work (new building, rehabilitation, strengthened urban infrastructures), involving public and private sectors and funding. Such projects must also be large enough to have a significant urban impact. More recent inn ovations in this policy area include the development of 'one stop shop' arrangements with local authorities to expedite obtaining permits for work, the *Contratto de Quartiere* programme which makes funding available (on a competitive basis, allocated to one project in each region) for projects which combine physical renewal with social programmes, and the Urban Rehabilitation and Sustainable Development Programme, with a wider remit but funded on the same basis.

Two problems inhibit the development of a c oherent programme to combat social exclusion in neighbourhoods in Italy. The first is the incoherent, almost chaotic, patchwork nature of the welfare state system, which, on the one hand, strongly privileges pensioners and those who already have a steady, continuous job, and, on the other hand, means that certain marginalised and/or impoverished groups are simply 'invisible' within the system. Thus, reforming the welfare system to make it more universalistic and uniform throughout the country is a signifi cant pre-condition for

developing policies to combat social exclusion. The second problem is the socio-spatial patterns of Italian cities. Neighbourhoods which are affected by social exclusion in the northern cities tend to be very small, small enough to be invisible to analysis on the basis of standard statistical sources. In the southern cities, there are very large neighbourhoods of impoverished residents, but they retain strong solidaristic links throughout the whole of the cities and so residents do not identify themselves as living in a 'ghetto'. Consequently, in both regions, the issue of social exclusion and neighbourhoods does not attain political recognition or salience.

Ireland

a) *Groups most at risk:* Poor people suffering cumulative marginalisation, older people lacking the skills required for jobs in a modern economy.

b) Underlying concept of social exclusion: Not all poor people suffer from social exclusion. Only those experiencing cumulative marginalisation can be said to be subject to social exclusion and, at the same time, social exclusion is most likely to occur when several social institutions malfunction simultaneously or as part of a chain reaction.

c) *Policy approach:* The Irish economic miracle has, perversely, intensified problems of social exclusion because it has been explicitly based on 'new skills' industries, privileging young people over older workers, and on a very low level of government expenditure, meaning that welfare systems are not very generous. Within the government's growth strategy, social policy has been shaped to obtain maximum drawdown of available European Union funding. This means that there is a high degree of congruence between Irish and Union social policy. Irish social policy, therefore, is explicitly oriented towards combating social exclusion, which is seen as a smaller problem than poverty because social exclusion implies cumulative marginalisation. This perspective, in turn, has led to a shift from universalistic solutions to spatially targeted and focused policy interventions.

In 1995, a government Interdepartmental Committee recommended adopting the European Union's approach to combating social exclusion. A national Anti-Poverty Strategy was developed in 1998 based on this approach. Following this, a special subcommittee of the Cabinet was set up to address social exclusion and mainstream the issues identified in the Anti-Poverty Strategy. This subcommittee is also responsible for the small area based local development programme associated with the Anti-Poverty Strategy. This programme is implemented through local partnership companies which bring together representatives from the community, statutory agencies and the social partners. The structure of these companies highlights the potential of new models of management and innovation in socio-economic development, but also highlights the deficiencies of local government and other institutional measures for combating social exclusion. The local companies are managed, at the national level, by an independent, non-governmental partnership company with a structure of representation similar to the local companies. Funding for local companies depends on their being able to develop a three to five year action plan

of action together with all relevant public, private and voluntary agencies. The technical requirements of these plans makes the local companies highly accountable to funding agencies, but also enhances their orientation to achieving outputs at the possible expense of developing grassroots involvement.

Both the Catholic Church and the State in Ireland have had a long commitment to localised, small scale and voluntarist provision of services, which has tended to create a highly personalised and clientelistic model of provision. Because the local management companies fit within this approach, there is a weak base for direct community action and the arrangements tend to reinforce the stigmatisation of the areas they are meant to help.

Conclusions

This section of the report has done three things. Firstly, it has reviewed the path of development of European Union policy towards social exclusion, setting it in the context of an increasingly robust approach to social policy more generally. Secondly, this section has reviewed a number of cross-national indicators of social exclusion, unemployment and poverty in the European Union and its member states. Thirdly, it has reviewed the approaches to social exclusion and neighbourhoods taken by the eight member states included in this study. These conclusion attempt to synthesise the findings in this section.

The main theme which runs through policies towards social exclusion is that social exclusion is a 'new' problem, requiring the discovery of 'new' approaches. Combating social exclusion can, thus, be characterised as a self-reflexive learning process, which assumes that governmental processes are as likely to be a part of the problem as a part of the solution. Solutions, therefore, will be based on creating new networks focused on the problems faced by specific groups but assembled in such a way that they reflect the nature of the life experience of the excluded group itself.

Policy approaches to social exclusion and neighbourhoods have a relationship with three other areas of policy making: policies for reforming welfare delivery systems, urban renewal and regeneration policies, and policies towards minority ethnic groups. The first area, most marked in the northern countries, is the attempts to reform the operation of formal welfare state institutions which followed on fiscal restructuring in the last two decades. In particular, there is an increasing understanding that social insurance systems based on the assumption of continuous employment over the lifetime of a worker do not function well in increasingly flexibilised labour markets. These problems are particularly marked in Germany, Denmark and Italy. An associated problem is the need to restructure pay as you go pension systems financially in the face of demographic change (increased numbers of elderly people and falling birth rates). This is a particularly crucial issue in Italy for demographic reasons, as well as in Denmark and the United Kingdom as a consequence of the use of 'anticipatory pensions' or 'chronic disability' mechanisms to ease the exit from the labour market of older workers whose skills are redundant. In a number of countries, 'poverty' and 'unemployment' traps are also created by the operation of cash benefit systems for unemployed people. Education and training systems provide

another area of reform, in this case related to the changing skill requirements consequent on technological change. Thus, in Italy, an inappropriate education system means that young entrants into the labour market face specific problems gaining em ployment. In contrast, the Irish economic miracle has been built on a long run strategy for adapting the education system to meet the needs of technological change. In the Latin Rim member states, the problems of reforming formal welfare institutions are very different. In these countries, 'welfare delivery' mechanisms rest very heavily on the role of the family and kinship. Consequently, the problem faced in these countries is to design new formal institutions or strengthen weak institutions in ways wh ich reflect the impact of structural economic change and the changing nature of labour markets on household and family structures. Of particular significance is the generally increasing rate at which women are participating in the labour force, reducing t he ability of family and kinship structures to sustain their members.

The second area of policy which is relevant to social exclusion and neighbourhoods is about urban renewal and regeneration. Neighbourhoods in which people at risk of social exclusion live are often also physically decayed. However, the experience in Sweden and Denmark illustrates that the physical renewal of such neighbourhoods does not change the social position of their inhabitants. Increasingly, urban renewal and regeneration ini tiatives are seeking new ways of combining social and physical programmes. These approaches have also been a fruitful area for exploring new ways to deliver services and programmes, drawing in private and voluntary sector agencies in partnerships. The In tegrated concepts for revitalising neighbourhoods, the heart of the Northrhine -Westphalia programme, the non-governmental Area Development Companies in Ireland, and emerging approaches to neighbourhood management in the United Kingdom all illustrate a comb ination of spatial targeting with a search for new forms of coordination on the ground. At the same time, it is realised that networked partnerships on the ground need to be combined with coordinative mechanisms at central government level, and in a numbe r of countries, interministerial committees have been set up to stimulate and steer very localised initiatives. As the German and Portuguese experiences suggest, adapting the 'delivery organisation' to the life experiences of socially excluded groups is a much more fruitful approach than expecting socially excluded groups to adapt to existing bureaucratic structures. An important part of these initiatives is the construction of 'institutional know how', that is, reconstituting relationships among organisa tions in a way which gives them a 'shared know how' relevant to the problem.

The third area of policy which is relevant to social exclusion and neighbourhoods relates to policies for addressing the specific problems of minority ethnic groups. In Denmark, an initial attempt to integrate minority ethnic groups into Danish society through 'dilution' was quickly replaced by more general policies addressing the specific issues of being 'non - Danish'. Swedish policy has also changed recently, from being concern ed with 'immigration' to focusing on 'integration' in a way which also addresses concerns about welfare of Swedish groups as well. In both countries, concern about minority ethnic groups reflects a serious concerns about spatial segregation in urban areas . In the United Kingdom, race policies have a very long history compared to most member states, and the

approach to combating social exclusion simply assumes that minority ethnic groups have different experiences which should be taken into account in desi gning local programmes. However, elsewhere there are problems associated with addressing issues of race and ethnicity and the issues and problems are simply not recognised formally.

These conclusions suggest a number of qualitative indicators for assessi ng neighbourhood based efforts to combat social exclusion:

- How do formal *welfare delivery mechanisms* impact on individuals exposed to the risk of social exclusion? For example, are various activities and programmes targeted at unemployed coordianted? Ar e activities and programmes flexible and set up in collaboration with local agencies and residents? Do cash benefit systems generate unemployment and poverty traps? What types of support are delivered as direct services and what types are delivered as cash benefits? Do social insurance systems privilege some groups over others, e.g. unemployed over those who never entered the labour market? Do welfare systems have proactive ingredients, e.g. training and education?
- How are *policy targets* defined? Are polic ies area based or targeted on individuals? Are vulnerable groups defined? How is the neighbourhood located socio -spatially in terms of segregation and segmentation in the urban area? How are issues concerning spatial concentration of poverty addressed?
- How do *technological change and increasing flexibilisation* in the labour market affect workers in the neighbourhood? Do education and training systems, as well as labour activation policies, address these changes adequately? Have groups with 'special' nee d of support been identified? How are women, in particular, affected by labour market change? Where women are increasingly participating in the labour force, are there local mechanisms to share support for other family members (elderly people, childcare, etc)?
- How are the *concrete problems* facing people in the neighbourhood identified? What mechanisms exist for involving residents in the design of local initiatives? Are the potentials of informal networks of residents recognised? What mechanisms exist fo r coordination among professionals working in the neighbourhoods? To what extent are private and voluntary sector agencies involved and how are they involved? To what extent has the delivery of services from state, state sponsored, voluntary and private agencies been adapted to the life experiences of people living in the neighbourhood? To what extent do people working in the neighbourhoods have a ‘shared know how’?
- To what extent are the specific life -experiences of *minority ethnic groups* taken into account? What is the legal and citizenship position of immigrants? Are 'special' needs of minorities taken into account in polices and programmes? Are issues of 'equal right' part of policies?

5. PROCESSES OF SOCIAL EXCLUSION AND THE NEIGHBOURHOOD

5.1 Neighbourhoods and social exclusion

5.1.1 **Processes of social exclusion and the neighbourhood (What made the neighbourhood excluded?)**

The process through which a neighbourhood becomes a site of disadvantage is a complex one. This will be explored in the next section as to how each of our case studies have become a socio-spatially excluded part of a city. What needs to be explored first, however, is the larger context in which the phenomenon of socio-spatial exclusion develops. In this section, therefore, we concentrate on three broad processes:

1. How there has been an increase in vulnerability
2. How the vulnerable groups and individuals become concentrated in particular areas, and
3. How this leads to a concentration of symptoms of vulnerability, which are manifest in the socially excluded neighbourhoods.

Increase of vulnerability

Some of the major problems facing European cities are now widely known. Moving out of an industrial base and into the predominance of the service sector in the economy has been a major shift in the recent decades, causing substantial changes in the social and spatial contours of many localities. Challenges of competition from a global economy marked by a multiplicity of competitors and the European response in the form of developing an integrative partnership are both aspects of globalization which have reshaped the social and spatial geography of cities. The restructuring of cities and societies, however, has been parallel with a growing social divide, long term unemployment and joblessness, especially for men, and casualization of workforce, especially for women, undermining the quality of life for large groups of population. These symptoms have led to concerns about the fragmentation of the social world, where some members of the society are sidelined. This exclusion is painful for the excluded and harmful for society as a whole.

The most important context in which social exclusion develops is the numerical increase of the poor and the vulnerable in the society.

- There has been an increase in the number of the **elderly**, as the demographic structure has been changing.
- There has been an increase in the number of **immigrants** and refugees, due to political turbulence and economic depression in many parts of the world.

- There has been a change in the way the **mentally ill** are treated, releasing them from institutions.
- And there has been a rise of **unemployment** among the unskilled workers, due to the decline of heavy industries which have historically employed the manual workers.
- There has been an increase in the transformation of households, leading to a larger number of **single parents**.

None of these groups should be seen as the cause of social exclusion problems. They are those who suffer most from these problems, due to their vulner ability. The tendency to see the single parents or immigrants as the source of the social problems simply blames the sufferers for their suffering.

These increases in vulnerability have been parallel to the growth of constraints on the public economy, a crisis of the welfare state. The increase of vulnerability can also be associated with the process of globalization.

Spatiality of social exclusion: Concentration of the vulnerable

These groups are often concentrated in particular areas, as part of the way in which the society organizes itself.

Table 5.1: *Concentration of the vulnerable in the socially excluded neighbourhoods*

Neighbourhood	**unemployed**	**elderly**	**single parents**	**Immigrants**
Cherry Orchard	53%	1.4%	25%	not applicable
Church Street	16%	21%	8%	21% ethnic minorities
Cruz da Guia	8.9%[9]	7.7%	14.5%	considerable
Hamm-Norden	no data available for unemployed; 8,7% welfare recipients[10]	older than 65 years: 14.7%	6% of the households	17%
Leoforos Alexandras	14%[11]	23%[12]	4.5%[13]	50%
Ostbergahojden	6-7 % [14]	7 % [15]	10 % [16]	40% [17]
Vapnagård	17%/49%[18]	7%	16%	22%
Via Arquata	5.2%[19]	19.6%[20]		
Via Gradenigo		38%[21]		
Walker	29.9%	25%[22]	8.9%	1% ethnic minorities

As we see from the ten case studies, the proportion of the vulnerable groups in these neighbourhoods is very high compared to the rest of the city. Most, however, have concentrations of some, rather than all, types of vulnerable groups. For example, Cherry Orchard and Walker have high concentrations of single parents and unemployed but no significant presence of ethnic minorities. The proportion of elderly population is relatively low in Cruz da Guia, and Vapnagård, whereas they both have high percentages of ethnic minorities and unemployed. What they all share, however, is that they are concentrations of some form of vulnerability.

---

[9] Compared to 4% a verage in Cascais.
[10] This percentage is the highest one among all neighbourhoods of Hamm
[11] sample
[12] Mostly Greek pensioners. The average age of the immigrant population is lower.
[13] Not considered as a serious problem.
[14] (Östberga)
[15] 65 +
[16] of all households, 37 % of households with children (Östberga 1990, children 0 -15 years)
[17] (migrant origin = born abroad or with foreign citizenship)
[18] * on unemployment benefit/not working over the age of 15 (see report page 30 tab 8 and page 106 tab A-4)
[19] Twice the city of Turin's average.
[20] More than 30% over 60.
[21] 54% over 60 years old.
[22] The figure for the East End of Newcastle, including Walker, Monkchester and Byker.

When compared with each other, the range of unemployment varies quite widely, from 53% in Cherry Orchard to 5.2% in Via Arquata. It should be noted, however, that these neighbourhoods share in having unemployment rates higher than the ir surrounding areas. Via Arquata, therefore, should be compared to the City of Turin: the neighbourhood's rate of employment is twice the city's average. The same is the case for Cruz da Guia, whose rate of unemployment is more than twice the average rate in Cascais.

It can be concluded from these comparisons that the ten case study neighbourhoods all share in that:

- Each is a concentration of several types of vulnerable groups.
- Each shows a significant degree of vulnerability in its immediate conte xt.

There are two main mechanisms in place, which can be identified as leading to this process:

- *The land and property market mechanism, which ensures the poor and the rich are kept separate.* There is a direct relationship between the low income groups an d the rent levels in an urban area. As the rent levels in particular areas of the city are lower, they attract the lower income groups. Similarly, as an area becomes inhabited by low income groups and the poor, its rent levels drop significantly. Through t his mechanism, the desire of the higher income groups to live separately from the poor becomes institutionalized through the markets. As an area becomes demarcated as a place of the poor, its decline in access to services and facilities starts.

- *The planning and housing process, which brings particular groups together.* The redevelopment programmes and social housing programmes have concentrated the vulnerable in particular areas and have demarcated these areas relatively clearly, with the styles of architec ture as well as with the location and management.

The planning and housing process has historically protected the poor by de -commodifying the urban space, by providing and accommodation and other forms of support for the vulnerable. This, however, is cha nging now. The social housing areas have turned into concentrations of the poor and the disadvantaged. The reasons for this are:

- Local authorities often have to offer accommodation to the poor and the vulnerable. Hence the social housing areas become a co ncentration of these groups.
- Social housing has declined in status. There has been a 'flight' from these neighbourhoods. This has been in parallel with a stigmatization of the social housing areas.
- In some cases, housing management has acted to exclude tho se considered as undesirable: tenants with bad behaviour or large debts.

Concentration of symptoms of vulnerability (socially excluded neighbourhoods)

A concentration of the symptoms of vulnerability leads to the emergence of socially excluded neighbourhoods. These neighbourhoods can be identified through a number of features:

A declining profile

Neighbourhoods that were perhaps similar to the rest of urban areas start to show signs of standing out as a declining area. As we saw in the ten case studies, this includes a concentration of vulnerable groups and a decline of physical environment. What usually stands out is a combination of

- *Increased vulnerability*. Unemployment is the main route into social exclusion and all areas with high rates of long term unemployment are vulnerable to exclusion. This is particularly so if unemployment is combined with other forms of vulnerability such as old age and single parenthood. As the working population of an area declines, the proportion of the vulnerable groups increases and so does the vulnerability of the whole area.
- *Transient, disconnected population*. As an area becomes vulnerable it becomes increasingly difficult to cope with the transient population that comes to the area. Some areas are entirely identified with disconnected populations, who cannot establish the necessary networks and cannot therefore mobilize resources and acquire the knowledge that is needed for change.
- *Inadequate services*. Although in principle, all areas of a city should receive similar services, it is highly likely that the poorer areas find themselves deprived of a number of services provided by the private sector, such as banking and shopping. They also may find that the public services are not adequate, either as a result of poor management or of the general decline of the economic base of the area.

Breakdown in social relations

These pressures often lead to rising tensions between the neighbourhood's residents. A number of these tensions can be mentioned here.

- *Racial tension*. As the number of immigrants in an area rises and the economic base of its population deteriorates, a clear racial tension emerges that may reflect, or be reflected in, the national trends.
- *Tension between old and new residents*. This is in some ways parallel to the racial tensions in a neighbourhood. As the old, more established residents associate the decline of their neighbourhood with the arrival of some new, often displaced residents, tension rises between the old and the new residents. This is particularly so in the areas with a longer history of settlement, such as Walker, but also in new housing areas, such as Vapnagård.
- *Bad behaviour*. This is especially the case for some of the youth, who are seen by other residents as a source of threat and anti-social behaviour. There are also bad behaviour

towards ethnic minorities and other neighbours, which causes the social fabric of the residential areas to deteriorate and fragment.

- *Noise*. This is a general complaint in many neighbourhoods, which is a result of the intensity of use. As unemployment men and women stay at home, in flats that are designed for working residents; large families live with their children in homes provided for small households; and the young people who do not follow the social norms of the previous generation dominate parts of the public spaces of the neighbourhood, the problem of noise becomes ever more acute.
- *Crime and fear of crime*. The crime rate also rises as the formal economy cannot find employment for the casualties of the economic change. Bad behaviour and the breakdown of social relations can easily mount to the level of crime. More serious crime, such as dealing in drugs and getting involved in theft are alternative forms of socialization and employment. Many residents, however, especia lly the elderly, find besieged by the fear of crime.
- *Withdrawal from public*. The breakdown of social relations, which is manifested in rising crime or just bad behaviour towards neighbours, causes a withdrawal from public life. Few people engage in the affairs of the neighbourhoods, either as a result of loss of trust or due to a lack of knowledge about the democratic processes. The ability of the local people to work together to improve their conditions becomes seriously undermined.

Breakdown in identity/symbolic representation

One of the major consequences of the breakdown of social relations in a neighbourhood is a crisis of identity. For the immigrants who find themselves at the lowest levels of an unknown environment and are not connected to any social networks, the only connection to a new country becomes an economic one. In the absence of work, however, no form of direct connection may exist between the immigrants and the institutions of the host country. When they cannot identify with the social and physical environment around them, the immigrants find themselves in a crisis of identity. The only coping mechanism often becomes networks among immigrants from the same country or with similar backgrounds. Even if the immigrants are absorbed in the job market, the process of identification may take a very long time. The same problems face the former industrial workers who no longer can identify themselves with the work they were used to do. Their children also find it difficult to socialize as their previous generation appears to have lost its way. Their connections with society weakens and, especially the men whose jobs have disappeared, find themselves in the midst of a crisis of symbolic representation, a crisis of identity. People may be able to cope by relying on some old networks, which come under increasing pressure as economic conditions deteriorate for the jobless. As a result, a feeling of powerlessness, of low expectation and loss of hope prevails.

Breakdown in the relations between the neighbou rhood and the world outside

Closely related with the crisis of relations inside the neighbourhood is the crisis of relations with the outside world.

- *Lack of political participation*. This results from an alienation from the formal political processes, which do not seem to have any direct effect on people, or a lack of awareness of these democratic processes by the immigrants.
- *Stigma*. The general image of an areas declines in the public consciousness, either through the media or the professionals who deal wi th the area. A few high profile reports of crime or a number of regeneration initiatives are associated with a process of stigmatization and stereotyping. Some addresses become so stigmatized that residents find themselves discriminated against for their h ome address.
- *Mutual mistrust, crime and lawlessness*. As the relationship between the socially excluded people and the outside world deteriorates, mutual mistrust develops, whereby the 'others' are treated with suspicion. There is a narrow gap between this stage and a complete breakdown of peace can develop.

5.1.2 What is a socially excluded neighbourhood (Typology of neighbourhoods)?

We have already identified that a socially excluded neighbourhood is one which suffers from a multiplicity of economic, s ocial and cultural pressures. In our empirical research, we have tried to observe the characteristics of the case study neighbourhoods and arrive at a typology of excluded neighbourhoods.

The study covered ten neighbourhoods from across Europe, with diff erent sizes and characteristics. They vary in size, from a small neighbourhood of 500 residents in Athens to Hamm-Norden in Hamm with a population of 14,500. They also vary in the cities from which they have been chosen. Neighbourhoods from metropolitan ar eas and capital cities as well as provincial towns and cities have been selected. They represent cities from the north as well the south of the European Union. Their period of development varies from the 19th century to the present day, where some redevelo pment and regeneration has taken place.

Table 5.2: *Size, location and development period of the case studies*

Neighbourhood	City	Population	Development period
Cherry Orchard	Dublin	4,000	mid 1980s
Church Street	London	10,000	19th and 20th century
Cruz da Guia	Cascais	2400	1960s to1990s
Hamm-Norden	Hamm	14,500	1950-1970
Leoforos Alexandras	Athens	500	1933-6
Ostbergahojden	Stockholm	2900	1965-69
Vapnagård	Helsingör	3974	1970s to 1990s
Via Arquata	Turin	1646	1920s
Via Gradenigo	Padua	121	1927-31
Walker	Newcastle	8,854	19th and 20th century

Despite this variety and range, it is possible to find a typology of these neighbourhoods. At least two different approaches can be adopted to generate a typology, one in which the location of the neighbourhood in the city is taken as a criterion, and another in which the process of exclusion is the basis of classification. The typology is, therefore, based on two ways of looking at these neighbourhoods: where they are located (physical criterion) and how they have ended up where they are (social criterion).

1. Types of neighbourhood (location)

A form of classification of the studied neighbourhoods is to observe that they generally fall into two categories: peripheral and central enclaves.

Table 5.3: *Neighbourhoods' location in the city*

Neighbourhood	City	Location
Cherry Orchard	Dublin	Western edge of city
Church Street	London	edge of centre, enclave
Cruz da Guia	Cascais	near the centre, enclave
Hamm-Norden	Hamm	Northern edge of city
Leoforos Alexandras	Athens	Originally peripheral, now enclave in centre
Ostbergahojden	Stockholm	southern edge of city
Vapnagård	Helsingör	Western entrance to city
Via Arquata	Turin	Border of historic centre, enclave
Via Gradenigo	Padua	Border of historic centre, enclave
Walker	Newcastle	East end of the city

1. Peripheral isolation

Some neighbourhoods are located on the margins of the cities, separated from the central areas through physical features, such as railways, roads or rivers, or just through distance.

The marginality of location makes it difficult for the residents to have easy access to facilities and jobs, and feel isolated and marginalized.

2. Central enclaves

The second type of location is the enclaves in central areas. They may have been originally peripheral areas that have been absorbed in the growing city (Athens), or areas that have declined with the passage of time (Turin and Padua), or areas that have been colonized by the immigrants (Cascais). Whatever the cause, these are now neighbourhoods in central areas of the cities, but somehow detached from the activities and affluence of the centre, as best manifest in Church Street.

It is possible to see how one type can turn into another. A peripheral neighbourhood becomes a central enclave as the city grows, or a central enclave is transported to the periphery through redevelopment and displacement, as many modernist redevelopments meant to do.

2. Types of neighbourhood (process of exclusion):

As the following table shows, the causes of decline and exclusion in a neighbourhood can vary widely. A comparison between the original type of the neighbourhood and its current conditions enable us to arrive at a new form of typology.

Table 5.4: *The original character of the neighbourhoods*

Neighbourhood	**City**	**Original Type**
Cherry Orchard	Dublin	infill suburbanization and decentralization of Dublin, social housing
Church Street	London	(66% social housing)
Cruz da Guia	Cascais	barraca, redevelopment
Hamm-Norden	Hamm	traditional working class, social housing
Leoforos Alexandras	Athens	redeveloped for refugee settlement
Ostbergahojden	Stockholm	social housing
Vapnagård	Helsingör	dormitory new town, social housing
Via Arquata	Turin	social housing
Via Gradenigo	Padua	traditional working class, social housing
Walker	Newcastle	traditional working class, social housing

Table 5.5: *Causes of exclusion*

Neighbourhood	City	Causes of exclusion
Cherry Orchard	Dublin	Unemployment & displacement, residualization of public housing areas, spatial isolation, stigmatization, lack of services, social disintegration
Church Street	London	displacement, concentration of public housing, arrival of new, poor and migrant residents
Cruz da Guia	Cascais	displacement, unemployment, stigmatization
Hamm-Norden	Hamm	industrial decline & displacement, spatial isolation (river & canal), administrative division, poor and migrant residents from 1980s, social disintegration, stigmatization
Leoforos Alexandras	Athens	deterioration of the housing stock & planning blight, refugees & new immigrants not integrated.
Ostbergahojden	Stockholm	displacement, spatial isolation (transport), concentration of unemployed and migrants
Vapnagård	Helsingör	displacement, size of estate, lack of facilities, stigmatized as 'reception camp for social losers'
Via Arquata	Turin	spatial isolation (railway), stigmatization, poor environmental quality, lack of services
Via Gradenigo	Padua	displacement and social disintegration, spatial isolation (canals and major road), concentration of elderly
Walker	Newcastle	industrial decline

It is, therefore, possible to arrive at another form of classification of the disadvantaged neighbourhoods through two broad processes they have gone through: decline or displacement.

1. Neighbourhoods of decline

A long established neighbourhood declines as a result of a variety of reasons.

- *The neighbourhood loses its economic base* . This is often due to industrial decline. As the Table 5.4 shows, many of the neighbourhoods have originally been traditional working class areas, closely associated with industrial production. As the industries have declined, so have the residential areas of the former workers who lost their employment and were not in a position to move out or to find new jobs, as exemplified by Walker.
- *The neighbourhood suffers from regulatory pressure* . This is often the case with planning blight, where an area is destined for a change that never takes place or takes a

very long time to happen. Under these conditions, as in Leoforos Alexandras in Athens, the neighbourhood declines socially and physically.

- *The neighbourhood suffers from losing population* . As the Table 3 shows, some of the case study neighbourhoods are mainly social housing areas or have large social housing components. As the status of social housing declin es and it becomes more and more associated with the poor and the immigrants, the longer established residents move out, as reflected in Vapnagård. The industrial decline is also related with the loss of population, as the unemployed workers seek employment elsewhere, as exemplified by Walker. The loss of population in some places is also associated with the suburbanization of the cities, in which those who can afford leave the city for the suburbs.
- *The neighbourhood suffers from losing rent value* . As the employed and the longer established residents leave and the neighbourhood becomes more associated with vulnerable groups, the value of the property in the market declines and the rent levels drop. This change in the housing market conditions of a neighbourho od makes it suffer further, as it attracts poorer residents.

2. Neighbourhoods of displacement

The second type of neighbourhood is a residential area that turns into a site of displacement. It becomes a disadvantaged area as a result of mainly one process .

- *The neighbourhood becomes a place for a transient, displaced population* . This can happen as a result of planning and housing processes, in which an area is redeveloped or managed in the way that new residents are brought in. As their period of stay is short, the residents do not find the possibility of forming bonds with each other. As they are not tied into a united economic base, as was the case with the industrial working class areas, there are no grounds for socialization and group building. The transient population, who often lack other forms of resources, remain fragmented. As a result the neighbourhood declines socially and physically.

A declining neighbourhood can turn into a neighbourhood of displacement. As the neighbourhood loses population, new residents are brought in through housing management processes. There may be some resistance to this process by the local residents, as is the case in Walker. But when the number of short term residence increases, the declining neighbourhood accommodate s not only the original impoverished population, but also a transient population, who often stand in opposition to each other, as can be seen in Hamm-Norden and Vapnagård. The other way round, i.e., transformation of a displacement neighbourhood to one of decline is also possible, as displacement by nature reduces the social integration and attention to physical environment.

It should be noted that most studied neighbourhoods are subject to both processes of decline and displacement, as these two processe s are often interlinked. It is the predominance of one or the other that determines the character of a neighbourhood in terms of the strength or weakness of its social networks, hence the possibility of developing a typology on the basis of decline or disp lacement.

Conclusion
The ten case studies show a wide range of neighbourhood sizes, locations, and types. Two main criteria have been used to arrive at two forms of typology. The first is based on location of the neighbourhood in the city. According to th is criterion, the case study neighbourhoods were either in peripheral isolation or in central enclaves. The peripheral isolation was caused by being on the margins of the city, separated from central areas activities by distance or by specific features. Th e central enclaves were within central areas but isolated from the surrounding areas through their own conditions of deprivation and disadvantage.

The other criterion used in the typology is the process of exclusion. According to this criterion, neighbou rhoods can be classified as neighbourhoods of decline or displacement. Those in decline are particularly the traditional working class neighbourhoods hit by industrial decline, whereas the neighbourhoods of displacement are where redevelopment or housing management processes have created concentrations of transient population.

It is obvious that only ten case studies do not constitute statistical validity and that this typology only applies to these ten cases. For statistical validity further, large scale research is needed.

5.2 Neighbourhood policies and programmes

In this section policies and programmes in the nine neighbourhoods studied are described and compared. First polices and programmes in the nine neighbourhoods are described. In a concluding part of the section responses are compared and typologised.

Denmark
The Danish case study, *Vapnagård*, is located in *Helsingör*. Formally the municipalities have an overriding responsibility for the provision of welfare on the neighbourhood level. However, local initiatives are encouraged and to a large degree funded by national agencies and associations. Until recently measures mainly were targeted at individuals or special, 'vulnerable', groups. The establishment of the National Urban Committee has changed the focus of rehabilitation by promoting comprehensive and holistic approach targeted at needs of both individuals and areas.

Today Vapnagård has an area-based holistic approach to urban regeneration and housing improvement. In various ways the regener ation programme encourages and facilitates resident participation in management and regeneration of the neighbourhood. Focus is on residents' involvement and measures to improve the daily life in the neighbourhood. The programme is resident led and control led. An outspoken ambition is to open up for a visible presence and co-operation between various public agencies as well as volunteer organisations and initiatives.

In Vapnagård a multifunctional institution has been established as part of the regenerati on strategy. Among measures initiated could be mentioned:

- Extensive renovations of buildings, common spaces and the outdoor environment
- A continuos development of the system for residents' democracy, e.g. by education activities
- Development of voluntary t enants activities serviced by professional support.
- A formalised co-operation and co-ordination between the neighbourhood and various public agencies providing services.

Germany

In the German neighbourhood, *Hamm Norden* in the city of *Hamm*, in the Ruhr-area, an alliance of community workers dealing with children and youths was established in 1992, in reaction to escalating crime and violence in the neighbourhood. In response to this initiative the municipality initiated an integrated neighbourhood developme nt concept aimed at revitalisation of the neighbourhood. A new body, the Coordinating Group Hamm Norden, was established. Since 1994 activities in the area have received substantial support from the State of Northrhine-Westphalia. Decentralisation has been a key concept guiding various measures launched by the Co-ordinating group and it can to large extent contribute to explain achievements reported. A major success has been the introduction of a Neighbourhood Centre where various kinds of public services a re provided. Besides co-ordination of public services the ambition is to improve relations between public and independent agencies and the residents of the neighbourhood. Ambitions to actively engage residents in the regeneration strategy has so far yield ed less success. New approaches to resident involvement has been put forward as an important challenge for the continuation of the project. The Neighbourhood Centres fields of action include:

- The creation of meeting places to encourage contacts and joint a ctivities
- Counselling and the provision of individual support
- Development of leisure, educational and cultural facilities
- Upgrading of the image if the area, e.g. by improvements of trade and services, industry and handicraft, social infrastructure, urban design, greenery and open space, and traffic
- Improvements of 'problematic' housing stock
- Promotion of employment and local economy in the neighbourhood

Greece

The Greek neighbourhood, *Leoforos Alexandras* in *Athens*, is a pocket of decline in downtown Athe ns, surrounded by more affluent neighbourhoods. The geographical location of the neighbourhood has over the years directly and indirectly impacted on plans for development. During the 1960's and 1970's plans were to demolish the neighbourhood or parts of it. In the 1980's the dominant idea was a massive transformation and the inclusion of a number of new activities, e.g. shopping areas, new housing and parking. In 1997 this idea of transformation was rejected. In absence of public intervention and upgrading activities the process of decline has continued during the 1990's. The Athens Municipal Authority has a social policy targeted to specific groups (homeless, poor, drug addicts, handicapped persons) and not policies for particular degraded districts and

neighbourhoods. This approach has certain obvious advantages since social distress is scattered throughout the city. Nevertheless, the absence of integrated actions addressing the needs of specific areas does not help in preventing their degradation process , which not only 'attracts' people in risk of social exclusion, but is by itself a factor that produces and reproduces this phenomenon.

The way towards an effective approach to upgrade the neighbourhood is discussed and three issues to be addressed have been distinguished. The first refers to the poor housing stock, which not only attributes a stigma to the neighbourhood, but is also the main reason for its process towards social exclusion. The second is related to inadequate service provisions in the areas of sanitation and garbage collection, as well as to traffic and parking arrangements. The third category is specific to illegal immigrants living in the neighbourhood and has to do with the general difficulties which this group faces all over Greece, such as job insecurity, low earnings and lack of social security protection. However, no decisions have so far been taken on these issues, and the future of Leoforos Alexandras is yet to be seen.

Ireland

In the Irish neighbourhood, *Cherry Orchard* in *Dublin*, a range of community support services and development organisations are in place. The neighbourhood is part of the Ballyfermot Partnership which has been designated as one of the partnership companies funded by the EU through the Area Development Managem ent (ADM) company. Since designation and the riots which occurred in the area considerable resources have been channelled into Cherry Orchard by the state and voluntary sector agencies. More professional workers have been assigned to work in the area eithe r directly on projects funded by the Ballyfermot Partnership or by state and voluntary sector organisations which are linked together by networks created under partnership schemes. Cherry Orchard is targeted as a problem area in the Ballyfermot Partnershi ps Action Plan and spending priorities. Another local development project (LINK) funded by the department of social welfare operates out of the local community centre. It consists of a small team of professional workers under the direction of a board comp rised of representatives of the various interest groups operating in the area. It is closely tied in ("linked") to most the networks which operate in Ballyfermot, including the Ballyfermot Partnership. Both the state health board (Eastern Health Board) and the local authority (Dublin Corporation) have officials working in Ballyfermot in germane areas, such as drugs abuse and housing, and these are networked into the various specialist work -groups established under the Ballyfermot Partnership to address part icular problems. Other organisations are pouring money and workers into Cherry Orchard and in many cases the 'professional employees' are being appointed to the committees and working groups of the various networks which are proliferating in the area. Furt her many self-help groups, especially for women, have been established in the neighbourhood under the auspices of the Ballyfermot Partnership or one of its satellite groups. There are also some small scale but very successful local youth activities in the area such as WHAD (we have a dream) which are organised and run by local activists. There are many other state and voluntary sector organisations active in Cherry Orchard. The Catholic Church and its affiliate charitable organisations have had a

strong presence in the area from the outset. However, in recent times more voluntary organisations have been entering the area as part of the targeting regime.

Italy

Two Italian case studies have been included in the research project, the neighbourhood of *Via Arquata* in *Turin* and the neighbourhood of *Via Gradenigo* in *Padua*.

In *Via Arquata* an objective of the regeneration programme was to help local residents to express their needs, participate in the design process and contribute with their knowledge to develop appropriate solutions to existing problems. The staring point for regeneration was the realisation that problems facing the neighbourhood were multi-facetted. Thus the conclusion was that a solution called for a holistic approach for upgrading. The starting-point for the regeneration programme was an investigation aiming at knowledge about what residents assess as the most urgent needs to improve living conditions in the neighbourhood. This investigation was carried out through a participatory process in which residents' knowledge and suggestions were used to identify possible action and measures. Based on the residents' assessments the regeneration programme was launched. Three actors played key roles in the regeneration process; the residents, local fie ld workers, and institutional representatives. The programme, still under implementation, has defined three areas of action

- The physical built environment: actions include improvement of housing and the outdoor environment, and traffic
- Community development: actions include promoting 'self-help', services, information, and cultural and recreational activities
- Employment: actions include training tailored to the residents qualifications, self-maintenance of the estate, and employment of women in care and aid activities.

Mainly the programme is assessed positively by residents and professionals. The active role of residents and the integrative approach have contributed to improved efficacy and effectiveness, compared to more traditional regeneration approaches. However, in parallel problems relating to governance, e.g. division of responsibilities and the need for residents and professionals to adopt to new roles are visible.

In *Via Gradenigo* the rehabilitation programme emanated from residential protests against crime, prostitution and drug dealing. The response of the administration was to launch an experimental community development programme. The project was conceived as a strategy to foster self-administration of the common parts of the estate as a mean to counteract the growing sense of exclusion and abandonment perceived by the residents. Objectives were to promote the development of skills, a sense of community, and the responsibility and power of residents to manage important issues in their neighbourhood. A Self-Management Committee was established to promote co-operation between inhabitants and the local authority that that owns the estate. The role of the Committee was to contribute to a better understanding of problems facing the estate, promoting consensus on possible solutions to problems and to serve as a forum for negotiations of priorities. The promotion of self-management of the common areas of the estate have

benefited both the local authority and residents. The local authority's management cost have been reduced, the sense of community has been strengthen and collaboration between residents and local professionals has contributed to improvement of service delivery, e.g. a health care centre has been established, and a new public safety polic y has been adopted. In parallel a refurbishment programme for the estate has been launched. The project has just been concluded leaving the tenants' committee working on its own, proving the capacity of autonomy of the residents involved.

Portugal

The Portuguese case study area, *Cruz da Guia*, is located in *Cascais*, a suburban municipality to Lisbon. In 1993 a Special Resettlement Programme (PER) was launched by Central Government in Portugal. The objective was to solve social and housing problems for families living in shanties. The programme aims to provide improved housing conditions for 50.000 families living in shanties (barracas) in the metropolitan areas of Lisbon and Porto. The implementation of the programme is based on formal contracts between Central and Local Governments, and more recently also NGOs and residents in the affected neighbourhoods. In the municipality of Cascais the PER has got its own interpretation. To avoid pitfalls experienced in other PER -areas it was decided that the programme for improvement of housing should be integrated in a more comprehensive regeneration strategy, including social development and active resident participation in planning and implementation of change. Based on a survey of the housing situation a discussion was initiated in which various stakeholders, e.g. professionals with different background, politicians and residents, were confronted vary scenarios and options for the future development of the neighbourhood. Based on these discussions a strategy for regeneration has developed. Its main features are the following:

- Rehousing must be accompanied by 'social initiatives' facilitating for households to establish and function in their new environment.
- A thorough understanding of the neighbourhood and the needs o f its neighbours must precede implementation of specific measures
- Regeneration must be build upon partnerships involving affected stakeholders
- Residents must have an active role in the various phases of the regeneration process
- 'New' more relaxed relations must be established between local agencies and residents of the neighbourhood.

Sweden

The Swedish neighbourhood, *Ostbergahojden* outside *Stockholm*, is a neighbourhood that on first sight seems to well off. The housing stock is of modern standard and is w ell maintained. So is the outdoor environment and other public space. The neighbourhood is provided with a wide range of public services. Despite these visible impressions of wellbeing Östbergahöjden is considered as a neighbourhood exposed to the risk of social exclusion. Social indicators unanimously indicate that Östbergahöjden is loosing attractiveness and is in a process of continuos decline. The current response to this decline is basically 'more of the same' Additional resources have been provided to further improve physical structures and the out door environment. In parallel extra resources have been

allocated to improve services in the neighbourhood. The overall picture is that these efforts have not yielded success. Assessments of current policies show that services delivered do not meet the most urgent needs of the residents, also is shown that and resistance to change of priorities and working methods is prevalent among professionals and agencies. An exception from this pattern is the municipal h ousing company. Three year ago it underwent an radical reorganisation, characterised by decentralisation and customer-ordination. The objective was to create a new relation between the professionals within the housing company and the residents. Ultimately the ambition was to establish a dialogue and exchange of information in order rethink priorities and working methods. From the housing company as well as from the residents this change is assessed in positive terms.

United Kingdom

Two English case studi es have been included in the research project, the neighbourhood of *Walker* in *Newcastle* and the neighbourhood of *Church Street* in *Westminster, London*.

In *Walker* the current responses to the problems of the neighbourhood can be classified as those dealing with removing obstacles to work and those dealing with improving access to services and facilities. The main vehicle in pursuing these responses has been the establishment of a partnership and securing major funding from the central government. The East End Partnership brings together public, private and voluntary sector agencies in the regeneration of the area. The Partnership has made a successful bid to acquire funding from Single Regeneration Budget (SRB), the main instrument of urban policy in England. The SRB combines a number of other policies under one umbrella and is concerned with bringing together housing renewal, economic development, education and training, social welfare and recreation. In the east end of Newcastle, the SRB Challenge Fund cove rs a period of seven years (1996-2003) with a total budget of £25m. With £15m input from the private sector and £19m from other public sector bodies, the grand total of investment in this period is expected to amount to £59.4m.

The Partnership's strategy has the main purpose of tackling the combination of economic, social and environmental problems of the area. To reverse the spiral of decline in the area, it aims to attract private investment, stimulate enterprise and build confidence in the community and commitment to the regeneration process from the residents. Particular groups have been targeted by the Partnership for attention: pupils aged 16 or over, those disadvantaged in the local labour market (the young, disabled, ethnic minorities, over 40s and women returners), young people in general and victims of domestic violence.

The participation of the community in the development of the bid has been minimal, due to the shortage of time available to prepare the documents. Even after the establishment of the East End Partnership, the presence of the community representatives is relatively weak and underdeveloped.

In *Church Street* the concentration of 'poverty indicators' was a strength in the competition for national resources and attention. When the na tional Estate Action funding

programme was announced, one of the estates in the case study area was among the first to being funded. The programme is aimed at upgrading the housing stock. Via this programme, substantial resources have been made available f or physical upgrading of the estate. This upgrading scheme initially faced two difficulties. The physical focus had the effect that issues about housing management services and community development were not properly addressed. Neither were adequate forums for information and consultation established. The second, and related problem, was that the programme reinforced the division between this estate and the wider neighbourhood in which it is located. Later the case study area has been included in the Paddin gton Development Trust, a community and voluntary partnership for promoting social development in the wider Paddington area within which the case study area is set. Inclusion in this partnership means that a broader approach to neighbourhood development h as been introduced. Issues concerning crime and safety, employment and improvement of quality of life have been given priority by the partnership and specific funding has been earmarked for community capacity building in Church Street.

The features of loc al regeneration programmes are summed up in Table 5:6 below in terms of responsibilities for implementation and financing, role of residents and, comprehensiveness and focus of measures.

Table 5.6: *Profile of neighbourhood policies and programmes*

Area/ Measures	Main res-ponsibility	Main financing	Role of residents	Focus of measures	Important measures
Denmark Vapnagård	Municipality Local actors	National	Active	Holistic Individual and area based	Physical upgrading Capacity building
Germany Hamm Norden	Neighbour-hood Office and Centre	State and local	Less active	Holistic Individual and area based	Decentrali-sation Physical upgrading Capacity building
Greece Leoforos Alexandras	Municipality	Municipal	No role	Targeted at individuals	Social support to specific groups
Ireland Cherry Orchard	Partnerships Voluntary sector	EU, State, Municipality Voluntary sector	Weak role	Mainly targeted at individuals	Addressing specified social problems
Italy Via Arquata	Municipality Residents	National Municipal	Strong role	Holistic	Physical Community Employment

Via Gradenigo	Municipal Residents	Municipal	Strong role Self-management	Holistic	Capacity building Service provision
Portugal Cascais	Municipality	National	Active role	Holistic	Housing Residential networks
Sweden Östbergahöjden	Municipality Housing company	Municipality Housing company	Less active	Mainly area based	Physical renewal Improved services
England Walker	Partnership	National	Weak	Holistic	Housing renewal Economic development Education
England Church Street	Partnership	National	Initially weak., now strong	Initially physical, now holistic	Physical upgrading Community development

5.3 Everyday life in socially excluded neighbourhoods

The aim of this section of the report is to develop an analytical model which explains the social processes which characterise the neighbourhoods in the study. The model is designed to identify the common processes associated with 'socially excluded neighbourhoods' while at the same time provide a basis for understanding how these processes can work differently in different neighbourhoods. The general approach is to examine how the location of these neighbourhoods in the general urban socio-spatial structure affects social relationships within the neighbourhood, which, in turn, affect how residents relate to the wider structure.

Four aspects of the methodological approach to the cross-national study underpin the analytical model:

- All the neighbourhoods were chosen because they are stigmatised by the wider society. At the outset of the study, stigmatisation was taken as a sign that the population living in the area was in some way 'excluded' by the wider society. Thus, stigmatisation provides the major causal variable used to 'explain' social processes within the neighbourhoods.

- Data collected from residents focused on their assessments of living within the neighbourhood, the resources it provided and the problems it presented to them in conducting their everyday lives.
- The neighbourhoods vary dramatically in size. The smallest neighbourhood had a population of 121 people. The largest neighbourhood had a population of 14,500. The variation in size helps to clarify two important issues raised by the data from residents. The first is the extent to which the highly 'localised' views of residents are an effect of the methodology (asking for views about the neighbourhood) or an effect of the social processes which contain people within the neighbourhoods. The second issue is distinguishing the general effects of social diversity from the specific effects of neighbourhood social processes in generating social division within the neighbourhoods.
- The methods used to identify residents for interviewing ranged from knocking on the doors of all households in the smaller neighbourhoods through to selecting respondents on the basis of 'recommendations' from social professionals. The variation in sampling method, both within specific studies and between the studies, helps in identifying social processes associated with 'activism' within the neighbourhoods.

The model presented below is, thus, the next step in developing the methodology of cross-national studies. It seeks to identify those 'neighbourhood based' social processes which are invariant across method while, at the same time, providing an analysis base which can be elaborated to account for variations across countries, among neighbourhoods and accounting for variation in individual respondents' experiences. It is structured in three stages: an 'outside in' stage accounting for the formation of the neighbourhoods within the urban socio-spatial structure, an 'inside' stage accounting for social processes within neighbourhoods, and an 'inside out' stage concerned with the political weakness of these neighbourhoods within the urban socio-political structures.

'Outside in' processes: Concentration, containment and stigmatisation

All the neighbourhoods are characterised demographically by a concentration of individuals and households 'at risk of social exclusion' when social exclusion is identified as a structural process associated with the operation of the labour market. Thus, in all the neighbourhoods there are higher than (national) average concentrations of people low paid, low status and precarious employment. There tend, also, to be concentrations of people of working age who are outside the labour force (e.g. single mothers, those who have retired early due to ill health). In all but three of the neighbourhoods, there are also concentrations of 'non-white non-European' people whose skin colour and/or citizenship status underpin a very weak position in the labour market. Most of the neighbourhoods also contained a higher than average proportion of children and youth. One neighbourhood had a larger than average proportion of elderly people and some neighbourhoods had lower than average proportions of the elderly. In all cases, it was not possible to get precise estimates of the number of people suffering from other problems

which interfere with a 'normal' working life, e.g. alcoholism, drug dependency, mental health problems.

This way of looking at social exclusion focuses on the position of individuals within the labour market. Within such a framework, not all individuals living in these neighbourhoods are at risk of social exclusion simply as a consequence of their position in the labour market. However, the analysis below discusses the social processes associated with the neighbourhoods which places all individuals living within them 'at risk'.

The general social stigmatisation of these neighbourhoods is affects, in one way or another, all the individuals who live in them. Stigmatisation is, in general terms, a metonymic process within which the characteristics of a part of the population in the area comes to stand for the characteristics of the whole neighbourhood. It, thus, 'enacts' social exclusion for the people living in the neighbourhoods.

Using neighbourhood stigmatisation as the main explanatory concept focuses attention in two ways. The first focus is on the relationships between all the people living in the neighbourhood and the wider society. This aspect of stigmatisation 'creates' a particular kind of neighbourhood in the wider society's socio-spatial imagination which shapes interaction with the residents and is, thus, one of the ways in which the neighbourhood 'affects' its residents. In addition, some of the 'social imaginary' effects are reinforced by the actions of the social professionals and social institutions who work within the neighbourhoods. The second focus of attention is the way in which individuals' responses to stigmatisation by the wider society affect relationships among the people living together within the neighbourhood. These 'inside' effects are complex and vary with the specific characteristics of the neighbourhood and its population. Overall, the combination of 'outside in' and 'inside' processes 'actively contains' the population within the area. In effect, stigmatisation acts like a lobster trap. It is easy to get into the neighbourhood and difficult to get out of it. It, thus, leads to the concentration of specific groups 'at risk'.

There is only one generalisation which can be applied across the entire range of neighbourhoods and the entire group of residents who were interviewed in these neighbourhoods. Every single resident was aware that they lived in a stigmatised neighbourhood.

What are the stigmata, the markers of stigmatisation? These markers are the visible signs which allow the wider society to say 'here be problems'. Three types of stigmata were identified in the neighbourhood studies. Firstly, the presence of a significant concentration of minority ethnic and/or immigrant groups was an important factor in the six neighbourhoods where these groups were present. The specific groups varied among the countries, depending on specific national histories of immigration and migration and the citizenship laws in each country. Secondly, the specific architectural styles associated with public and social sector housing served to mark out the neighbourhoods. While the both the building types and layouts and the specific kinds of institutions providing social housing vary among countries, the identification of social housing and stigma was

invariant. Much of this is due to the institutionalisation of accession rules allocating social housing to people 'in need', 'social cases', etc. Although the Greek neighbourhood contained only private sector housing, but it had originally been built for refugees in 1923 and had sustained this social function. In most cases, private housing which was contiguous to the social housing was also stigmatised. Thirdly, the visible signs that the neighbourhoods were 'uncared for' by public authorities (unkempt public spaces, ubiquitous litter, poor quality rubbish collection, poor road maintenance, and in many cases, poor quality building maintenance) also marked these neighbourhoods. This type of marker operates more subtly than the first two types. It sends messages, both to residents and outsiders, that the people living in the neighbourhood do not 'deserve' to receive the same quality of output of services as people living elsewhere. In many situations, these 'uncared for' stigmata are also interpreted as evidence of criminality and anti-social behaviour. While the first two types of stigmata are relatively immutable, this third type of marker is significant because it could be changed relatively easily and *has not been changed*. In other words, it signals the continuing and current stigmatisation of the neighbourhood. The stigmata, thus, convey the message to the wider society that *all* the residents of the neighbourhood are not just different, but also strange, frightening and to be avoided.

In conclusion, the spatial *concentration* of people who are vulnerable to the effects of structural economic change supports the *containment* of this group in specific areas through the social process of stigmatisation. These two processes of concentration and containment form the economic, social and spatial structural framework within which people live their everyday lives in the neighbourhoods.

'Inside' processes: Neighbourhood demographic life cycles and status differentiation

There are two 'inside' processes which shape everyday life in the socially excluded neighbourhoods. The first is the demographic life cycle of neighbourhoods and the second is the creation of status differentiation within the neighbourhood. Both these processes tend to fragment and divide the population within the areas, which in turn leads to their weakness in representing themselves within the wider urban socio-spatial structure.

The demographic life cycle of neighbourhoods

The demographic life cycle of neighbourhoods shapes how specific groups of people come to be concentrated in specific areas. Because stigmatisation is associated with the operation of land and housing markets, all the neighbourhoods are accessible to economically weak and socially marginal groups such as new immigrant and other minority ethnic groups, young people accessing independent housing for the first time, and households undergoing some form of crisis (divorce and separation, substance abuse, loss of employment, ill health). As the Danish report remarks, accessing housing in these neighbourhoods is not a problem for such households, it is a solution to the problem of finding accommodation in their specific circumstances.

However, there are structural processes associated with the provision of this

housing stock which create subsequent tensions among residents. This process can be called the 'demographic life cycle' of neighbourhoods. Briefly, new housing estates are built to serve 'social purposes' (such as housing refugees in the 1920s in Greece, company housing in one of the Italian neighbourhoods, rehousing from overcrowded inner city areas in Dublin, or simply as part of the general social housing stock). When it is first built, it is occupied largely by young households with children. As the years pass, some households move out to access better housing, children grow up and find independent housing nearby or further away, and their parents become older and begin to die. As the original cohort of households in the neighbourhood move through their own life cycles, there comes a period of time in which a substantial part of the housing is still occupied by elder people, but an increasingly proportion is accessible to new young households. Thus, at this transitional point in time, there are both very high proportions of children and young people and a substantial group of elderly people who have lived in the neighbourhood for a very long period of time. In this way, the demographic life cycle of the neighbourhood as a whole creates the basis for conflict between elder, long established residents and newcomers. There are two empirically related, but conceptually independent, dimensions to this conflict: One is age and the other is length of residence in the neighbourhood. All the neighbourhoods displayed conflict between these two groups except Cherry Orchard, which was settled more recently and had an extraordinarily high proportion of children and young people and a marked absence of elderly people.

The conflict between elder, established residents and newcomers tends to focus on the behaviour of adolescents and young, single adults in the newly arriving households. This conflict reflects the general social process of managing adolescence, that is, the transition from dependent childhood to independent adulthood, and would occur in any neighbourhood of any socio-economic type at this stage in the neighbourhood's demographic life cycle. At the same time, it also reflects the loss of confidence experienced by elder people as they become more frail. As a consequence, this conflict tends, also, to focus around behaviour in the common spaces in the neighbourhoods, both the public between buildings and semi-public spaces, such as stairwells, within buildings. In short, it focuses on adolescent behaviour in public.

The basis of the problem is the tendency for adolescent boys to hang about together in public. Residents make important distinctions between 'normal' adolescent group behaviour, which is rowdy and noisy but can be tolerated, and 'unacceptable' gang behaviour, often involving petty crime and intimidation. In two of the neighbourhoods, Cherry Orchard and Vapnagård, older children and adolescents were also heavily engaged in bullying younger children. In one neighbourhood, via Gradenigo, older adolescents and young single adults were openly engaged in drug trading and prostitution.

Different groups of adults draw the line between normal and unacceptable at different points, with elder people being more conservative than middle aged people. In this context, it is worth noting that controlling the behaviour of adolescents in Cherry Orchard, where there were almost no elder people, appeared to be much more difficult than in the other neighbourhoods. It, thus, appears as if the elders' dissatisfaction with the public

behaviour of adolescents is one of the aspects of the situation which supports parents (and others) in controlling young people's behaviour.

Nevertheless, the issue in socially excluded neighbourhoods is about the conditions under which this conflict is more or less difficult to manage. Four factors influence the sharpness and manageability of the conflict between elder established residents and newcomers with children and adolescents in their families:

- The first factor is whether the newcomers are drawn from social groups whose basic norms of behaviour are markedly different from those of the elder established residents. This was most obvious where newcomers were drawn from minority ethnic or immigrant groups. The specificities of inter-ethnic relationships varied greatly among the neighbourhoods. In the most complex situation, there were several significantly large minority ethnic groups, in Church Street, leading to a 'chronologically layered' set of conflictual relationships. In Leoforos Alexandras, there was a large group of illegal immigrants, who are likely to exercise very strong control over their own children as a way of avoiding drawing official attention to themselves. Where adults were unable to communicate among themselves, as a consequence of linguistic difference, then the conflicts appeared to be much sharper.
- The second factor is whether it had been possible to establish networks of related families living within the same neighbourhood. Where there were independent, kinship based networks of households, then the conflicts appeared to be less sharp on both sides. In these circumstances, young people and children experienced the presence of extended kin networks as 'repressive', which indicates that the kinship networks were exercising control of their behaviour.
- The third factor which influences the conflict is the extent to which mothers of young people and children were able to establish supportive networks among themselves. These networks provide a basis for shared control over the behaviour of their children. It appears that males, especially those who have suffered a loss of status due to unemployment, are unable to participate in controlling the behaviour of younger people.
- The fourth factor which influenced the sharpness of the conflict was the size of the neighbourhood. In the larger neighbourhoods, it was clear that adolescents tended to manage conflicts among themselves by dividing the territory among themselves. In the smaller neighbourhoods, some of the conflict was 'exported' as adolescents socialised away from the area in which they lived. This complicates social control of adolescent behaviour since those living in the area which the adolescents occupy see them as unknown and troublesome. It also supports demands for a more active and visible police presence in the neighbourhoods.

Failure to control the behaviour of adolescents is threatening to the whole of the neighbourhood, beyond the fear and intimidation felt by elder people. Petty crime and vandalism leave their evidence behind -- graffiti, broken windows in cars and houses, broken light fixtures, trampled gardens, roaming horses, etc -- thus creating one of the markers of stigma for the neighbourhood as a whole.

Finally, the way these conflicts focus on common spaces is also influenced by the division of responsibility for the maintenance of these spaces. The specific division of responsibility between residents, landlord organisations, civic authorities and the police varies among neighbourhoods. In two places, it was assumed that it was a matter for residents: In Leoforos Alexandras, all the property was privately owned and in Vapnagård, there was a highly developed (if not always effectively used) tenant management structure for maintaining common spaces. Elsewhere, residents assumed responsibility lay either with the landlord organisation or with the local authorities. Consequently, the failure to eradicate the evidence of petty crime and vandalism was also taken as a message of stigmatisation, that the residents were not important enough. In these circumstances, there was also a greater (although not universal) tendency to ascribe responsibility for eradicating the criminal acts which caused the stigmata to the police. However, this ascription was, itself, contentious among residents since some residents saw the police themselves as threatening and certainly 'spectacular' policing tended to reinforce the view that the neighbourhood was crime ridden and, thus, even more deeply stigmatised. In Leoforos Alexandras, the issue did not arise because the neighbourhood is immediately adjacent to Athens' central police station.

In conclusion, where there are weaknesses in managing the neighbourhood's demographic life cycle, elder residents experience newcomers in a specific way. Their loss of personal authority and 'informal' social control means that the newcomers are seen as threatening and intimidating. The increase in stigmata from petty crime and vandalism contributes to experiencing the social changes not just as a loss of personal status, but also as a loss of the neighbourhood's social status within the wider urban system. This loss of status both sharpens and generalises the conflicts between elder, established residents and newcomers.

Status differentiation

The second main inside process which occurred in all the neighbourhoods was one of strongly demarcating social differences within the neighbourhood and, thus, creating localised systems of status differentiation. Stigmatisation assigns the same (low) status to all residents within a neighbourhood. Therefore, a general defence against stigmatisation is to enhance one's own status *vis a vis* those with whom one has daily contact.

The dimensions along which local status hierarchies can crystallise are partly 'given' by the wider society and partly determined by local social configurations. The discussion of neighbourhood demographic life cycles indicates two of these dimensions: age and length of residence. Five other dimensions can be identified across the range of neighbourhoods studied.

- *Employment and unemployment* provide a basic dimensions along which status differentiations crystallise. There are three specific elements within this dimension. One is based on relative income, assuming this is higher than the income which can be

obtained from claiming social benefits. This is particularly important in households where there are children, given that children's status among themselves tends to be much more consumption based than achievement and/or production based. The second element turns around the experience of claiming benefits which are administered in ways which are experienced as personally degrading. (Other 'positional' benefits, such as pensions, sickness and maternity benefit do not seem to affect local status distinctions.) The third element is the way in which the loss of self-esteem associated with unemployment (for those of working age and within the labour force) is generalised into a loss of status. This process is especially important for men and reinforced when women become household breadwinners, leading to a 'double' loss of status for men.

- Where *the housing stock* is differentiated by its physical quality, design characteristics, ownership or date of construction, then the neighbourhood may have several distinctive sub-areas within it to which status distinctions can be attached. This was particularly pronounced in Cruz da Guia. The specific set of households studied in Cruz da Guia had just moved into some newly built housing, upsetting the pre-existing 'housing status' distinctions because they had previously lived in the worst quality and lowest status housing in the same area. The same processes could be noticed in Church Street, with the stigmatisation of the Lisson Green estate and in Hamm-Norden with its differentiated private and social stock.
- *Participation in formal neighbourhood based organisations* can also provide a platform for claiming higher status. Landlords and other civic or voluntary bodies often set up 'consultative' or 'participatory' mechanisms in distressed neighbourhoods in an attempt to improve the quality of life in the area, or address social problems, or simply improve the local sensitivity of the services which they provide. The specifics vary from place to place, but examples from the case studies include the tenant management structures within the Danish housing associations, the tenants' associations set up by social landlords in Lisson Green and the preventive youth work intervention in Hamm-Norden. In many circumstances, the residents who participate in these structures stake a specific claim to higher status along the lines of "I have powerful friends outside the neighbourhood, therefore I have power, influence and/or status within the neighbourhood." While outside organisations often speak about 'empowering' local residents and 'developing community leadership' through these mechanisms, there is often little awareness of how the mechanisms which are created interact with internal divisions. In the best of circumstances, they may ease internal divisions. In the worst of circumstances, they may deepen the divisions.
- Another dimension around which status crystallises could be summarised as the *ability to achieve 'respectability'*. There are three elements within this dimension. One has to do with the normative standards which underpin different lifestyles, for example, standards of childcare and parenting behaviour, housekeeping standards, public behaviour. The second has to do with widespread ambitions which fasten on to the future of children, for example, placing them in schools outside the area and supporting them in 'getting out' of the neighbourhood. And the third has to do with avoiding and stigmatising certain elements within the neighbourhood. In this context, four groups are frequently defined as 'out groups': those who are mentally ill,

particularly if they are living alone, those with substance abuse problems, homeless people and criminals.

- The final and perhaps most significant dimension of internal status differentiation is *citizenship and immigration status and/or ethnicity* . These have been partly discussed above in terms of the neighbourhood demographic life cycle. However, the situation can be very complex. In some neighbourhoods, there are 'parallel and separate' communities sharing the same urban living space. If host and minority communities have relatively little contact with each other, there can be two different status systems at work within the same area. But there is an asymmetry in this dual system, in that the host community defines itself as superior to the immigrant/minority community at least partly in response to the way that ethnicity is used as a marker of stigmatisation by the wider society. The minority community uses its internal status system combined with separateness as a defence against the pervasive message that they are inferior as a consequence of their skin colour and/or citizenship position. This dual status system places children and young people in a particularly difficult situation since the nature of their daily activities (school, primarily) means that they are in daily contact with the host society and under pressure to behave in ways which conform with the norms of the host society.

Local status hierarchies are an important response to the stigmatisation of neighbourhoods, and, thus, they have their own internal dynamic. The two main bases on which status is attained in the wider society are by ascription and by achievement. The balance between these methods of attaining status varies among different societies, but both are usually present. However, the position in the neighbourhoods studied was that the neighbourhoods and hence, the people living within them, were generally ascribed a very low status by the wider society. In addition, the people living within the neighbourhoods also contained a high proportion of people who are unable to attain achieved status through the labour market. At the same time, many of the people living in the neighbourhood were suffering from a perceived loss of status and, often, a related loss of self-esteem.

The problem, therefore, is to find an alternative way to attain status. The creation of localised status hierarchies is a solution to this problem. It makes use of the resources which are available within the neighbourhood: the attainment of employment (where relevant), the housing stock, participation in formal neighbourhood organisations, 'respectability', and immigration status/ethnicity. The internal dynamic of these localised status hierarchies could be termed 'associational'. Status is attained by mobilising the resources available within the neighbourhood (housing, local organisations, association with others who are respectable) and by avoiding contact with those whose circumstances would give them low status in the wider society (the disreputable, those claiming means tested benefits, 'foreigners', and so forth).

However, these local status hierarchies are also fragile in four ways.

- Firstly, and always, they are vulnerable to wider socio-economic changes: loss in employment, cuts in benefit systems, landlords' investment strategies, changes in immigration rules and patterns, externally imposed community development strategies which create new local organisations, accessibility of housing outside the neighbourhood, etc.
- Secondly, they can create the very divisions within the neighbourhood which weaken it in terms of representing itself to the wider society. Those who attain high status within the neighbourhood, to some extent, attain it at the expense of those who have low status within it. Consequently, maintenance of division and fragmentation within the neighbourhood may be deeply entrenched in some circumstances.
- Thirdly, those who have 'triple' low status, that is, low ascribed, achieved and associational status, have very few possibilities open to them and may use 'withdrawal' as a coping mechanism. Some people socialise almost entirely outside their neighbourhoods and do not invite their friends to visit them at home. This is a strategy open to individuals who have maintained friends outside the neighbourhood, and in some places, was widely used by members of immigrant/minority ethnic groups as well. Equally, members of immigrant/minority groups may withdraw into their own 'local' communities. Alternatively, individuals may withdraw into their own families and homes. This withdrawal into home was particularly marked in Cherry Orchard and may be a consequence of the absence of a range of other local resources for status differentiation within the neighbourhood. More generally, the creation of 'social isolates' within the neighbourhoods seems supported by local status hierarchies.
- Fourthly, local status hierarchies also depend on some degree of separateness from the larger society. This may account for the very 'localised' perspectives adopted by many residents throughout all the neighbourhoods. While residents can locate themselves physically in terms of the wider urban fabric, they locate themselves socially in terms of the neighbourhood itself. This phenomenon seems to vary with the size of the neighbourhood, however, in the areas which were studied and it is not possible to tell whether the smaller neighbourhoods were located within 'larger stigmatised neighbourhoods' which effectively contained people's spatial perspectives. At the same time, the localisation of perspective appears to also be linked with a foreshortened perspective on the future. Both general poverty and unpredictable income flows are themselves is widely associated with 'just getting through one day, one week at a time'. However, foreshortened perspectives may also be a response to avoiding risk, where larger social projects may threaten the bases of local status hierarchies.

In conclusion, in all the neighbourhoods which were studied, localised status hierarchies had formed around the resources available within the neighbourhoods. These localised status systems are a defence against the ascribed low status of the neighbourhood within the wider urban socio-spatial system. They provide a social resource for some residents living within the neighbourhoods, but create additional problems for residents who have low status within the localised systems. In this way, these localised systems can either provide support for active individuals who may have wider social projects associated with

improving the neighbourhood, or they may deepen divisions within t he neighbourhoods undermining the ability of other residents to act at all.

Overall, the operation of neighbourhood demographic lifecycles and local status hierarchies create the potential for deep divisions among the residents living in stigmatised neighbourhoods. These local processes shape, and in turn are shaped by, everyday life and interaction within the neighbourhoods. The precise ways in which the two processes work in specific neighbourhoods varies with the local resources available to resid ents. In some cases, they enhance the deterioration of social life in the neighbourhoods. In other cases, they provide a local basis for larger social projects associated with improving the neighbourhood.

'Inside out' processes: Demands for a better life

In all cases, neighbourhood demographic life cycles and localised status hierarchies provide the social ground on which any external interventions into the neighbourhood fall. This section outlines how the position of the neighbourhoods in the wider urban socio-spatial fabric and the social processes within the neighbourhoods shape the demands which residents make for improving their living spaces. There are four significant aspects of the 'inside out' demands made from the neighbourhoods which were studied.

Firstly, there is a kind of 'political fatalism'. In seven of the neighbourhoods, the samples of residents were drawn partly from people who were active in local organisations and initiatives. Even among these residents, there was a strong vi ew expressed that the formal political system offered them very little. Residents felt 'forgotten' or 'neglected' by elected politicians and parties. The consequence is that residents often feel that if something is going to be done in their neighbourhoo d, then it is either down to them to do it or responsibility lies with the local employees of local authorities.

Secondly, demands for improvements in the neighbourhood tended to focus on the management of common spaces, that is, those spaces where resi dents must confront each other everyday. These spaces, beyond the control of individual households and often falling outside the remit of any outside organisations associated with the neighbourhood are highly symbolic of the unease, fear, loss of status, etc, experienced by residents in their daily lives. There are two strands in their attitudes towards these spaces. Their neglect by formal outside organisations is seen in terms of an absence of any mechanisms of formal social control, such as the police. Secondly, the quality of the management (or more frequently, lack of management) of these spaces sends clear messages to the outside world about the low status and stigmatisation of the residents of the neighbourhood.

Thirdly, relationships with the or ganisations involved in the neighbourhood (welfare offices, landlord offices, schools, etc) are experienced as personalised relationships between two people. For residents, a relatively high proportion of the personal interaction between residents and emp loyees in the social institutions working in the neighbourhood is frustrating and unsatisfying (it takes a long time for bureaucracies to implement locally

desired initiatives, complaints are not dealt with quickly, the police never come, mistakes are made in calculating benefit payments) or personally degrading (going for help with personal problems, claiming benefits). In other words, the nature of the interaction is structured in a way which exposes the dependence of individuals on welfare state and voluntary organisations for basic aspects of material existence. Personalisation of these relationships is an active defence against the experience of dependence. It is a way of seeking to create more equal interpersonal relationships. Since the interaction is assessed by residents in terms of the norms which should govern interpersonal relationships (trust, authenticity, honesty, fairness, mutual respects), then it is not surprising that many of the relationships are unsatisfactory.

A further problem which reinforces this personalising tendency is that the limited experience of many residents means that they cannot construct in their own minds any understanding of the organisational structures, rules and procedures which govern the interaction on the part of officials. The absence of this wider explanatory framework for understanding the 'workings of bureaucracy' means that residents are limited to understanding the relationship in interpersonal terms. In these circumstances, friendly and encouraging social professionals are very highly valued by residents. Community workers and people giving independent advice to residents are singled out in many of the neighbourhoods for special praise from residents. Who these 'supporters' might be varies from place to place. In Leoforos Alexandras, many residents in the personal service industry depended on employers for help and residents concerned with the future of the neighbourhood turned to university professors. In Lisson Green, two community workers were seen as friendly compared to the other professionals managing the estate. In Vapnagård, an independent social advisor was highly valued. Young radical social professionals provided friendly outside support in via Arquata.

Finally, there is a very significant issue about the kinds of social organisational resources which residents would like to see in their neighbourhoods. In many areas, the kinds of facilities addressing problems like money advice and substance abuse are seen as further indicators of stigma. There is a kind of poignant NIMBYism in the rejection of these facilities. It is poignant because the residents of these neighbourhoods are precisely the group which is least powerful in preventing the location of these facilities, which are seen as 'necessary' in the neighbourhood by the urban authorities with responsibility for the area. On the other hand, residents are quite unanimous in wanting improvements in the basic resources which should be available to them: rubbish collection, maintenance of landscaping, footpaths and road, housing repair systems, etc.

6. ASSESSING THE EFFECTIVENESS OF LOCAL POLICY APPROACHES

6.1 Deficiencies in provision of services

When summing up the residents' assessments, as expressed in the national report s, a twofold picture emerges. The main picture, is a picture of dissatisfaction with the way that public services are delivered. However, in parallel some case studies also provide a more positive picture. Residents witness that both focus and mechanisms f or delivery of services have improved. Responsible agencies have rethought and restructured their services, and the residents' responses to these changes are positive. However, still the dominant feature of resident assessment is negative. The critique add resses a number of issues.

Residents in the neighbourhoods complain that services in their neighbourhoods are of poor quality. In many cases these statements from residents stand in contrast to the assessments made by professionals, who often hold a more positive views than the residents. These different assessments could be explained in various ways:

- It could be that the assessments of the residents are based on a subjective perception rather than on facts, i.e. services are of 'normal' quality but perce ived as 'poor'.
- It could be that residents complain about 'local' services as they are perceived as centres of inaccessible power. Residents lack the control of power of services. The services 'control' the residents.
- It could be that services are perceiv ed as 'poor' due to the fact that they are poorly targeted, not meeting the most urgent needs of the residents.
- It could be that services are of 'good' quality but assessed as 'poor' due to the fact that they are insufficient to meet the needs of the neigh bourhood.
- It could be that services are assessed as 'poor' due to the fact that residents perceive them as delivered in an insensitive way.
- It could be that services actually are of 'poor' quality.

In the section below the residents' assessment of public services in their neighbourhoods is further elaborated.

Quality of services

Using the word 'quality' is a bit ambiguous, as will be shown below. What some claim to be good quality, to others equal poor quality. Basically the word quality can be manipulated. The assessment of quality depends on what one measures and how it is measured. In most of the national reports is assessed that services are of 'normal quality', i.e. services offered in the studied neighbourhood corresponds, in terms of quality, to what is offered in other neighbourhoods. Moving from the disadvantaged neighbourhood to a more affluent neighbourhood would not lead to better provision of services. However, this pattern is disturbed by reports from some of the case studies. In for exampl e the Irish report is witnessed that schools do not appear to have the same quality as in other

neighbourhoods, schools do not have high expectations for the students and do not set ambitious standards for them. Similar reports are provided from Greece and Italy, public services in various respect have lower quality in the disadvantaged neighbourhoods studied.

However, perhaps an even more important aspect of 'quality' appears when services are related to the needs of the residents. The fact that services are of 'normal quality' does not mean that they are equal to those of other neighbourhoods. Residents benefits from them can be much lesser in disadvantaged neighbourhoods. Also this situation could be illustrated by an example from schooling. In Sweden a dditional resources are allocated to schools in disadvantaged neighbourhoods. Despite these extra resources, that are far from marginal, students in disadvantaged neighbourhoods on the average show far poorer results that students from other neighbourhoods . These differences can partly be explained by the fact that kids in these neighbourhoods have parents that to less extent have the capacity to be supportive and capable of helping and encouraging them with their studies. It could also be that parents are discouraged from interacting with the school. However, to large extent differences can be explained by the fact that schools are not able to provide the same quality as in more affluent neighbourhoods. From e.g. the Irish, Swedish and English (London) repo rts are witnessed that a few socially disturbed kids can call for so much attention, that educational ambitions for the 'quiet and well -behaved' kids have to become a second hand issue. The result is obviously a decreased quality. This problem becomes exac erbated in neighbourhoods where a large part of the population has a foreign background, another native language and are performing their 'new' home -language poorly.

The argument put forward is in this report that the concept 'quality' should be related not to quantity of input, but rather to quality of outcome, e.g. in the example of schooling, quality should be measured not in terms of resources allocated to the school, but to how children succeed in school (e.g. grades, level of drop outs, numbers cont inuing to university/college, etc).

Does not meet the most urgent needs of residents

When summing up the national reports it is obvious that, in many neighbourhoods, exist a discrepancy between on the one hand what the residents consider as their most u rgent needs and on the other hand what actually is delivered by agencies and professionals.

In several of the cases studies this mismatch is illustrated by specific examples, i.e. in the Swedish case residents clearly pronounce that the quality of school education is low and constitutes a major problem, leading to moves of more socially stable households with children. Despite this clearly pronounced opinion and a subsequent claim that more resources ought to be allocated to the school in the neighbourhoo d no significant increase of resources have taken place, neither in terms of extra resources from city hall nor in term of reallocation of available public resources spent in the neighbourhood. Similar examples

of mismatch between needs expressed by the residents and what actually is delivered can be noticed in the other case studies.

However, the picture that emerges is not quite in unison. Reports are provided, from e.g. German, Denmark and England (London), arguing that new governance approaches have reduced the gap between what residents perceive as the most important needs and what actually is delivered by agencies and professionals. In the German neighbourhood, Hamm Norden, an initiative was taken in the early 1990's to reorganise social services. Over the years a new organisation for co-ordination and service delivery has been established. The new organisation is built on close interconnection of social and urban planning initiatives. A corner stone in the organisation is the active participation of local actors and residents. This change is assessed as positive both by residents and professionals. A similar experience is reported from the Danish case study Vapnagård. The organisation for service delivery has been decentralised and in the new administrative structures, residents are given an active role in decision-making regarding services as well as in other issues of significance for everyday life in their neighbourhood. However it is worth noting that these German and Danish experiences are exceptions rather than the rule for countries in the north and middle of Europe. In the south of Europe, in our project represented by Italy, Greece and Portugal, the situation is different. Here the role of public sector delivery of welfare is relatively weak, voluntary work and self-help still are common features in managing everyday life.

On the crucial issue of safety and security the national reports almost unanimous provide a story of mismatch. In most of the case studies interviews with the residents confirm that issues related to safety and security are perceived as a major problem. For many residents fear of violence restrict their every day life. In the Irish case study, it is reported that gangs make grown ups afraid to walk in the neighbourhood after dark, and to have their children playing outside. In the Danish and Italian case studies, is witnessed that residents, due to fear of their neighbours, get their everyday severely restricted. They are disturbed by noise, drug-dealing, disorderly behaviour, and they feel harassed and frightened. In similar words the experiences of residents are reported from other neighbourhoods included in the project.

Besides the immediate effect, that lack of safety and security restricts the possibilities and qualities of everyday life, these problems also have a long term effect on the neighbourhood. Signs of crime are visible signs of stigma. In the interviews many respondents assessed problems related to crime significant, and that they constituted a reason for wanting to move from the neighbourhood. However, for many of the residents this wish to move to a more secure neighbourhood remains a dream. They do not have the resources necessary to realise their ambitions. The ones who have and actually moves are usually the ones better off. This leads to a drainage of residents who can be seen as the social pillars of the neighbourhood, the ones who have been active in various networks and other activities in the neighbourhood. When they move they are, due to the stigma and image of the neighbourhood, to large extent replaced by households lacking the resources to fill the gap left by movers. This process of moves, as witnessed e.g. in the Newcastle

study, contributes to an acceleration of decline. As ‘stable’ households move out of the neighbourhood a feeling of hopelessness spreads among those being left behind. Also noticeable is that residents to some extent may encourage their children to move 'out and up' thereby creating a 'generation gap' in kinship networks. In other cases this discontinuity is caused by the up-growing generation realising that they can access amore favourable housing options by moving.

A conclusion from the case studies, with Germany as an exception, is that issues of safety and security are not given proper priority by agencies and professionals. The lack of formal control is an issue of crucial importance for the development of the neighbourhood. It could be noted that physical distance to the police need not be the explanation of the problem. The Greek neighbourhood is a located adjacent to a police station. Also other of the neighbourhoods studied have a close physical access, but the mental distance is perceived as immense. The lesson from the case studies can be concluded as follows, if residents’ basic needs for safe and secure environments are not met, other measures in order to stabilise and improve the neighbourhood are unlikely to be successful.

Thus, in conclusion could be said that in most of the neighbourhoods included in the study, a substantial gap could be found between on the one hand want residents perceive as their most urgent needs and what actually is delivered by agencies and professionals. In the case studies different possible explanations to this discrepancy are indicated. One explanation is lack of knowledge, i.e. services are delivered under the assumption that they are effective and meet the most urgent needs of the residents. The discrepancy is due to different perceptions of needs and problems among on the on hand residents and on the other professionals. In this situation the solution lies in creating new modes for information and communication, i.e. modes that are assessed as comfortable for various groups of residents to express their needs and ambitions.

According to the case studies another explanation to the mismatch lies in organisational, political or professional obstacles and resistance to change. The discrepancy between needs and delivery calls for rethinking of governance arrangements and is further discussed below.

The way that services are provided creates dependence rather than independence

In the cases studies are witnessed that the impacts of services and other activities delivered to the neighbourhoods have changed over time. The welfare systems, particularly in central and northern Europe were originally built up as delivery systems for providing the basic goods of life to households with low incomes and insufficient resources to manage everyday life. As witnessed in the national reports the welfare systems were seen as providers of an ‘extra value’, additional to values and qualities created by formal work (employment). Residents were regarded as active subjects whose welfare mainly depended on their own capacity in the formal labour market and their ability to take part in and utilise the informal networks of the neighbourhood.

Due to structural changes in the labour market and subsequent changes in society the role of services delivered to these neighbourhoods has changed. What used to be a welfare system that supported a life situation created by individuals has turned into a system that determines the lives of affected residents. The picture that emerges from the case studies is that welfare is seen as delivered by professionals working within natio nal and local bureaucratic structures. This 'delivery' is associated with two problems. As discussed above there is an obvious risk that services delivered are not adequately meting the most urgent needs of the neighbourhood and its residents. Second, from the cases studies is evident that the 'delivery-philosophy' causes dependence rather that independence among residents. A look at the history of these neighbourhoods can explain this change in functioning of the system for welfare provision. Previously re sidents were predominately poor working class, largely with common values and interests. Informal networking to improve life conditions was a significant feature in many of these neighbourhoods. Today the situation is different. In the neighbourhoods studi ed the unemployment numbers are significant. Further the homogeneity that previously characterised these neighbourhoods is long gone. Rather than homogeneity the neighbourhoods are characterised by diversity. These diversities can as in the Italian and Ger man cases be based on age and conflicts between generations, between 'old' residents and 'newcomers' or as described in e.g. the Swedish, Danish and English (London) cases be based on tensions between residents with different ethnic backgrounds. Also issue s of employment, gender and culture contribute to the diversity of the neighbourhoods. The fact that the economic base, in terms of employment, is lost for many households combined with the fact that the composition of the neighbourhood is becoming increas ing diversified has weakened local solidarities. The 'working class identity' has eroded and diversification has made it more difficult to establish networks for collaborative efforts to improve the situation of individuals and the neighbourhood. Physical decline and displacement is a cause as well as a result of this process.

The functioning of the 'delivery system of services' must be seen in this light.
From an individual perspective the welfare system, rather than a complement to the quality of life, becomes the determinant of everyday life. As mentioned previously the structure of the welfare delivery systems varies between the south and north of Europe. In the north the state and various public agencies are the main providers of welfare. Countries in the south of Europe to larger extent relies on 'kins and friends' for welfare delivery. While the 'northern system' has the disadvantage of creating dependence, the 'southern system' is impeded by the 'break up' of 'multi-generational', living. Despite th e naming, 'northern' and 'southern', the systems are not geographically clear cut. Both systems exist in all neighbourhoods included in the research project, but the balance between them varies from country to country.

A significant feature of many reside nts in the neighbourhoods studied is that important aspects of their lives are determined by the structure of the delivery system, i.e. what is delivered and how it is delivered. The main problem lies in the fact that the residents have lost the role of active contributors to the development of their neighbourhoods. Having lost that role the individual enters a very fragile situation. As witnessed in the case studies,

e.g. from Swedish and Newcastle, UK, individuals get trapped in a situation characterised by dependence which he/she can't get out of. Public welfare delivery has made the informal networks redundant. Services are decided on and delivered by professionals. The need for personal engagement has in parallel eroded. Thus, a conclusion is that capac ity for personal engagement depends on the social structure of the neighbourhood, i.e. the resources it gives or makes accessible to residents.

Once again it's worth noting that the paramount picture emerging when national reports are summed up is not unison. First, there is a clear difference between the northern and the southern neighbourhoods included in the project. In the south the welfare systems have had a less stronger role than in the north. This can, at least partly, explain observations that informal networks are stronger and the dependence on welfare delivery systems less articulated. Second, also the way that welfare systems have been organised and focused play an important role in terms of their impact on 'resident dependence'. There seems to be a relation between on the one hand strong dependency and delivery systems with professional and hierarchical decision -making structures, and on the other less dependency among residents in neighbourhoods with decentralised public welfare systems base d on communication, and close relations and active involvement of residents.

The conclusion from our observations is not that the abolishment of public welfare systems would create incentives for residential activities and informal networking that could compensate for the withdrawal of public services. On the contrary evidence from the case studies show that a withdrawal of public service or cuts in welfare programmes often hit hard on residents in disadvantaged neighbourhoods, as financial or other possi bilities to compensate for the public service offered seldom are in place. Informal arrangements and networking is in realty not a realistic alternative as such arrangements needs a platform, that is not in place, and time to grow. Therefore, cuts in publi c services often get as the immediate effect, an increased stigmatisation and feeling among residents of being abandoned and let down by the outside world.

Rather the case studies provide arguments for reconsidering the role and organisation of the welfare systems. A conclusion that emerges clearly from the case studies is that welfare systems must be developed with sensitivity and respect for the residents in the neighbourhood. Insensitively developed systems for welfare delivery, not paying respect to the needs, ambitions and aspirations of residents are likely to be poorly targeted and will create dependence. When deciding on organisation and focus of public services our case studies provide arguments for taking the starting point in a careful audit of existing residential activities and informal networking. By such an examination two advantages could be achieved. First, services could be more adequately targeted at problems and issues which residents regard as the most urgent. Second, this auditing acti vity makes it possible to develop public services in such a way that they become complementary and supportive to informal residential activities. Our case studies confirm that activities that can be influenced or are controlled by residents often become a base for 'more' and 'better'. For a further elaboration on issues concerning the relation between formal networks for

public service provision and informal residential networks, see section 6.2 below.

Residents are regarded as passive consumers rather than active subjects

Thus, a problem addressed in several of the case studies is that many residents have lost their hope for the future. They feel trapped in their neighbourhoods. Services are delivered to provide basic needs, but their own ability to substantially change their life situations is very limited. In the Italian case this situation is illustrated by a historic comparison. Poverty was previously a concept used to characterise the situation of residents in disadvantaged Italian neighbourhoods. The concept was used to describe a situation that could be considered as transitory and accidental, i.e. one could be poor today but better off to tomorrow, since there were mobility processes that could improve the situation. This notion is compared to the situation of today, whereas social exclusion implies that some groups are cut off from this possibility. The same phenomenon is described in other reports where it is concluded that many social benefit recipients have lost their hope for the future. Throughout the case studies is witnessed that social benefit support, that was designed and meant to be a temporary, transitory, support, has become a permanent feature of everyday life for many residents. For many residents living on social benefits the road to re-entry to the labour markets is closed, as they lack the capacity to enter it, and sometimes the welfare system rules create a cul-de-sac.

The present system for *delivery* of welfare plays an important role in this respect. While the welfare system previously was supportive and presumed an active role by the individual. The welfare systems of today often lack an active role for the individual. This is clearly reflected in the interviews carried out in the case studies. Residents living on social welfare normally see few or no possibilities in which they themself can improve their life situations. Their lives and futures are dependent on what is provided to them by the welfare system.

Thus, the basic problem, as described in the cases studies, is that many residents don't see how they themselves can act to improve their possibilities to enter labour market or other social spheres outside the neighbourhood. The feel shut off from the world outside their neighbourhood.

From the perceptive of an outside researcher, the obstacles for individuals in an excluded neighbourhood to gain access to jobs and other attractions outside the neighbourhood are twofold. First real obstacles in terms of 'outside barriers' exist, e.g. lack of appropriate education and language skills. These barriers are apparent and provide a direct obstacle for interaction with the outside world. However in parallel to these obstacles also 'inside barriers' exist. As witnessed in the case studies many residents have been disempowered by being dependent on the welfare system for a long time. They lack the confidence and the capacity to utilise opportunities that actually are available.

This problem is exacerbated in countries with 'generous' welfare systems for the unemployed. As witnessed in the Danish, German, English and Swedish case studies the

financial situation for households lacking a job or having a low paid job is rather similar. The financial gap between having a job or living on social benefits is often negligible as any income from work means that the social benefit is reduced. The basic problem witnessed in the case studies is that this system erodes the incentives to get out of benefit dependence. Residents get caught in a poverty trap, not realising that they, the longer the stay dependent, the larger becomes their difficulties in getting out of dependence.

A lesson that deserves scrutiny concerns capacity building among residents. Disadvantaged neighbourhoods normally have a large proportion of residents that lack the basic resources to access various attractions in society and to improve their everyday life. A lack of understanding culture and the performance of society, poor educational backgrounds, and language problems are, for many people, barriers that must be overcom e in order to integrate into mainstream society. These problems focus on the necessity of capacity building as an important feature in the upgrading of disadvantaged neighbourhoods.

6. 2 Networks

Two kinds of networks can be observed in the neighbourh oods studied in the project; one informal among residents, one formal among agencies and professionals. These networks have the following characteristics:

Informal networks among residents

All the national report witness the existence of informal network s among residents. These networks play important roles in the most of neighbourhoods. The networks can have social, cultural and economic functions. Social networks have two roles. First they are a platform for social interaction and building of social rel ations among residents. Second they are modes for neighbours helping each other out in times of social hardship. The cultural networks are based on a common feature uniting a specific group of residents. Cultural networks are perhaps specially noticeable i n the neighbourhoods, included in the project, with large immigrant populations, e.g. in Germany, Denmark and Sweden. But cultural network need not only be based on ethnicity. In the case studies is also reported cultural networks based on religion, workin g-experience and shared political values. The economic networks are mainly related to employment, and dealing with issues of helping members of the network in finding a job or starting up a business.

In most of the national reports the value of these net works is deemed to be of extraordinary importance. The informal networks mean for some residents the difference between making it out or not. The performance of these networks is dependent on differences in historical, cultural and political contexts. One clearly visible difference has a clear geographical dimension. In the south of Europe many informal networks seem to have been stronger than in the northern parts. This can be explained by the fact that public welfare systems in the north have been more co mprehensive than in south. Another

conclusion that can be drawn from the case studies is that the informal networks are fragile and to large extent dependent on the general development in the neighbourhood.

In many of the case studies is witnessed how re sidential networks successively has developed over time. In parallel to this development is witnessed a stabilisation of the neighbourhood. From the pioneering days of the neighbourhood when 'child diseases' where common a stabilisation of the neighbourhoo d took place. None of the neighbourhoods have been areas of fame and fortune, but most of them, in their heydays, had residents who where proud of their neighbourhood. The neighbourhood was considered a good place to live in. Thus there was a mutual relati on between the informal networks and the attractiveness of the neighbourhood. The informal networks contributed actively to improvements in the neighbourhood. At the same time neighbourhood satisfaction and proud gave incentives to engagements in local net works. Thus there was a positive relation between neighbourhood and networks. When a neighbourhood, for different reasons, enter a process of decline the opposite can be observed. As the neighbourhood is declining also informal networks are put under stres s. Some networks are weakened because members are moving from the neighbourhood, not being replaced by incoming households. Others are weakened by the fact that participants no longer sense it as fruitful to engage themselves. A feeling of hopelessness spr eads as the neighbourhood continues to slide downwards despite efforts from the network to improve daily life in the area. In the end many networks cease to exist or become severely weakened. This relation between residential networks and the development o f the neighbourhood is described in several of the national reports, and specially elaborated in the Italian case study. In the neighbourhood Via Arquata in Turin interviewees talk about a 'golden age' when social networks were rich and powerful and manage d to promote improvements of the everyday life of people in the area as well as general improvements of the neighbourhood. As the decline hit the neighbourhood these networks have been weakened, eroded by families moving out of the area and 'newcomers' not being able, interested or allowed to replace them.

An observation made in several of the case studies is that individuals engaged in informal networks are sensitive to the image of their neighbourhood. In the interviews not only material conditions were addressed as important for their assessment of the neighbourhood. In all the neighbourhood included in the projects residents experienced that stigma was being placed on the neighbourhood by outsiders. All the neighbourhoods had, in various degree, a reput ation of being 'problematic' or 'marginalised' areas. This non-material aspect of the neighbourhood constituted a major problem for many of the interviewees. The tarnished, and often according to respondents exaggerated, reputation of the neighbourhood was for many residents a strong motive for wanting to move and subsequently a reason for not being engaged in informal networks within the neighbourhood. Improving the image of the neighbourhood was regarded as important, often given higher priority than mate rial investments or investments in services.

To some extent a neighbourhood's image can not be directly targeted in an upgrading programme. How people in other parts of the city asses the neighbourhood, and what

image the press is providing can only indirectly be addressed in upgrading strategies, i.e. by achieving substantial change and improvement. However, one important aspect of stigma that can be directly addressed is how the neighbourhood is portrayed by representatives of public agencies. Many of our case study areas are officially described as 'deteriorated', 'problematic' or 'disadvantaged'. Thus a outspoken 'problem-approach' seems to be the way in which our neighbourhoods have been approached by outsiders. The 'problem-perspective' makes informal networking less likely according to residents. Investments in energy and time trying to improve what outsiders consider and deem as a stigmatised and deteriorating neighbourhood were for many of the residents a far fetched idea.

There will always be differences between neighbourhoods in terms of status and attraction. However, a conclusion from the case studies is that a these differences, more than marginally, are dependent on the image placed on the neighbourhoods by public agencies; professional and politicians. Residents of a neighbourhood appointed as 'worst off' are not likely to feel pride over there area, nor are they likely to participate in networks and other activities to improve it. Rather the response , as expressed in the interviews, is to move to a better off neighbourhood, or if that is possible to nourish the dream and to live a life as rich as possible with in the apartment. Thus, the strong relation between the image of the area and informal networks takes us to a simple and straight forward conclusion. The perspective of these neighbourhoods must change. They should not be regarded as 'problem-areas', rather they should be seen and referred to as 'areas of potential'. This change might seem cosmetic. Based on our interviews we see it as much more fundamental. A 'problem' can often be handled by the outsider. The patient/client need not have an active role in problem solving. And there is no guarantee that the problem can be solved. On the other hand a 'potential' has positive touch to it. Things can improve. A basic concern is how to get thing going. From the perspective of resident participation in informal networks our interviews leave no doubt. The 'problem' approach is disastrous, the 'potential' approach might open doors to involvem ent and resident activity.

Formal networks

In parallel to the informal networks of residents exist formal networks. In these networks agencies and professionals are the nodes. The formal networks are complex in that they often include a substantial number of actors, i.e. public agencies within different sectors (e.g. social services, education, employment etc) and also agencies on different geographical levels (neighbourhood, city/municipality and region). Further complexity is added as agencies consist of individuals, not seldom with ambitions and interest that vary considerably. A common feature explicitly expressed as an objective in most of the case studies is the ambition to co-ordinate the variety of service delivered to the neighbourhood. Thus the challenge is to co-ordinate sectorial, hierarchical and professional interests.

The need for co-ordination of formal networks is basically motivated by arguments concerning effectiveness. By co-ordination of measures is assumed that we can get 'more

for less', i.e. by joining forces and co-ordinating activities synergy gains can be obtained, one plus one becomes three. The case studies carried out within this project confirm that effectiveness gains can be obtained by co-ordinated action within the formal network for service delivery. The problem is however that co-ordination is not achieved automatically. A number of obstacles have to be overcome in order to enjoy the advantages of joint action. These obstacles include informational and organisational barriers. In e.g. the Danish and German case studies are shown how new organisational models and structures have promoted co-ordination and improvements of the performance of agencies involved. Issues regarding conditions and obstacles for collaboration and co-ordination are further elaborated in section 6.3 below.

The relation between informal and formal networks

Thus, the reality facing the neighbourhood included in our project is the existence of two parallel networks; informal and formal. Taken together these networks have a substantial impact on every day life and the welfare for many of the residents in the areas. However, the problem is that these two networks are often not interlinked, there is no 'web' tying formal and informal networks together despite residents' and professionals' joint interest in improving the neighbourhood. Consequently, the strategies and measures taken within the informal and the formal networks are often poorly co-ordinated. Our current research concludes that this lack of links and webs between networks contributes to the ineffective use of available resources. Residents are not involved in service provision and, consequently, there is a discrepancy between what is delivered by the professionals and what residents assess as their most urgent needs.

The lack of webs between formal and informal networks constitutes two additional problems. First, in parallel to what has been said above concerning synergy gains of co-ordination of public services, it could be argued that linking of formal and informal networks could improve effectiveness. Synergies could be created if formal and informal networks were strongly linked, i.e. by developing shared views of problems, objectives and priorities, and by co-ordinating strategies for the upgrading of the neighbourhood. Second the lack of relations between formal and informal networks leads to a parallel and not co-ordinated development of the networks. This in turn is witnessed as problematic in terms of impacts on informal networks. From several of the case studies are reported that measures launched and implemented insensitively by agencies severely have damaged or weakened informal networks. It might be that measures launched by formal networks are overlapping, or in contradiction to activities taking place within informal networks. The conclusion from our project is that measures developed within formal networks should not be implemented without a careful assessment of impacts likely on activities taking place within informal networks.

Finally, observations regarding the mutual relations between the development of formal and informal networks are made in the case studies. The mutual relation observed can be twofold. In the case studies are reported that cuts in or withdrawal of public services in a neighbourhood can lead to a parallel decline in informal networks, as residents lose

support and hopes for a better future in the neighbourhood. In a situation of strengthened public efforts to improve the area, a parallel strengthening of i nformal networks can occur. A public commitment to improve performance and services can create incentives among residents to actively engage, if it is assessed that the engagement can contribute to change. However, this mutual interdependence can not be ta ken for granted. The history of our neighbourhoods provide examples of informal networks that successively has eroded, despite the good intention of public agencies expanding their activities in the neighbourhood. Similarly history can provide examples of informal networks that have been strengthened by withdrawal of public services, e.g. by seeing the informal network as a way to maintain quality of every day life in the neighbourhood. Thus it can concluded that there is a mutual dependence between formal and informal networks. A change in a formal network, e.g. a decline or increase of services provided, will impact on informal networks. However, there is no general rule as to how the informal network will respond to changes in the formal network. The conc lusion is therefore that careful consideration and assessment of impacts on informal networks must take place prior to changes of formal network. This kind of assessment can not be regarded as a technical exercise, a key question is to identify the ways in which democratic neighbourhood government mechanisms can create 'linking webs' between the two sets of networks.

6.3 The need for new governance structures and mechanisms

Thus a conclusion from the case studies is that resources allocated to disadvant aged European neighbourhoods are used ineffectively. This ineffectiveness can be addressed, as above, in relation to different specific issues, e.g. needs versus actual delivery, stigma, and dependence versus independence. However, in conclusion we would l ike to argue that overcoming these deficiencies calls for a more 'open' approach to urban regeneration. Regardless of quality of specific services or activities they will not be effective unless they are integrated in a development process that fully recog nises all stakeholders and issues at stake. Our conclusion is that the ineffectiveness described in the case studies must be recognised as causes of deficiencies in the local governance structures, which are not adequate for addressing the problems in disa dvantaged neighbourhoods in contemporary Europe.

Obstacles and resistance to change

The effectiveness of service allocation can be questioned on grounds that there is a mismatch between on the one hand needs and on the other what actually is delivered. Besides the 'knowledge and information problem' discussed above an explanation to this mismatch might be ***organisational obstacles***, i.e. the public agency is not capable or willing to deliver what is regarded as most urgent by the residents. If the most urg ent problems pointed out by the residents should be taken as a staring -point for specific measures in the neighbourhood, often a rather radical restructuring of the organisation of public services would be required. In some cases meeting the needs of the r esidents would call for a redistribution of resources between different public agencies. In theory, this kind

of reallocation is uncomplicated. No one can question that public resources should be allocated to meet the most urgent needs. However the case st udies show that real life is more complex than theory. In reality a number of obstacles for reallocation of resources appear. An agency's role and power is often related to its size and the amount of resources available. Reallocating resources can lead to the agency getting a new role, becoming relatively less important and powerful. There is an inherent resistance to accept changes that has this kind of effect. An assessment made in some the case studies is that 'new' organisational arrangements are valued both from resident and effectiveness perspectives. Such reports are provided e.g. from Italy were 'young professionals' are working rather independently form the traditional agencies, and from Denmark and England (London) were residents feel they have clo ser relations professionals in the new agencies set up, than with professionals in the 'old' bureaucratic structures. A keen ear and close relations between residents and professionals are assessed to be important 'new' features that have contributed to improved effectiveness.

Another aspect of organizational resistance to reallocation of resources lies in the structure of public work. From the reports of several countries is shown that public service to large extent is delivered by agencies and department s within a formal and rigid organizational framework. The resources for public services are allocated to departments, which in turn allocate money to different agencies within their jurisdiction. This principle for allocating resources create low incentive s co-ordination in order to allocate resources to problems and issues assessed by the residents as the most urgent. Often collaboration and co - ordination between various departments and agencies are weak or non -existent. Not seldom are the relations betwee n various department and agencies characterised by competition rather than collaboration.

A third organisational obstacle lies in the fact that the sectorial structure of delivery narrows the perspective. Rather than a focus on the neighbourhood and its n eeds the focus gets directed to 'your own' activity, e.g. an agency with the task of preventing juvenile delinquency is more likely to develop its own performance than to raise the question whether reallocation of resources and activities to the local scho ol would be a more effective way of achieving the objectives of the activity.

Reasons to way services are not meeting the most urgent needs of the residents can also be understood in terms of ***political obstacles***. These obstacles can have different explanations. In all case studies is clearly shown how globalisation and structural changes in the labour market have changed the social conditions for the residents of the neighbourhood and also the social structure of the neighbourhood. These social changes are especially evident in the Greek, Italian and English case studies which deals with older neighbourhoods. The neighbourhoods have never been affluent, on the contrary they are characterised by being working -class and poor neighbourhoods. In all the neighb ourhoods substantial social problems have been present since their birth. However similarities between past and present stop by the fact that that social problems have always been features in these areas. Today's social needs diverge significantly from tho se of the past. In the past, social problems to large extent emerged from overcrowding and substandard

conditions characteristic of poverty. These factors still exist, but they are exacerbated by other social problems. Today changes of the labour market an d subsequent changes in working conditions are defined as basic problems. In the footpaths of unemployment, or casual work follows a number of social problems. In many of the cases, e.g. Ireland and Italy, drug abuse is seen as a major problem. It is a cau se as well as a symptom of deterioration. From these and other national reports are witnessed a weakening of local solidarities and a widespread feeling of being shut off from the society outside of the neighbourhood.

The political responses to these cha nges in social conditions are in the case studies witnessed to be at the same time both responsive and inadequate. In sections 5 and 6 national and local policies to combat social exclusion are described. From these sections is obvious that social exclusio n has entered the policy agenda and received a high ranking. In several European countries social exclusion is recognized as a policy filed of top priority. However, when policy and politically expressed objectives are compared to what residents consider to be the most urgent measures to improve their life situations and their neighbourhoods a discrepancy is noticeable. Thus, there is a political realisation that social exclusion is growing problem that needs to be given priority. However, this realisation is not accompanied by a realisation that the 'new' problems of today call for 'new' approaches. The welfare systems successively built up after in the decades after the World War II are still in place. The incapacity of these welfare systems to address the most urgent needs of residents are most noticeable in the national case studies from countries in the middle and north of Europe. Here significant features of the welfare model are transfer of financial resources to households with low or moderate incomes and substantial investments in physical upgrading of the estates. When looking at how these policies are assessed by the residents a complex and twofold picture emerges. On the one hand traditional approaches, such as for example financial transfers to ho useholds and physical investments are appreciated. They contribute to raising the standard of everyday life. On the other hand residents witness that they feel trapped in their neighbourhoods, lacking relations to the outside world, both in terms of social relations and working opportunities. Other problems than low income levels and physical deterioration must according to the residents be given priority if the neighbourhoods are to be revitalised.

It needs to be underlined that the comprehensive picture given above is not unison. There is a growing realisation that the 'new conditions' of today calls for 'new approaches'. In several of the case studies 'new approaches' or at least elements of 'new approaches' can be observed. Perhaps the German case stud y provides the best example of rethinking approaches and upgrading measures in perspective of the social changes that have occurred. The initiative 'Neighbourhoods with Special Development Needs - The Social City' has been launched. The basic idea behind t he initiative is to replace traditional sectorial schemes with integrated schemes focused at improving the spatial and social environment as a whole. Also from other case studies are reported initiatives including rethinking and restructuring traditional m odels for revitalisation.

A third reason to why current approaches do not meet the most urgent needs of the residents lies in ***professional obstacles.*** As described above structural changes in society have significantly altered the social realities and pro blems of those served by professionals, so that there is a need for reformulating work methods, goals and priorities. However, these changes are not always embraced by professionals. On the contrary, there is often an outspoken or silent resistance to chan ge based in the perception that existing professional roles and organisational structures are safe and habitual. At the same time, locally based officials and professionals may also be reluctant to change their practices because they exist at the peripheri es of their own organisations and are not involved in the development of urban policies and programmes within their own agencies.

Another reason to why professional have a problem meeting the most urgent needs of the residents lies in the fact that their perception of the problems in the neighbourhood might be different from the views held by the residents. Professionals rarely live in the neighbourhoods in which they work, restricting their view of social problems and relationships within the areas. Furth ermore, the professionals often, due to e.g. - educational and cultural backgrounds, have other values than residents in the neighbourhood in which they work. In the case studies we can subsequently observe that their perception of the problems in the neighb ourhood differ significantly from that of the residents. Despite the best of intentions their efforts and activities are not addressing the most urgent needs of the neighbourhood, according to the residents. There seems to be an inbuilt bias against recogn ising the breadth and complexity of place based stakes and the diversity of residents.

New arenas for communication, negotiation and decision -making

Improved effectiveness requires developing new structures and mechanisms for governance. The challenge l ies in developing governance mechanisms and structures which recognise residents and other stakeholders with interests in the neighbourhood as well as reforming and/or creating new types of forums for communication, negotiation and decision making.

Thus, an important conclusion from the case studies is that present governance structures and mechanisms are ineffective. Rethinking and restructuring are necessary in order to improve effectiveness in order to use available resources in ways which correspond to the most urgent needs of residents in the area. In order to do this, four issues must be addressed.

The first issue deals with the forums for interaction among the various actors with interests at stake. It is well documented, and clearly illustrated i n the case studies, that present forums often do not function as intended. A problem reported in several case studies is that bureaucratic and organisational barriers make co -ordination and collaboration among public agencies difficult. From the perspectiv e of residents, and also private actors and organised groups, existing forums do not invite their active participation. Rather, the structure and performance of the existing forums leave residents

feeling discouraged about actively participating in the man agement and the development of their neighbourhood.

The second issue concerns communication and negotiations. While some individuals and organisations see the present forums as excellent bases of communication, others see them as less appropriate, discour aging or even frightening. The consequence is that some actors are reluctant to participate in communication and other feel shut out. This, in turn, leads to an 'information deficit' in planning and decision making processes for the development of the neighbourhood. Actors who are uncomfortable or who, for other reasons, do not participate in communication within existing forums lose their voice and the neighbourhood loses the possibility of using their knowledge and ideas as an input into decision making a bout the development of the neighbourhood. Thus, actors who do not enter the existing forums often have very little possibility to influence the processes of negotiation and consensus building which usually precede decision making.

The third issue is tha t the role of residents in communication and negotiation needs to be more elaborated than is usually the case. In the regeneration and neighbourhood development programmes described in the case studies, residents are seen as a homogenous group of people, a ll sharing the hardship of living in a disadvantaged neighbourhood and, thus, sharing the same needs, values, hopes and life aspirations. Our project, and research by others, raises serious opposition to this kind of stereotyped cliché. Rather than compris ing a single homogenous group, residents of a neighbourhood reflect as many needs, interests and ideas as there are varied individuals in the area. If this is not realised, ambitions to involve residents in neighbourhood management and regeneration processes can never be successful. Seen as a varied group of individuals, residents needs and interests will sometimes coincide and sometimes conflict. This complexity must be taken into account when establishing forums for communication and negotiation. A tentative conclusion is that the organisational forms for forums and the associated modes for communication and negotiation must be flexible, reflecting the preferences and resources among the groups and actors who have interests at stake and, therefore, want to participate in the process. This way of viewing communication and negotiation within neighbourhoods argues against models which are based on organisational effectiveness and expectations of large scale advantages.

The fourth issue reflects the division o f power and power relations, on the one hand, and formal processes of decision making, on the other hand. The outcomes of communication and negotiation are partly dependent on the rules, regulations and legal frameworks for decision making, and partly depe nd on the power resources held by individual actors and how they deploy these resources to achieve their interests through negotiating strategies and coalition building. Work on sustainable regeneration indicates that there are severe problems associated w ith creating decision making procedures which guarantee a substantial influence to residents. The concept of governance which lies behind this proposal rests on the idea of 'neighbourhood democracy', that is, the restructuring of governance mechanisms in s uch a way that these mechanisms reflect and enlarge the scope of the 'ordinary' methods of conflict resolution used in everyday life by residents. The key

to this concept of neighbourhood democracy is that it focuses attention on analysing the interests at stake and mediating conflict, rather than on formal decision making.

7 CONCLUSIONS AND POLICY IMPLICATIONS

7.1 Conclusions (structured in terms of research objectives)

Objective 1: To explore and develop qualitative and quantitative indicators which capture the processes of social exclusion at the neighbourhood level and can be applied in comparative analysis in a range of EU countries.

Within the project we have undertaken comparative studies which went beyond descriptive comparisons of problems and practices. The comparative studies have been based on common theoretical and methodological concepts with the capacity to express both the process and product dimensions of social exclusion processes. A common set of qualitative and quantitative indicators have been developed, grounded in a conceptual framework which provide a common base for analysis and comprehension of the changing dynamics of exclusionary processes found under different European conditions, such as those in neighbourhoods. The comparative study have then been utilised to investigate the common and divergent elements of social exclusion found at the neighbourhood level and between EU countries.

Common elements include the global processes of economic change and their impact on labour market processes, and a common framework of EU policies - including those which form a context e.g., competition policies, and those directly related to addressing social exclusion e.g., structural funds programmes.

Divergent elements include cultural factors e.g., family and community structures, and national welfare policies, e.g., levels of income guarantees, forms of low-income housing provision and management, and training and labour market policies.

This work is developed in Sections 4.2 and 5.1. The conclusions to these sections are:

Cross national quantitative indicators only deal with large aggregates and from them it is only possible to see:

- Different patterns exist in different countries: From our data we can conclude that is not possible to understand social developments or to compare countries by using single indicators. Rather than individual indicators, it is the pattern of several indicators that can provide knowledge about social conditions. The analysis in section 4.2 shows how these patterns can be identified and interpreted. In the eight countries included in our research project two distinct patterns can be observed, a southern and a northern. If the project had included all fifteen member states it is possible that also other patterns could have been distinguished.

- Cross national qualitative indicators are identified in Section 4.2. What we have identified is a set of overall questions that should be answered for each country, but the specific indicators arise from national specificities and national data sets.

- At the neighbourhood level, indicators must address specific local patterns. The difference between the two English case studies suggests that there can be very distinctive local patterns. Section 5.1 identifies the questio ns to be asked.

- Section 5.1 distinguishes different kinds of neighbourhood indicators: One set is concerned with which vulnerable groups live in the area, second set is with land and housing markets operation to concentrate people, third set has to do with governance relationships.

For a further elaboration of qualitative and quantitative indicators, see Appendix B.

Objective 2: To describe and get a deeper understanding of everyday life in s ocially excluded neighbourhoods.

Studies of how people in s ocially excluded neighbourhoods live their daily life has been a second objective of the research project. The ambition has been to map how people value different assets in their neighbourhood, and what they see as major obstacles to improvement of their n eighbourhood and everyday life. Studies have included in depth interviews with residents as well as collecting data on neighbourhood social, educational and cultural activities. The aim has been to gain a better understanding of how different parts of daily life interact. Based on this knowledge we have analysed changes central to breaking the vicious circle of decline that characterise many disadvantaged neighbourhoods. The objective has also been to analyse methods and impacts of direct resident participa tion in planning, implementation and management of various regener ation activities.

This work is presented in Section 5.3. The conclusions to this section are:

- The spatial *concentration* of people who are vulnerable to the effects of structural economic change supports the *containment* of this group in specific areas through the social process of stigmatisation. These two processes of concentration and containment form the economic, social and spatial structural framework within which people live their e veryday lives in the neighbourhoods.

- There are two 'inside' processes which shape everyday life in the socially excluded neighbourhoods. The first is the demographic life cycle of neighbourhoods and the second is the creation of status differentiation wi thin the neighbourhood. Demographic processes include conflicts between elder established residents and newcomers, and conflicts based on age and on ethnicity. Five dimensions can be observed for the processes of status differentiation; employment, qualit y of housing stock, participation in neighbourhood based organisations, ability to achieve 'respectability' and citizenship and immigration status and/or ethnicity. Both these processes tend to fragment and divide the population within the areas, which in turn

leads to their weakness in representing themselves within the wider urban socio -spatial structure.

- From a governance perspective issues concerning relations between professionals and residents, and mediation of conflicts between residents have been a ddressed.

Objective 3: To identify and compare forms of policy intervention in terms of their impact on counteracting processes of social exclusion

Comparison and assessment of policy interventions is a crucial ou tcome of this research. The following ha ve been important issues in comparing policy i nterventions:

1.Distinguishing the influence of European -wide forces from particular local circumstances, in the context of multiple influences on the dynamics of s ocial relationships.

2.To what extent are po licies achieving a re -integration of people in neig hbourhoods and into the wider 'mainstream' of society; the relative impo rtance of a policy focus on neighbourhoods, and the meaning of 'mai nstream' society.

3. Analysis of the scale at which policies and agencies operate - neighbou rhood, local, regional, national, EU.

Section 4.3 presents policy intervention on a member state level and Section 5.2 on a local level. The conclusions to these sections are:

- Social exclusion is an increasing concern on natio nal as well as local policy agendas . However, sometimes the way interventions to combat social exclusion are carried out make the problem worse, partly by increasing stigmatisation, partly by not recognising the specific experience of people in the neigh bourhoods, but mostly because it does not involve people in neighbourhoods in a way which develops and supports their self - activity as a collective.

- Existing organisations often are conservative, reluctant to change. Noticeable is that creating a new org anisation, in itself, stimulates innovation and the search for new solutions.

- We have observed the parallel existence of formal and informal networks, often with a high level of agreement about the problems and appropriate solutions, but they are not tied together in ways which support collaborative approaches.

Objective 4: To identify the specific effects on social exclusion in the neighbou rhood relative to current EU policies and practices.

A number of EU policies and programmes may directly impact on neighbourhoods. These include the DGV(E) Poverty programmes; the DGXVI Structural fund pr ogrammes, and specific initiatives such as the URBAN programme and Quartier en Crise. Neighbourhoods may also be indirectly affected by EU policies, for example, te ndering regulation may inhibit policies that favour the hiring of local firms and l abour as part of neighbourhood economic regeneration.

Section 4.1 presents our findings about the local impact of EU policies to combat social exclusion. The conclusions t o this section are:

- Some countries, particularly those highly dependent on EU funding, are uncritically adopting the EU approach, i.e. developing national policies and programmes not primarily to meet the most urgent needs of disadvantaged neighbourhoods, but rather to conform with EU policies.

- Poverty, urban regeneration, marginalisation (from looking at national policies) – need for EU to take initiative linking these issues spatially. The Sustainable cities policy presents considerable potential for developing this approach. Particularly important: some marginalised groups are institutionally invisible. As economic change proceeds, this is a problem which needs continuing attention because the change creates new marginalised groups.

- Economic change implies flexibilisation of labour. There is a need to address barriers to people 'flexibilising' themselves. Flexibilisation means very different things for people in different segments of labour market. There is an urgent need to understand how the inst itutional structure of the labour market interacts with neighbourhood processes of social exclusion in designing appropriate policies for people entering the labour market from these neighbourhoods.

- While substantial structural changes can be observed in the in the economic system for production, traditional welfare systems, have been subject to cuts, but fundamentally remained intact in terms of focus and structure. At national and EU level, attention needs to be directed to ensuring education, welfare benefits, and housing systems adapt to changed economic structures and processes of flexibilisation.

8. DISSEMINATION AND/OR EXPLOITATION OF RESULTS

Dissemination and exploitation of the results from this project have taken various forms, e.g. workshops/seminars with local officials/residents, professional organisations etc, presentations of results at conferences/congresses, and in books and papers/articles published in journals newspapers. Dissemination and exploitations results are presented below.

Workshops and seminars

Cars, G. and Normann, I. (1998) *The regeneration of Ostbergahojden.* Presentation and discussion of findings from the project at a Workshop for civil servants and employees in the housing company working in Ostbergahojden.

Cars, G. and Hagetoft J. (1998-1999) *New approaches for collaboration and rehabilitation of Östbergahöjden*. Three seminars with executives from the housing company and various municipal departments aiming at the development of new modes for collaboration and the rethinking of traditional working methods and priorities.

Padovani, L. (1998) A summary of the research program and outcomes were presented in Turin, Dipartimento Interateneo Politecnico di Torino, October 1998, at a seminar promoted by the Italian section of .Eura - European Urban Research Association'.

Padovani, L. (1999) Outcomes of the research project were used in a course at Formez, an institute responsible for education and training in the south of Italy. (Intervento su: 'Azioni integrate di rivalorizzazione o di recupero di aree urbane o di quartieri connotati da degrado urbano, disagio sociale e declino economico" (Integrated action to fight social stress, decay and economic decline in urban neighbourhoods), Formez, Roma 23 giugno 1999).

Padovani, L. (1999) Outcomes of the research project were presented at an International conference: 'The urban program and innovation in urban policy'. Promoted by the Italian ministry of public works and ec dg regional policy and cohesion in Rome July 1999. (Intervento alla Tavola rotonda su : Le politiche di rigenerazione urbana in Italia e in Europa, Convegno internazionale : Il programma Urban e l'innovazione delle politiche urbane. Direzione Generale Coordinamento Territoriale Ministero LL.PP., Roma 9-10 luglio).

Padovani, L. (2000) The local authority of Padova (one of the two case studies included in the Italian report) have asked the Italian group to present the outcomes of the research as an occasion for a public confrontation on the issues of access to housing and citizenship for disadvantaged social groups. Probably this meeting will take place in February 2000.

Vestergaard, H. (1998) In December 1998 a first draft of the case-study report on Vapnagård in Denmark was presented and discussed at a seminar at the estate. The participants were representatives from the residents, professionals from the housing organisation, the municipality, The National Federation of Housing Associations as well as researchers

Weck, S., Zimmer-Hegmann, R. and Mueller, D. (1998) *Round table* talk with a wide range of local actors in Hamm Norden. Presentation of interview results and discussion on conclusions and policy recommendations. August 10, 1998.

Conferences and congresses - presentations and papers

Allen, J. and Cars, G. (1998) 'Social exclusion in Europe: processes, experiences and responses' Presentation at *Royal Holloway, University of London*. London, Egham, October 28.

Allen, J. and Cars, G. (1998) 'Neighbourhood Programmes Against Social Exclusion' Presentation at *Local Economy Policy Unit, South Bank University*. London, November 5.

Allen, J. and Cars, G. (1999) 'The road to paradise' Paper presented at the University of Newcastle's seminar on *Institutional Capacity*, Newcastle, England, April 15-16 1999.

Allen, J., Cars, G. & Madanipour, A. (1999), 'Governance and the neighbourhood - roles and responsibilities in regeneration', *XIII AESOP Congress*, Bergen, Norway, 7-11 July 1999.

Madanipour, A. & Townshend, T. (1996) 'Social Exclusion and Spatial Practice', Paper presented at *Shaping Places: Conceptions and Directions for Spatial Planning*, 50th Anniversary Conference, Dept of Town & County Planning, Newcastle University, Newcastle, 25-27 October 1996.

Madanipour, A. & Townshend, T. (1996) "Urban Space and Social Exclusion", Paper presented at the *Social Exclusion and the Neighbourhood Conference*, University of Newcastle upon Tyne, 19-20 January 1996.

Madanipour, A. (1996) 'Social Exclusion and the Neighbourhood', Paper presented at the ESRC's *Concepts of Social Exclusion* Seminar, London, 15 March 1996.

Madanipour, A., Allen, J., & Cars, G. (1998) 'Social Exclusion and the Urban Neighbourhood in Europe', *XII AESOP Congress*, Aveiro, Portugal, 22-25 July 1998.

Padovani, L. (1998) 'Social and spatial exclusion: different patterns in South Europe? Evidence from Italy', paper presented *XII AESOP Congress*, *Housing and social exclusion - Fannie Mae Session*, Aveiro, Portugal, 22-25 July 1998.

Padovani, L. (1998) 'Abitare la città: esperienze innovative in Europa' (To live in the city: innovative experiences in Europe), Atti Convegno Internazionale: Far vivere la città per aprire le porte al mondo, promosso da *Habitat International Coalition*, Comune di Venezia, 7 maggio 1998, Tolentini IUAV, Venezia.

Padovani, L. (1999) 'Spatial features of social exclusion: Evidence from two case studies in North Italy', Paper presentato alla *ENHR-MRI Conference: New European Housing and Urban Policies*, 25-29 August 1999 Baltonfured, Ungheria

Vestergaard, H. (1999) 'Social Exclusion and Everyday Life in Disadvantaged Neighbourhoods – A Danish case-study'. *ENHR – MRI Conference*, Hungary 25-29 August 1999 on New European Housing and Urban Policies.

Vestergaard, H. (1999) 'The Danish Urban Committee: From improvement of troubled housing estates to urban regeneration – in search for a new welfare policy' Paper presented at the University of Newcastle's seminar on *Institutional Capacity*, Newcastle, England, 15-16 April 1999.

Weck, S. (1998) 'Socio-economic exclusion and policy strategies for inclusion in Germany', *XII AESOP Congress*, Aveiro, Portugal, 22-25 July 1998.

Scientific papers/articles, reports and books

Bartley, B. (1999) 'Social Exclusion and the Cherry Orchard: a Hidden Side of Suburban Dublin' in *Dublin: Contemporary Trends for the 21st Century,* GSI Publications, Dublin.

Bartley, B. (1999) *An interpretation of the 1998 Ballyfermot Partnership Company Baseline.* Report. Land Use and Transportation Unit. Maynooth.

Bartley, B. (2000, forthcoming) *Social Exclusion and Local Responses: Policing the Community.* Report submitted to the Ballyfermot Drug Task Force.

Bartley, B. (2000, forthcoming) *Social Exclusion and Local Responses: Life Histories of Drug Users and Drugs in the Community.* Report submitted to the Ballyfermot Drug Task Force.

Madanipour, A. & Bevan, M. (1999) *Walker: A Neighbourhood in Transition.* CREUE Occasional Paper Series, No.2, School of Architecture, Planning & Landscape. University of Newcastle upon Tyne.

Madanipour, A., (2000, forthcoming) 'Multiple meanings of space and the need for a dynamic perspective', in Madanipour, A., Hull, A. & Healey, P., eds. *The Governance of Place: space and planning processes,* Ashgate, Aldershot.

Madanipour, A., Cars, G. & Allen, J. eds. (1998) *Social Exclusion in European Cities: Processes, experiences, responses*, Regional Policy and Development Series, Series Editor Ron Martin, Jessica Kingsley Publishers (with Regional Studies Association), London.

Vestergaard, H. (2000, forthcoming) *Vapnagård, Helsingør in Denmark: An Urban neighbourhood in change*. CREUE Occasional Paper Series, School of Architecture, Planning & Landscape. University of Newcastle upon Tyne.

Padovani, L. et al (1999) ' La nuova dimensione urbana delle politiche abitative: forme del disagio, progetti locali e integrazione sociale. Orientamenti in Italia e in Europa'. A research project financed by the Italian Ministry of University and Research, concluded in December 1999.

Other

Cars, G. New approaches to social integration. Debate in the Swedish national radio, January 27, 2000.

Weck, S., Zimmer-Hegmann, R. and Mueller, D. The German case study of Hamm Norden has been translated into German and distributed to local actors and politicians in Hamm.

Vestergaard, H. The Danish case study of Vapnagård has been distributed to professionals and politicians in the municipal administration.

9. ACKNOWLEDGEMENTS AND REFERENCES

9.1 Acknowledgements

We would like to extend a warm thanks to all residents who have participated in this project. Without your knowledge, ideas and comments t his report would not have been possible.

Also a warm thanks to professionals in various public agencies, companies and organisations who have contributed by providing input to the report.

9.2 References

Beck, U., Giddens, A. and S Lash (1994) *Reflexive Modernization: Politics, Tradition and Aesthetics in the Modern Social Order*, Cambridge: The Polity Press.

Berkel, R. van (1997) "Urban Integration and Citizenship: Local Policies and the Promotion of Participation", in Roche, M. and Berkel, R. van (eds) *European Citizenship and Social Exclusion,* Aldershot, England: Ashgate.

Bourdieu, P. 1993, *La Misère du Monde*, Éditions du Seuil, Paris.

Bourdieu, P. 1996, "Understanding", *Theory, Culture & Society*, Vol.13, No.2, pp.17-37.

Cram, L. (1993) "Calling the tune without paying the piper? Social policy regulation: the role of the Commission in European Community social policy", *Policy and Politics*, 21:2 (April).

Commission for the European Community (1992) *The Community's Battle against Social Exclusion*, CEC European File, 4/1991.

Commission for the European Community (1993) *Action Programme to combat social exclusion and to promote social solidarity*, DGV, Brussels.

Commission for the European Community (1997) *Towards an urban agenda in the European Union*. Communication from the Commission. COM(97)197 final.

Department of Social Policy, 1991, *The Walker Riverside Study*, The University of Newcastle upon Tyne.

Esping-Anderson G (1990) *The Three Worlds of Welfare Capitalism*, Cambridge: Polity Press.

Eurostat (1997) *Statistics in Focus: Population and Social Conditions*, Brussels: Commission of the European Communities.

Friedrichs, J. (1997) "Context Effects of Poverty Neighbourhoods on Residents" in Vestergaard, H. (ed) *Housing in Europe*, Horsholm, Denmark: Statens Byggeforskningsinstitut.

Garcia, S. (1997) "European Union Identity and Citizenship: Some Challenges" in Roche, M. and Berkel, R. van (eds) *European Citizenship and Social Exclusion,* Aldershot, England: Ashgate.

Hadjimichalis, C. and Sadler, D. (1995) "Open Questions: Piecing Together the New European Mosaic" in Hadjimichalis, C. and Sadler, D. (eds) *Europe at the Margins: New Mosaics of Inequality*, Chichester, England: John Wiley and Sons.

Hantrais, L. (1995) *Social Policy in the European Union*, London: Macmillan.

Hudson R. (1999) "The New Economy of the New Europe: Eradicating Divisions or Creating New Forms of Uneven Development?" in Hudson, R. and Williams, A. (eds.) *Divided Europe: Society and Territory*, London: Sage.

Hudson, R. and Williams A. (1999) "Re-shaping Europe: the Challenge of New Divisions within a Homogenized Political-Economic Space" in Hudson and Williams (eds.) *Divided Europe: Society and Territory*, London: Sage.

Hutton, W. (1996) *The State We're In*, London: Vintage.

Kemeny, J. and Lowe, S. (1998) "Schools of Comparative Housing Research: From Convergence to Divergence" *Housing Studies*, 13:2 (March).

Kempen, E. van (1996) "Social Citizenship Rights, Organisations and the Locale" in Allen, J., Ambrose, I and Kaltenburg-Kwiatkowska, E. (eds) *Housing Sociology and Societal Change: New Challenges and New Directions*, Warsaw: Warsaw Technical University Press.

Kempen, E. van (1997) "Poverty Pockets and Life Chances: On the Role of Place in Shaping Social Inequality" *American Behavioural Scientist*, 41:3 (Nov/Dec).

Kleinman, M. (1996) *Housing, Welfare and the State in Europe: A Comparative Analysis of Britain, France and Germany*, Cheltenham: Edward Elgar.

Lauristin, M., Vihalemm, P. with Rosengren, K. and Weibull, L. (eds) (1997) *Return to the Western World: Cultural and Political Perspectives on the Estonian Post-Communist Transition*, Tartu, Estonia: Tartu University Press.

Liebfried, S. (1993) "Towards a European Welfare State? On integrating poverty regimes into the European Community" in Jones, C. (ed) *New Perspectives on the Welfare State in Europe*, London: Routledge.

Leisink, P. (1997) "Work and Citizenship in Europe" in Roche, M. and Berkel, R van (eds) *European Citizenship and Social Exclusion,* Aldershot, England: Ashgate.

Leonard, M. (1998) "The long-term unemployed, informal economic activity and the 'underclass' in Belfast: rejection or reinstating the work ethic", *International Journal of Urban and Regional Research*, 22:1 (Mar).

Lipietz¸ A. (1996) *La Societe en Sablier: Le partage du travail contre la dichirure sociale*, Paris: Editions La Decouverte.

Lipietz, A. (1998) "Rethinking Social Housing in the Hour-Glass Society" in Madanipour, A., Cars, G. and Allen, J. (eds) *Social Exclusion in European Cities: Processes, Experiences and Responses*, London: Jessica Kingsley.

Madanipour, A., Cars, G. & Allen, J. (1998) *Social Exclusion in European Cities: Processes, experiences, responses,* Jessica Kingsley Publishers and Regional Studies Association, London.

Meehan, E. (1997) "Citizenship and Social Inclusion in the European Union" in Roche, M. and Berkel, R. van (eds) *European Citizenship and Social Exclusion,* Aldershot, England: Ashgate.

Mingione, E (1993) "The New Urban Poverty and the Underclass", *International Journal of Urban and Regional Research*, 17:3 (Sep).

Newcastle upon Tyne City Council, 1997, *A Community Appraisal for Byker, Monkchester and Walker*, Newcastle upon Tyne City Council, Newcastle u pon Tyne.

Pickvance, C. (1995) "Where Have Urban Movements Gone?" in Hadjimichalis, C. and Sadler, D. (eds) *Europe at the Margins: New Mosaics of Inequality*, Chichester, England: John Wiley and Sons.

Potter, P. (1996) "Alternatives to the concept o f 'integration' in the struggle against exclusion", paper presented to the ENHR Housing Research Conference, Helsingør, Denmark, Aug 26-31.

Roche, M. (1997) "Citizenship and Exclusion: Reconstructing the European Union" in Roche, M. and Berkel, R. van (e ds) *European Citizenship and Social Exclusion,* Aldershot, England: Ashgate.

Roche, M and Berkel, R. van (1997) "European Citizenship and Social Exclusion: An Introduction" in M Roche and R van Berkel (eds) *European Citizenship and Social Exclusion,* Aldershot, England: Ashgate.

Skifter Andersen, H. (1999), *Byudvalgets indsats 1993 –1998 – den sammenfattende evaluering*. (Danish Urban Committee initiative 1993 - 1998 – joint evaluation.) Hørsholm: SBI-rapport. Forthcoming.

Smith, D. and Blanc, M. (1996) "Citizenship, nationality and ethnic minorities in three European Countries", *International Journal of Urban and Regional Research*, 20:1 (Mar)

D Stevenson (1997) "Values, Vision and Governance in East London", *Rising East*, 1:1.

Vestergaard, H. (1998) *Troubled Housing Estates in Denmark.* In Madanipour, A., Cars, G. and Allen J. (eds.) *Social Exclusion in European Cities. Processes, Experiences and Responses.* London: Regional Policy and Development Series 23. Jessica Kingsley Publishers. pp. 115-129.

Vestergaard, H., Christensen, G., Benjaminsen, L., Mazanti, B., Munk, A. Rasmussen, I.Ø. 1999, *Byudvalgets boligsociale aktiviteter – 20 eksempler*. (Danish Urban Committee initiatives – twenty case studies of local measures for enhancing community life. Hørsholm: SBI-rapport 311. (In Danish with an English summary.)

Vestergaard, H., Gottschalk, G., Trærup, T., Gruber, T. and Rasmussen, I.Ø., 1997, *De 8 modelområder. Evaluering af et Byudvalgsinitiativ*. (The 8 model estates – assessment of an Urban Committee In itiative.) Hørsholm: SBI-rapport 288. (In Danish with an English summary.)

Wacquant, L. (1997) "Three pernicious premises in the study of the American ghetto" *International Journal of Urban and Regional Research*, 21:2 (June).

Wilson, J. (1987) *The Truly Disadvantaged: The Inner City, the Underclass and Public Policy*, Chicago: University of Chicago Press.

Yin, R. (1994) *Case Study Research: Design and methods*, Second Edition, Sage, London.

10. APPENDIXES

Appendix A: Research hypotheses

1. Some social groups are more exposed to the effects of structural change than others.

2. Social exposure is relative. In some cases, individuals may have a combination of social characteristics which make them more exposed than others.

3. In some cases, members of socially exposed groups are spatially concentrated in particular neighbourhoods in European cities.

4. The specific processes which lead to socio-spatial concentration may vary from city to city because:

    - The ways that land, property and housing markets operate varies among countries.
    - There may be country-specific institutional factors at work, for example, different welfare regimes may interact with specific forms of social exposure to generate different outcomes for the same group in different places.

5. Socio-spatial concentration generates a specific set of social processes which make members of socially exposed groups even more vulnerable to structural change or, at least, less likely to be able to evade its effects.

6. Policies aimed at combating social exclusion may be targeted at particular social groups or at particular places of socio-spatial exclusion.

7. Implementation of policies to combat social exclusion may be ineffective for a number of reasons:

    - Policies aimed at specific social groups may not be effective where such groups, or a number of such groups, are spatially concentrated, because they do not recognise the processes leading to socio-spatial concentration.
    - Policies targeted at particular places of socio-spatial concentration may only reach less exposed individuals.
    - Policies may not take account of neighbourhood-specific processes which enhance social exclusion.

8. There are two key elements in implementing policy approaches designed to combat social exclusion when it is concentrated in particular neighbourhoods:

    - Building the relational capacities of individuals and groups within these areas from the bottom up to combat powerlessness

- Opening socio-spatial access to the wider city for individuals and groups to enhance opportunity

9. Where evolving mechanisms of urban governance exclude exposed groups or limit the efficacy of their involvement, the result may be enhanced material well being (eg better housing and environment) but no lessening of social exposure.

10. Place targeted policies may also enhance material well being, but contribute to strengthening defensive socio-spatial boundaries resulting in continued socio-spatial containment of exposed groups.

11. For these reasons, the key elements in policies designed to combat socio-spatial exclusion are:

- At the neighbourhood level: Relational capacity building within the neighbourhood, based on proactive initiatives
- At the neighbourhood level: Reviewing the operation of all local or locally-interfaced organisation to ensure they operate in a manner which supports relational capacity building
- At the neighbourhood level: Ensuring that the mix of 'social goods' delivered, eg basic education, training, child care, health care, income support, etc, meets the specific needs of socially exposed groups in the neighbourhood
- At the neighbourhood and urban level: Building relational linkages between the neighbourhood and the wider urban environment
- At the urban, regional and/or national level: Intervention in the processes which generate social exposure for particular social groups
- At all levels: Recognising the need for policy mixes which address different social dimensions of exposure, eg unemployment, age, race and ethnicity, gender, etc.

Appendix B: Qualitative and quantitative indicators which capture the processes of social exclusion at the neighbourhood

The aim was to undertake comparative studies which go beyond descriptive comparisons of problems and practices. The comparative studies were based on the development and application of common theoretical and methodological concepts with the capacity to express both the process and product dimensions of social exclusion processes. The intention was to develop a common set of qualitative and quantitative indicators grounded in a conceptual framework which can then provide a common base for analysis and comprehension of the changing dynamics of exclusionary processes found under different European conditions, such as those in neighbourhoods.

Two sets of quantitative indicators have been identified to study social exclusion, cross-country and cross-neighbourhood. Another set of qualitative indicators has also been developed.

1. Cross-national quantitative indicators

The first set is comprised of fully comparable data about unemployment and poverty in the countries represented in the study (and more broadly in the EU). The concept of social exclusion has largely rested upon a consideration of the changing nature of work throughout the Union. The two components of change have been the economic and spatial restructuring of employment throughout Europe, and changing conditions under which people work. Both these changes are associated with an increased risk of poverty for individuals and households who form a group unable to benefit from continued economic growth in the EU.

To examine these changes across Europe, seven indicators have been used, which offer a general European picture of the problems as well as showing how these problems affect specific member states differently. These indicators are

- Rates of unemployment
- Long term unemployment as a percentage of total unemployed
- Percentage of the labour force working part time
- Percentage of the labour force working part time by gender
- Percentage of households by number of workers in the household
- Poor households as a percentage of all households
- Percentage of poor households by household type

The results of these comparisons can be summarized in the following table. They show a marked difference between the northern European countries with well-developed welfare systems and the Latin Rim countries where the welfare systems are less well developed.

In the countries with highly developed welfare states, levels of unemployment are low to average, combined with high levels of part time working. The different welfare systems within these countries distribute the effects differently: from the egalitarian system in Denmark that assures that very few households are poor to the more inegalitarian system in the UK which succeeds to distribute poverty relatively equally among different household types. In contrast, the Latin Rim countries show a different (at times higher) rates of unemployment, low levels of part-time work, and with lower rates of poverty for households with children.

Table A1: *National Indicators*

Country	Unem-ployment	Long term unemployment	Number of workers in household	Part time working and gender	Poor households and household type
Countries with well developed welfare states					
Denmark	Low	Low	No data	High level of part time working, falling slightly Fewer women working part time now than before	% is low and falling Single elderly and one parent households protected Couples with 3+ children do worst
Germany	Very low, rising to converge with EU average	Average	High and increasing % of HHs where all adults are working	High level of part time working, rising slightly No change in gender division	% is low and rising Single elderly protected Large bias against single parent households Couples without children do best
United Kingdom	Average	Low	High % of HHs where all adults are working plus high % of HHs where no adults are working	High level of part time working, very little change More men working part time now than before	Exceptionally large rise in % of households Poverty equally spread across all household types, with some bias against single parent households and single elderly people Multi-adult households do best
Countries with less - developed welfare states (Latin Rim)					
Portugal	Very low	Average	High and increasing % of HHs where all adults are working	Low level of part time working, but rising Increased part time working by both men and women	Large fall in % of households Households with children protected Couples with 3 or more children do best
Greece	Low	Average	Low but increasing % of HHs where all adults are working	Low level of part time working, volatile, no change in long run Volatile gender division	Stable, but relatively high % Single elderly protected Households with children protected Multi adult households do best
Italy	Average	High	Low % of HHs where all adults are working, increasing % of HHs where no one is working	Low level of part time working, but rising Increasing proportion of women working	Large increase in % of poor households Single elderly protected Households with children protected One parent families do best

Ireland	High, falling to converge with EU average	High	Low but increasing % of HHs where all adults are working, increasing % of HHs where no one is working	Low level of part time working, but rising Increasing proportion of women working part time	Large rise in % of poor households Single elderly protected Households with children protected Couples without children do best

2. Cross-neighbourhood quantitative indicators

At the level of neighbourhoods, developing comparable quantitative indicators was more difficult due to two reasons. First according to our findings, social exclusion is a multi-dimensional phenomenon. Socially excluded neighbourhoods each suffer from a combination of problems and the combination may vary from one neighbourhood to another even within a single city. The other problem is the different size of the socially excluded neighbourhoods, which varies widely across cities and countries.

Social exclusion may be caused by a combination of a number of indicators including unemployment, household and ethnic configuration, and demographic characteristics. We have selected some of the main characteristics for which some data was available, although this availability was not consistent across different neighbourhoods. Socially excluded are a concentration of different forms of vulnerability and different groups of vulnerable people. We have therefore chosen four main vulnerable groups: the unemployed, the elderly, single parents and immigrants. As shown in the table below, even collecting accurate and consistent data for these groups was not completely possible. Nevertheless, the comparison shows that to identify a socially excluded neighbourhood, we need to search for a combination of several forms of vulnerability. If an area has a concentration of one or more forms of vulnerability, it is likely to be a socially excluded neighbourhood.

Table A2: *Concentration of the vulnerable in the socially excluded neighbourhoods* (see notes on Table 5.1)

Neighbourhood	**unemployed**	**elderly**	**single parents**	**Immigrants**
Cherry Orchard	53%	1.4%	25%	not applicable
Church Street	16%	21%	8%	21% ethnic minorities
Cruz da Guia	8.9%	7.7%	14.5%	considerable
Hamm-Norden	no data available for unemployed; 8,7% welfare recipients	older than 65 years: 14.7%	6% of the households	17%
Leoforos Alexandras	14%	23%	4.5%	50%
Ostbergahojden	6-7 %	7 %	10 %	40%
Vapnagård	17%/49%	7%	16%	22%
Via Arquata	5.2%	19.6%		
Via Gradenigo		38%		
Walker	29.9%	25%	8.9%	1% ethnic minorities

It can be concluded from these comparisons that the ten case study neighbourhoods all share in that:

- Each is a concentration of several (though not all similar) types of vulnerable groups.
- Each shows a significant degree of vulnerability in its immediate context.

These two conclusions can lead to the generation of quantitative indicators that enable researchers and policy makers to identify the socially excluded neighbourhoods through statistical data.

3. Cross-neighbourhood qualitative indicators

One of the main ambitions of the project has been to go beyond statistical data and look at the way social exclusion is experienced by people.

The neighbourhoods that we have studied can also be classified according to two sets of indicators. One is **a physical indicator** of their location in urban space and the other is **a social indicator** of how they have deteriorated. The ten case studies show a wide range of neighbourhood sizes, locations, and types. Two main criteria have been used to arrive at two forms of typology. The first is based on location of the neighbourhood in the city. According to this criterion, the case study neighbourhoods were either in peripheral isolation or in central enclaves. The peripheral isolation was caused by being on the margins of the city, separated from central areas activities by distance or by specific

features. The central enclaves were within central areas but isolated from the surrounding areas through their own conditions of deprivation and disadvantage.

The other indicator used in the typology is the process of exclusion. According to this indicator, neighbourhoods can be classified as neighbourhoods of decline or displacement. Those in decline are particularly the traditional working class neighbourhoods hit by industrial decline, whereas the neighbourhoods of displacement are where redevelopment or housing management processes have created concentrations of transient population.

We have identified a number of broad categories to capture these experiences and perceptions. A concentration of the symptoms of vulnerability leads to the emergence of socially excluded neighbourhoods. These neighbourhoods can be identified through a number of features. They suffer from

- ***a declining physical profile***: the appearance of buildings, the quality of urban environment, and the quality of services decline.
- ***a declining social profile***: the area attracts new vulnerable people and becomes a place of transient displaced population.
- ***a breakdown in social relations among residents*** : as the existing social networks decline and the transient population are unable to establish new strong networks, the relationships between residents deteriorate. This is manifest in tension between old and new residents, racial tension, bad behaviour, noise, crime and fear of crime, and withdrawal from neighbourhood public life.
- ***a breakdown of social relations with the outside world***: The residents cannot benefit from the opportunities which the outside world has to offer, not only in terms of employment but also the public services (that tend to be poorer there) and the private services (such as banks and shops that are less adequate or non-existent). As residents feel stigmatized by authorities, under scrutiny by the police, and experience the problems of disinvestment by the private sector, the relations with the outside world deteriorate. This becomes manifest in a crisis of identity, cynicism, loss of hope, withdrawal from public life, lack of political participation, mistrust, lawlessness and crime.

Presence of any of these indicators often leads to the detection of the other problems associated with social exclusion. It should also lead to the notion that the solution may partly lie in the (re)establishment of social networks and development of hope and trust.