

INTERNATIONAL INSTITUTE FOR LABOUR STUDIES



UNITED NATIONS DEVELOPMENT PROGRAMME

SOCIAL | ***EXCLUSION: RHETORIC REALITY RESPONSES***

EDITED BY

GERRY RODGERS

CHARLES GORE

JOSÉ B. FIGUEIREDO

A CONTRIBUTION TO THE WORLD SUMMIT FOR SOCIAL DEVELOPMENT

SOCIAL EXCLUSION: RHETORIC, REALITY, RESPONSES



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ISBN 92-9014-537-4

First published 1995

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Copies can be ordered directly from: ILO Publications, International Labour Office, CH-1211 Geneva 22 (Switzerland).

Preface

The ILO is dedicated to the quest for social justice in the context of economic and social change. For nearly three-quarters of a century, the Organization has sought to promote policies which reconcile equity with growth in such fields as labour relations, conditions of work, social protection, human resource development, and employment.

The problem of deprivation — both absolute and relative — is central to these concerns. Over the years it has been addressed both through ILO programmes and in collaboration with other international organizations.

In 1993, the International Institute for Labour Studies of the ILO convened a Symposium on poverty in order to assess these efforts; to examine new lines of enquiry; and to stimulate innovative policy prescriptions. The concept of social exclusion suggested itself as a subject for future exploration.

Developments in economic and social organization over the last decade suggest that transformations are taking place in the nature of poverty and deprivation. The deepening of social inequalities, labour market segmentation, and changes in the quantity and quality of jobs, are now occurring in all countries — in the developed economies, as well as in countries undertaking economic reform or undergoing economic transition. These changes are marked by varying degrees of participation or marginalization of different groups and individuals in civil and political society.

The concept of social exclusion suggests an analytical framework to encompass a variety of dimensions which are becoming increasingly relevant for an understanding of the notions of deprivation and poverty. These considerations include the need to:

- (a) link poverty with employment and social integration;
- (b) link the economic with the political and social dimensions of poverty;
- (c) examine the role of social processes and institutional structures in creating deprivation or generating inclusion. This would complement the current emphasis on macro-economic growth, incentives and individual skill development;

- (d) explore the implications of globalization for anti-poverty strategies, social cohesion and social justice;
- (e) explore the link between rights (civil, political and social) and access to livelihoods and markets.

Supported by the United Nations Development Programme, the Institute launched a research project on social exclusion to contribute to the discussion at the World Summit for Social Development and to explore ways in which the analysis of exclusion could make anti-poverty strategies more effective. This volume summarizes the initial project findings in three areas: conceptual issues; empirical studies, including analyses of social exclusion, policy experiences and implications for policy design; and policy issues. At a subsequent stage, the project will culminate in a Social Policy Forum which will bring academics together with practitioners to assess the final results.

The concept of social exclusion is familiar in Western Europe, as it has recently become central in discussions on the emergence of “new poverty” associated with economic restructuring and long-term unemployment. The original concept owes much to institutionalist thinking and to certain traditions of European political philosophy. The Institute/UNDP research project has sought to “deconstruct” the original term with a view to examining its utility in a variety of country settings. This has entailed conceptual work; the review of existing literatures on poverty, marginality, discrimination and deprivation; and empirical studies to explore the dimensions of exclusion in development paths in different parts of the world, with varied economic and social characteristics.

The intention is to seek a framework which would capture the inter-relationships between the material and non-material aspects of deprivation; to provide a better understanding of the way they interact with the processes of economic growth; and to relate them to the concepts of participation and social identity, which are becoming salient at a time of great change. The ultimate goal is to contribute to the design of acceptable and effective policy interventions.

It should be stressed that this project is a pilot venture in several respects. The case studies undertaken thus far have only begun to explore the full analytical potential of the concept of social exclusion. The common guidelines for the country studies were designed to give maximum discretion and scope to local multi-disciplinary teams, and to allow and facilitate the process of evolution of the analytical framework. Questions of macro-economic policy and its intersection with institutional change; the

social aspects of globalization; the implications of new technology — all these remain to be further mapped.

The results to date, however, do point to several important areas for future action. They suggest that more attention should be given to the way social institutions, political rights and economic processes interact to generate better livelihoods, social justice and social cohesion. Macro policies, and more particularly their interface with micro programmes, is of critical significance for anti-poverty strategy and greater social inclusion. Above all, the terms “inclusion” or “cohesion”, immediately raise the question of the structures or processes with which cohesion is sought, and the manner in which it is to be achieved. These are thorny and delicate issues, but they have to be grasped at the outset of policy formulation and implementation.

This publication is intended to serve as a point of reference for policy-makers, practitioners and academics and to stimulate thinking on the challenges posed by economic transformation for social equity, political stability and democratic citizenship.

Padmanabha Gopinath
Director, International Institute
for Labour Studies
Geneva, January 1995

Acknowledgements

This volume is based on the ILO's International Institute for Labour Studies project "Patterns and causes of social exclusion and the design of policies to promote integration". Funding for this project has been provided by the ILS and by the UNDP. The project was initiated and directed by Gerry Rodgers, in collaboration with José B. de Figueiredo. Charles Gore, a consultant to the project, wrote the introduction, with contributions from the other editors, and had the major responsibility for the substantive editing of the rest of the text. The editors are grateful to their colleagues in the ILS and in particular to Ajit S. Bhalla and Frédéric Lapeyre for their valuable suggestions; to Hazel Cecconi for skilful and speedy copy-editing and proof-reading of the papers; to Françoise Charpentier for production advice; and to Carmen Ruppert for secretarial support during the two workshops which brought project participants together.

Just as the volume went to press, we were sad to learn of the death of Marshall Wolfe, one of the contributors. Marshall brought to the project a long experience of social development issues and a subtle understanding of processes of social change, and his quiet commitment will be much missed.

Most of the papers in the volume are summaries of more fully documented reports which are presently being finalized. In some cases, significant editorial revisions have been made to authors' original texts in order to harmonize the different contributions to the volume. Opinions expressed in this text are not necessarily endorsed by UNDP, by ILS or by ILO.

Gerry Rodgers, Charles Gore and José B. Figueiredo
International Institute for Labour Studies
Geneva, January 1995

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Contributors

Teofilo Altamirano, Centro de Investigaciones Sociológicas, Económicas, Políticas y Antropológicas (CISEPA), Pontificia Universidad Católica del Perú, Lima.

Paul Appasamy, Madras Institute of Development Studies, Madras.

Paulette Bea, Université de Yaoundé I.

Mongi Bédoui, Consultant, Tunis.

Rosario Cobo, Instituto Maya de Investigaciones Agrarias, Universidad Nacional Autónoma de México.

Enrique Dusell, Facultad de Economía, Universidad Nacional Autónoma de México.

Joseph Edou Mbida, Université de Yaoundé II.

Vilmar E. Faria, Centro Brasileiro de Analise e Planejamento, São Paulo.

Adolfo Figueroa, Centro de Investigaciones Sociológicas, Económicas, Políticas y Antropológicas (CISEPA), Pontificia Universidad Católica del Perú, Lima.

José B. Figueiredo, International Institute for Labour Studies, Geneva.

Sara Gordon Rapoport, Instituto de Investigaciones Sociales, Universidad Nacional Autónoma de México.

Charles Gore, Consultant, Brighton.

Ridha Gouia, Consultant, Tunis.

S. Guhan, Madras Institute of Development Studies, Madras.

Mouna Hashem, Consultant, New York.

R. Hema, Madras Institute of Development Studies, Madras.

Samuel Inack Inack, Université de Yaoundé II.

Frederick Kaijage, Department of History, University of Dar-es-Salaam.

Manabi Majumdar, Madras Institute of Development Studies, Madras.

Lorena Paz Paredes, Instituto Maya de Investigaciones Agrarias,
Universidad Nacional Autónoma de México.

Pasuk Phongpaichit, Political Economy Centre, Chulalongkorn University,
Bangkok.

Sungsidh Piriyaarangsarn, Political Economy Centre, Chulalongkorn
University, Bangkok.

Gerry Rodgers, International Institute for Labour Studies, Geneva.

Carlos Salas, Facultad de Economía, Universidad Nacional Autónoma de
México.

Hilary Silver, Department of Sociology and Urban Studies, Brown
University, Providence.

Denis Sulmont, Centro de Investigaciones Sociológicas, Económicas,
Políticas y Antropológicas (CISEPA), Pontificia Universidad Católica
del Perú, Lima.

Natalia Tchernina, Institute of Economics and Industrial Engineering,
Novosibirsk.

Anna Tibaijuka, Economic Research Bureau, University of Dar-es-Salaam.

Nualnoi Treerat, Political Economy Centre, Chulalongkorn University,
Bangkok.

A. Vaidyanathan, Madras Institute of Development Studies, Madras.

Frank Wilkinson, Department of Applied Economics, University of
Cambridge.

Marshall Wolfe[†], Consultant, East Arlington.

1 Introduction: Markets, citizenship and social exclusion

Charles Gore
with contributions from
José B. Figueiredo and Gerry Rodgers

I. Conceptual issues

1. The meaning of social exclusion in West European policy discourse¹

In Western Europe, the term “social exclusion” has recently become a key concept amongst analysts and policy-makers seeking to understand and alleviate some of the negative social effects of economic restructuring. It is an appraisive term, which both describes and expresses an evaluation of a situation and a process and, as such, it has an evident appeal for politicians and policy analysts. But, as a persuasive call for public action, “social exclusion” has acquired various meanings. In Western Europe, those meanings are embedded in the emergence of the term in French political rhetoric and the specific institutional history of the European Union.

The term was originally coined in France in 1974 to refer to various categories of people who were unprotected by social insurance at the time but labelled as “social problems” — “mentally and physically handicapped, suicidal people, aged invalids, abused children, substance abusers, delinquents, single parents, multi-problem households, marginal, asocial persons and other social ‘misfits’” (Silver, Ch. 3, p. 63). However, in the 1980s, this stigmatizing and narrowly social view of social exclusion was superseded as the term became central to French debates about the nature of the “new poverty” associated with technological change and economic restructuring. Social exclusion in this context was not equated with

¹ This section is based on Silver (Ch. 3). For a longer version, which includes the deep historical context of recent debates in France, see Silver [1994].

poverty. It rather referred to a process of social disintegration, in the sense of a progressive rupture of the relationship between the individual and society, which was occurring because of increasing long-term unemployment, particularly focused on unskilled workers and immigrants, the inability of young people to enter the labour market for the first time, greater family instability and isolated single-member households, increasing numbers of homeless people, and rising tensions and periodic violence in the low-cost housing settlements on the periphery of cities (*banlieues*). This tearing of the social fabric of society seemed to be occurring as the result of long-term transformations in the structure and organization of economic life. It was regarded particularly seriously in France because social solidarity, in the sense of a "social bond" (*lien social*) between the individual and society which is expressed in the active participation of the citizen in public life, has always been central to French Republican thought.

The concept of citizenship and social integration which underlies the notion of "social exclusion" in this French tradition is difficult to grasp for people working within a liberal individualist tradition. The latter, which permeates Anglo-Saxon thinking, sees citizenship as a social contract based on the possession of equal rights by all individuals, and views social integration in terms of freely-chosen relationships between individuals, rather than a relationship between the individual and society [Silver, 1994, p. 18]. But this sharp conceptual divide has not prevented the wider adoption of the term in Western Europe. The European Commission has taken up the concept as central to the formation of social policy. In so doing, it has linked the notion of social exclusion more closely with the idea that it is the inadequate realization of social rights. This is particularly apparent in the work of the Observatory on National Policies to Combat Social Exclusion, which defined social exclusion "in relation to the social rights of citizens... to a certain basic standard of living and to participation in the major social and occupational opportunities of the society" [Room, 1992, p. 14]. With this shift, social exclusion became more closely equated with poverty, but this was seen in much more multi-dimensional terms than income or expenditure. A central question of the Observatory was to link standards of living with the possession of social rights to employment, housing, health care, etc., and "to study the evidence that where citizens are unable to secure their social rights, they will tend to suffer processes of generalized and persisting disadvantage and their social and occupational participation will be undermined" [*ibid.*, 1992].

The combination of high intuitive appeal together with flexible definition means that the notion of "social exclusion" must be treated with caution. As Silver (Ch. 3, p. 77) points out, "Fighting 'exclusion' means

different things to different people". But the notion has more than rhetorical force and the novelty value of a fashionable emerging policy bandwagon.

Interest in social exclusion has grown in Western Europe in relation to rising rates of unemployment, increasing international migration, and the dismantling, or cutting back, of welfare states. The emergence of the term reflects an attempt to reconceptualize social disadvantage in the face of major economic and social transformations.

Such rethinking is required for various reasons. The structural, rather than cyclical, nature of the new poverty, and increasing informalization of labour markets, mean that social benefits attached to employment are available to fewer and fewer people, and the provision of social insurance against risks of temporary difficulties is less relevant. Fiscal crises, coupled with neo-liberal ideologies about how to achieve competitiveness in the face of globalization, have reshaped traditional welfare states away from universal provision to targeting, a process which in itself is stigmatizing and exclusionary. Increasing international migration has posed the problem of the links between citizenship, nationality and rights in increasingly multi-cultural societies.

Given the multiple meanings of the term, the "social exclusion" approach may lead to misunderstanding. But, as a reconceptualization of social disadvantage, it has not been an abstract intellectual exercise. It is providing an important framework for thinking out alternatives to the welfare state. By linking poverty, productive employment and social integration, policy analysts in Western Europe have posited responses to the new situation which emphasize integration and insertion in the labour market rather than welfare insurance, active and personalized participation rather than means-tested benefits, and more multi-cultural concepts of national citizenship. These ideas are now being implemented (see Silver and Wilkinson, Ch. 17).

2. *Relevance and value in a global context*

Whilst the notion of social exclusion definitely has something more than rhetorical force in Western Europe, its relevance and value in a broader global context, and in particular in developing countries, has not yet been established. In The United States of America, the concept of the "underclass" is used by some, notably William Julius Wilson, to refer to a similar reality to that described by the term social exclusion in Europe. But the term "social exclusion", as currently understood in Europe, has not been widely used in an analytical or operational way in developing

countries, even though there is a vast literature on poverty, inequality, entitlements, deprivation, and marginalization. The questions which arise are the following. Does social exclusion offer a framework for analysis and policy which adds anything which cannot be provided by existing approaches? Does the analysis of social exclusion offer a new way to approach the problems of poverty, inequality, employment and social integration in developing countries? Is there any advantage to be gained by applying concepts of social exclusion, and policies to combat it, formulated in rich industrial and post-industrial societies to poorer countries? Is it simply a way of re-labelling old and long-standing problems? (Rodgers, Ch. 2).

A. The findings of literature reviews

Preliminary literature reviews,² which focus in particular on existing literature on poverty, deprivation and marginalization in Africa, Asia, Latin America and the Middle East, reinforce natural scepticism about the value of "exporting" concepts from the North to the South, from situations where the great majority are well-off to situations where the great majority are very poor. But the reviews also suggest some reasons why a social exclusion approach might add value to existing debates, and propose some ways that it might be possible to formulate a concept of social exclusion which is not Eurocentric, but rather capable of yielding analytical and policy insights globally.

Scepticism about the value of applying a concept formulated in Western Europe to developing countries is reinforced in two different ways. First, it has been suggested that the emerging social problems of Europe reflect a process of "Latin Americanization", in the sense that European economies and societies are moving closer in their forms of organization to those of Latin America [Yépez, 1994; Touraine, 1992]. As that occurs, the language to describe and analyse the situation in Europe is catching up to one already widely deployed in Latin America, where debates about marginalization were already vigorous in the 1960s and various concepts of the informalization of the labour market have been deployed for a long time. Projecting the European discourse of "social exclusion" on to developing countries, and in particular Latin America, would, in this light, be a grotesque relabelling of long-standing approaches

² Regional literature reviews were specially commissioned for the IILS/UNDP research project. See Gore [1994], Faria [1994], Yépez [1994], de Haan & Nayak [forthcoming], Bédoui [forthcoming].

to problems, whose only rationale would be the supposed intellectual superiority of European concepts.

Second, it has been suggested, perhaps precisely as a consequence of the longer and deeper engagement with marginality as a problem, that poverty and deprivation are *not* associated with “lack of integration” as the European literature implies. In Latin America, poverty is generally seen as being structurally related to the ways economies and societies function. But the structural processes generating it are grounded in the peripheral integration of Latin American economies into the world capitalist system and the mode of integration of classes, social groups, families, individuals, and regions into the prevailing social division of labour. The key insight of the Latin American literature on marginality thus runs diametrically opposed to a view of social exclusion as lack of integration (Faria, Ch. 6). Similarly, in Africa, historical research effectively challenged dualist models of economy and society which posited an excluded sector (traditional, subsistence) and the conventional wisdom which had emerged by the first half of the 1970s was that individuals and communities had been incorporated into the broader economy and society and that what was problematical was their *terms of incorporation*. Since the late 1970s, with spiralling crises, key concepts have been “disengagement” and “withdrawal”. People are not suffering from poverty owing to exclusion. Rather, they are excluding themselves from the wider economy and society, and from the burdensome and unequal obligations of citizenship, in order to survive (Gore, Ch. 5).

Whilst the literature reviews raise questions about the value of exporting European concepts to the rest of the world, and in particular to developing countries, they also suggest ways in which the concept of social exclusion might contribute to better analysis of poverty, and ways in which the concept might be rendered of more general applicability.

With regard to the usefulness of the concept of social exclusion, Faria argues that it stems from its potential as “a way of integrating loosely connected notions such as poverty, deprivation, lack of access to goods, services and assets, precariousness of social rights, and of providing a general framework” (Ch. 6, p. 127). De Haan finds that the potential of the approach for understanding poverty lies in the fact that present poverty studies tend to emphasize economic aspects and to pay less attention to political and cultural dimensions of poverty [de Haan & Nayak, forthcoming]. The analysis of the inter-related processes of inclusion and exclusion could help one to understand the interplay between these dimensions. Gore argues that a more explicit social exclusion approach can also usefully inform analyses of socio-economic change in Africa, in

particular processes of impoverishment. It does so, first, through directing more attention to the relationships between poverty and agency; and second, by providing a framework to draw together separate literatures on access to land, employment, organization and representation and social services, and to inter-relate them in way which illuminates trajectories of social change. Whilst Yépez argues that the critical general insights of the European literature on social exclusion are “(i) the stress placed on employment... as a central element of social exclusion; and (ii) the importance placed on the spatial dimension, as the locus of both social differentiation and the articulation between different social actors”, and she suggests that social exclusion can best be regarded as a “pivotal concept” which “aims less to identify the contours of empirically observed reality than to highlight the relationships between processes, between micro and macro mechanisms, between individual and collective dimensions” [Yépez, 1994, p. 15].

B. The value of the social exclusion approach

Taking these insights together, one may suggest that the value and relevance of the social exclusion approach for policy analysis is descriptive, analytical and normative.

As a *description* of a state of affairs, social exclusion closely corresponds to a state of poverty defined as relative deprivation.³ As such, the concepts of poverty and social exclusion can easily be used interchangeably. The apparent value-added which is derived from using the concept might seem less. But the social exclusion approach reinforces some of the advantages of defining poverty as relative deprivation. Notably it sees individuals as social beings and not simply repositories of utility. It offers a way of defining poverty which is relevant at a global scale given differences in what is considered essential in different societies. And it sees poverty as multi-dimensional rather than in terms of income and expenditure. A particular contribution of the social exclusion approach in this regard is that “the concept of social exclusion goes beyond economic and social aspects of poverty and embraces the political aspects such as political rights and citizenship which outline a relationship between individuals and

³ “People are relatively deprived if they cannot obtain, at all or sufficiently, the conditions of life — that is, the diets, amenities, standards and services — which allow them to play the roles, participate in the relationships and follow the customary behaviour which is expected of them by virtue of their membership of society. If they lack or are denied resources to obtain access to these conditions of life and so fulfil membership of society they may be said to be in poverty.” (Townsend [1993, p. 36]).

the State as well as between the society and the individual” [Bhalla & Lapeyre, 1994, pp. 10-11].

Analytically, the social exclusion approach seeks to understand the inter-relationships between poverty, productive employment, and social integration. The approach can be applied in various ways, which in turn lead to different policy conclusions.

Silver (Ch. 3) argues that the different approaches to social exclusion are grounded in different paradigms of citizenship and social integration. She labels the three most important paradigms “solidarity”, “specialization”, and “monopoly”, and she argues that processes of exclusion are conceptualized in fundamentally different ways in each. In the solidarity paradigm, which is rooted in Republican political thought (particularly as it has evolved in France), the emphasis is placed upon the existence of a core of shared values, a “moral community” around which social order is constructed, and processes of assimilation of individuals into this community, and their ability to express their membership through active participation are important. Social exclusion has a particular salience in this paradigm as it represents a rupture of the social tie. In the specialization paradigm, which is rooted in liberal thought, societies are seen as composed of individuals who are bearers of rights and obligations, and who have diverse interests and capabilities. The structure of society is built around a division of labour and exchange in both economic and social spheres. Social exclusion reflects voluntary choices, patterns of interests and contractual relationships between individuals, and various “distortions” to the system — discrimination, market failures, and unenforced rights. In the monopoly paradigm, societies are seen as inherently conflictual, with different groups controlling resources and insiders protecting their domains against outsiders, constructing barriers and restricting access — to occupations, to cultural resources, to goods and services. Within this paradigm it is shown that access to groups affects access to resources and other social goods. Exclusion occurs through “social closure”, “the process by which social collectivities seek to maximize rewards by restricting access to a limited number of eligibles” [Parkin, 1979, p. 44], and “usurpation”, the process through which “outsiders” resist and seek to overcome their exclusion.

Silver’s analysis is extremely helpful in that it contextualizes the use of the term “social exclusion” in French political debates and in the construction of European Union. Moreover it identifies a third possible stream of social exclusion analysis, beyond the solidarist and social rights approaches which are present in European policy discourse — that is, the monopoly paradigm. This is likely to offer significant insights in the study of poverty and employment issues as it emphasizes agency and also does

not posit a simple dualism between insiders and outsiders (as in the solidarity model in particular), but a complex hierarchy of inter-related inclusions and exclusions.

One implication of Silver's decoding of social exclusion discourse is that the precise analytical advantages which stem from a social exclusion approach depend on the particular frame of analysis. But what all the paradigms have in common is an emphasis on processes and a concern to examine how people's lives are being affected by the inter-relationships between economic restructuring and social institutions. Moreover, the social exclusion approach does not address these issues in an abstract way. It seeks to address emerging problems associated with globalization. These include: trends since the 1980s which suggest that "within the global system more people are becoming permanently superfluous, irrelevant, or hindrances to its functioning" (Wolfe, Ch. 4); problems associated with increasing, and increasingly blocked, international migration; intensifying competitive pressures which are bringing in their train various actions by social collectivities to curb competition [Crompton & Brown, 1994]; and technological change which is promoting skill polarization and the dualization of labour markets.

Globalization is making national citizenship increasingly salient as a social status. Citizenship has always been important in development policy analysis, but usually as a silent term, implicitly structuring debates and suggesting analytical and policy priorities, though its nature has not been spelled out. A concern with social exclusion makes the significance of citizenship within development debates explicit and it directs attention towards what the condition of citizenship actually is by focusing on situations of incomplete citizenship. The social exclusion approach makes the social institutions associated with citizenship a central issue of development policy analysis and examines how relationships between markets and citizenship affect people's lives.

Normatively, the social exclusion approach has value because it raises questions about the nature of social justice. In his important work on inequality, Amartya Sen has deliberated deeply on the question "equality of what?", and his project of shifting from a utilitarian perspective to a capability approach has had significant operational implications.⁴ The notion of social exclusion can serve to direct attention to an equally fundamental question, namely "equality amongst whom?". As Waltzer [1983] argues, concepts of distributive justice assume (usually silently) the

⁴ See Sen [1992], for a synthesis of many years' work on this issue.

existence of a community within which rights are held, goods shared, and mutual recognition expressed. Logically the right to membership is thus the most basic right, which depends on the admission policies (exclusionary and inclusionary practices) of the group concerned.

But the relationship between social exclusion and social justice may be even more powerful than this insight, which is founded within an individualistic perspective. With an observation pregnant with possibilities, Room [1994, p. 9] suggests that, whereas the Anglo-Saxon notion of poverty is *distributional*, social exclusion focuses on *relational* issues — inadequate social participation, lack of social integration and lack of power. From Silver's decoding of the notion of social exclusion, it is apparent that the term can be used to think of both relational and distributional notions of justice. But seen as a relational concept, it offers a way of completing the shift away from a welfarist view of social disadvantage which Amartya Sen has begun, but which, in the guise of the concept of capabilities, still remains wedded to an excessively individualist, and insufficiently social, view.

The relationship between social exclusion and social justice needs much more conceptual work of the type which Silver has done on the relationship between social exclusion and different views of society. But, to put all the foregoing together, it may be stated that the specific value of the social exclusion approach is that it offers a way of reconceptualizing and understanding social disadvantage as the globalization of economic relations occurs.

C. *Global relevance*

If this value is to be realized, the concept of social exclusion needs to be fashioned in a way which is not Eurocentric, but relevant globally, in a range of country contexts. Silver's work, by putting the concept as it is used in European policy discourse within a broader framework, offers a vital map for making this intellectual transformation. But the literature reviews also indicate ways in which the social exclusion approach may be modified to take account of regional differences and also global dimensions of processes of social exclusion. At least four are particularly important.

First, the literature on the peripheral integration of Latin American economies and societies into the world capitalist system suggests that processes of social exclusion need to incorporate various international relations — of trade, aid, technology transfers, migration, etc. — and the nature and design of international regimes which underpin them. Some notion of exclusion at an international level is implicit in the opposition

between the “centre” and the “periphery” of the world economic system in that literature.

Second, whereas a focal point for the study of social exclusion in western Europe (and research funding of the European Union) is the relationship between labour markets and social exclusion, in the context of developing countries and countries in transition the focus needs to include other factor markets, as well as the processes through which these markets are developing. Access to agricultural land, access to inputs to work that land productively, and access to credit (for peasant production, urban self-employment and the development of micro-enterprises) are all vital bases of livelihood, as well as access to employment through labour markets.

Third, in examining the relationship between rights, livelihood, and well-being, it is important that work in developing countries does not simply focus on social rights as the western European literature has done, but on civil and political rights. This can build on a long tradition of research which examines popular participation in development and has considered the ways in which individuals and groups who were the object of development programmes were excluded from factors affecting their livelihood, as well as newer research which examines the importance of democracy (variously defined) for economic performance. It also gets beyond the institutional specificity of debates about social exclusion in Europe, which are linked to the future of, and alternatives to, the welfare state. It thus addresses Yépez’s pointed question about the value of speaking about social exclusion in countries where people have never been integrated through a welfare state system [Yépez, 1994].

Finally, it is important to focus on various social institutions in which rules governing exclusionary and inclusionary practices are negotiated, including households and national States which are focal in European debates, but going beyond them. The African literature, for example, raises questions about the “nationality” of social exclusion, that is to say, the significance of the nation State in the institutionalization of exclusionary practices (Gore, Ch. 5). With globalization, African societies are developing into post-national societies, but this is occurring in societies in which rights and obligations defining access to resources and other social goods have not been fully “nationalized”, in the sense that the enforcement of legal rights is not fully effective, and a national culture of expectations and norms has not been in existence for a long time.

By recognizing the international dimension of processes of exclusion, and using insights from literature in developing countries to contribute to the formulation of a concept of social exclusion which is not Eurocentric, the social exclusion approach can be relevant in a range of country

settings, including developing countries and countries in transition. But its value must ultimately be assessed, as Faria (Ch. 6) points out, on the basis of fresh knowledge inspired by the concept.

II. Social exclusion as a process: Evidence from country studies

To explore the value and relevance of the social exclusion approach in developing countries and countries in transition, a series of empirical studies has been undertaken. These studies were particularly designed to explore the analytical and policy advantages of viewing poverty, inequality and a lack of productive employment with a social exclusion approach. Studies were undertaken in ten countries: in Latin America (Mexico, Peru); Sub-Saharan Africa (Cameroon, Tanzania); the Arab world (Tunisia, Yemen); South and South-east Asia (India, Thailand); and the former USSR (Russia, Kazakhstan). This sample of countries was selected to provide examples from different regions of the world, as well as a wide range of economic situations. Thus, the countries selected encompass: (i) socialist economies in transition; (ii) newly-industrializing countries; and (iii) least developed countries. They include countries undergoing rapid economic growth and countries facing stagnation or intensive structural adjustment. Taken along with existing material on Western Europe and the United States, this offers the first insights into processes of social exclusion in a global context.

The studies were undertaken within a limited time-frame (approximately one year) in order to ensure that findings were available for the World Summit for Social Development in March 1995. But nevertheless, in most of the studies, primary data were collected to complement available statistics, which were either almost totally absent (Yemen, Kazakhstan) or — more commonly — did not adequately capture the dimensions of exclusion. Multi-disciplinary research teams, including sociologists, anthropologists and economists, were put together by leading national research institutions, in order to explore the variety of processes involved and assess the value of the exclusion approach through different disciplinary perspectives. Within a common agreed frame of reference, the teams collected data on processes of social exclusion, the social status of selected excluded groups, and their perception of exclusion.

The groups which were defined as “excluded” and analysed in each study varied from country to country, reflecting the different priorities of the research teams. But ethnic, racial or caste and gender elements were

common in many of the studies. In Yemen, the study was organized around several distinct excluded groups: the *akhdam*, an ethnically identifiable low-status group; migrants, especially return migrants from the Gulf, who have virtually the status of refugees; casual labourers; and inhabitants of remote villages. In Thailand, some attention is given to ethnic identity and migrants, but there is a particular concern to explore the cultural underpinnings of gender discrimination. In Tanzania, the groups chosen included beggars, certain casual or low-income occupations, the landless and near landless. Gender, age and tribal dimensions of all these groups are also investigated. In addition, a special study was undertaken of orphans. The Cameroon study is dominated by ethnic considerations. In Tunisia, a high priority is given to the illiterate unemployed, whilst some attention is given to the gender dimension. In Siberia – the location of detailed sociological investigation of social exclusion in the Russian study – the focus is on rural low-income groups, the long-term unemployed, and downwardly mobile professional workers. In India, the study covers caste, gender and locational elements of the non-realization of rights. In Peru, class groups are identified, with a strong stress also on indigenous groups and migrants. In Mexico, gender issues are considered.

The chapters in Part II of this volume report, in summary form,⁵ the major results of these studies in all the research locations except Kazakhstan, where the work began later.

One thing which is immediately apparent in reviewing the summarized findings of the research projects is the fact that the social exclusion approach readily lends itself to being a different language for describing and labelling persistent problems of poverty. This is not bad in itself. We believe that the studies offer an important and eloquent description of the conditions in which people are living in different parts of the world in relation to the three main themes of the World Social Summit, namely poverty, lack of productive employment, and the breakdown of social cohesion. But, beyond this, some of the studies contain valuable insights for the analysis of the links between poverty, productive employment, and social integration and for understanding processes of social exclusion. Moreover, some assess policy experience and discuss the implications of the approach for policy design. It is these analytical and policy insights which are the focus here. The rest of this section of the introduction look at analytical insights, in particular the role of social institutions in processes of social exclusion, whilst the next section considers policy insights.

⁵ Full versions of country studies will be published in future.

1. *Markets and social exclusion*

The analytical insights on the relationship between markets and social exclusion in the case studies can usefully be introduced in relation to Sen's entitlement approach to the analysis of famines and endemic hunger. There is a significant relationship between the entitlement approach and the analysis of social exclusion [de Haan & Nayak, forthcoming]. But the case studies provide clues as to how the latter goes beyond the former, potentially deepening it.

Entitlement analysis focuses on *commodity markets*. A person's entitlement, in this frame of reference, refers to the bundle of commodities over which a person can establish command using the rules of acquirement which govern his or her circumstances. The rules of acquirement encompass legal rights (such as property rights and social rights to health and education services) and social norms. Sen argues that famines arise because of entitlement failures, in which certain sections of the population cannot command sufficient food. In a private ownership market economy, the main ingredients of such entitlement failure are: "endowment loss" (loss of assets), and/or "movements in the exchange entitlement mapping" (the exchange relationships which specify what a person can acquire through production or trade, for any given endowment — for example, the ratio of daily wages for casual work to grain prices). Endemic hunger arises because of food entitlement failures but also from the inability of some people to "convert" their entitlement bundle into adequate nutritional functioning. Such an inability is due to certain personal characteristics, but also to a lack of entitlement to other kinds of commodities which are essential to adequate nutritional functioning — health and medical attention, elementary education, clean water, living space, and basic sanitation.

The entitlement approach directly examines the interplay between livelihood and citizenship rights, and shows how individuals are excluded from commodity markets. Exclusion from basic goods and basic consumption can usefully be analysed within this framework. But whether there is an analytical pay-off simply from substituting the phrase "exclusion from goods and services" for "entitlement failure" is debatable.

There may be an added advantage in recasting entitlement failures as exclusion from basic goods in that an exclusion approach pays greater attention to agency and the role of social institutions, a critical deficiency of entitlement analysis [Gore, 1993]. But the case studies do not illustrate this potential. What they do demonstrate, however, is that the social exclusion approach can go beyond entitlement analysis by looking more deeply at processes behind entitlement failure. It does so precisely by focusing on

exclusion from *factor markets*. With this focus it is possible to identify processes of *economic disenfranchisement*.

Analysis of exclusion from markets has been taken furthest in the study of Peru, in which it is argued that two different types of market can be distinguished to clarify how exclusion from markets occurs. In the first type, individuals can buy or sell as much as they wish of a good or service at the prevailing price (so-called "Walrasian markets"); in the second type, prices still influence demand but there is also rationing which arises because the expected quality of the commodity or service demanded or supplied is a function of its price ("non-Walrasian markets"). In the former type of market, people are excluded if they do not have sufficient real income or productive capacity; in the latter type of market, they can be excluded even when they are willing and able to participate.

In Peru, markets such as the potato market are of the first type, while labour, credit and insurance markets are of the second. This is significant in that the latter three markets can be regarded as basic markets, in the sense that they are fundamental for livelihood and security. In these markets, people are excluded because they are considered high credit or insurance risks, or because they belong to stigmatized social groups, regarded by employers or creditors as less reliable, less trustworthy, or less productive. In all these markets, "social assets" play a role in providing signals for the rationing process. Such "social assets" include a person's rights (to property, for example) and social identity (characteristics such as their language, race, sex, kinship, education, occupation, religion and geographical origin).

The exclusionary process is particularly strong in the *credit market*, which in Peru is extremely selective and highly concentrated. Available figures suggest that 70 per cent of formal credit from the banking system serves the modern trade and manufacturing sectors; that more than 80 per cent is allocated to the capital city, Lima; that less than 5 per cent of firms borrow from the formal credit system, and that the top decile of debtors holds 74 per cent of total bank credit. These patterns reflect the fact that formal financial institutions regard the costs of transactions and information as too high for small producers, and that peasant households and urban micro-enterprises are regarded as bad risks. As a result of this exclusion, a segmented credit market has developed, with adverse consequences for those outside the formal market, where interest rates are higher and informal financial institutions are often precarious.

The importance of market exclusion is even more obvious in the *labour markets*. Most of the case studies showed similar (and familiar) broad patterns, in which formal wage employment was expanding

insufficiently to absorb new entrants to the labour force or to reduce the numbers of people working in precarious or vulnerable labour situations. They also showed that exclusion from the labour market not only has direct effects on livelihood but also exacerbates other processes of exclusion such as those related to basic rights, social security and identity. This situation has been aggravated by a fall in overall average real income and a deterioration of working conditions in the wage sector in many countries (including Tanzania, Mexico, Russia and Peru among the case studies), involving lower levels of organization, an increase in the proportion of jobs on short-term contracts and decline in the coverage of labour protection schemes.

Three distinct types of labour market exclusion were identified in the studies: those involving open unemployment; those involving precarious types of labour market insertion; and those involving various forms of non-wage employment.

Open unemployment is widespread, even in the lowest income situations. In Peru the current national unemployment rate is around 10 per cent. Long-term unemployment is growing rapidly in Tunisia. Young people seeking enter to labour markets for the first time have often experienced difficulty but, with economic restructuring, and particularly the opening of national markets to international competition through adjustment programmes, the unemployed includes older people who have lost their jobs. In Mexico and Russia, recorded rates of unemployment are low, but for different reasons. In Mexico, published unemployment statistics reflect mainly frictional unemployment, that is, the relatively small number of unemployed who know for sure — or firmly believe — that they will get a job in the long run. In Russia, unemployment is low partly because employers are not making surplus labour redundant as, during privatization, they have pursued a policy of maintaining “worker collectives” against external shareholders.

Precarious forms of wage labour are also widespread, especially casual daily labour. Exclusion from decent working conditions and employment security is reported in most case studies. In such situations, the process is not one of exclusion from employment — indeed there is usually intensification of work, much of it involving unregulated wage work in agriculture or the informal sector. The problem is one of exclusion from the decent jobs, as higher and more remunerative reaches of the labour market depend on access to secondary education at a minimum as well as on networks of contacts, and strong patterns of labour market segmentation emerge, between both public and private sectors, and within the private sector. There is a strong tendency for particular population groups to be subject to exclusion of this sort, for instance ethnic groups such as the

akhdam in Yemen, indigenous migrants in Peru and women in many countries.

Not all non-wage employment reflects exclusion, but much self-employment is in practice the result of exclusion from wage labour and is strongly associated with poverty. Where it is competitive with formal-sector production it is likely to face administrative obstacles; alternatively, the "self-employed" may be used as low-cost producers of intermediate goods by larger enterprises and so are in reality disguised and unprotected wage workers. Exclusion here may involve exclusion from markets for inputs, markets which are controlled by large firms or particular population groups. Exclusion from credit markets also limits access to more remunerative and more productive sections of self-employment.

An important theory of labour market exclusion, which focuses on processes of "economic disenfranchisement", has recently been put forward by Partha Dasgupta [1993]. This theory can usefully be contrasted with that proposed by Figueroa et al. (Ch. 12) in their discussion of non-Walrasian markets in Peru. Whilst the theory of social exclusion of Figueroa and his associates is elaborated for an "overpopulated economy", and thus requires that rationing takes place, Dasgupta develops his theory for an economy which is neither rich in assets, nor "vastly poor" in assets (which is defined as an economy in which "it is technologically infeasible for *all* citizens to enjoy adequate diet and health care" [emphasis added], or an economy whose "population size exceeds the land's carrying capacity" [ibid., p. 476]). In Dasgupta's analysis, therefore, people are not shut out of the labour market because of rationing and job queues in the labour market (though this situation can be added to the model). Nor are they excluded because of monopsony, which arises through collusion amongst a small number of employers (though this, too, can be added to the model). Labour markets are competitive and cultural identity is not a basis for discrimination. But job seekers include two categories of person: first, landless persons; and second, persons with a small amount of land, whose nutritional needs are partially, though not completely, met through cultivation of that land.

In this situation, Dasgupta argues that there is a tendency for landless persons to become economically disenfranchised "not because they don't wish to work, but because they are unable to offer the labour power the market demands" [ibid., p. 484]. Possessing no physical assets, their one asset appears to be their labour power. But, Dasgupta asserts, what an assetless person owns is *potential* labour power and to convert to actual labour power requires adequate nutrition and health care. Persons with a small amount of land can meet some of their nutritional requirements from

their own land but the totally landless must meet their total energy requirements from their earnings from employment. They cannot do so unless they receive a relatively high piece-rate in relation to the small farmer-cum-labourers and, if they get weak, they are driven to eke out a bare subsistence, continuing to live in destitution through the exploitation of common property resources (which require less energy expenditure if they are available) or begging.

The case studies provide little evidence to support (or reject) Dasgupta's theory, although the Tanzanian case suggests that health status is an important determinant of an individual becoming a beggar. However, various case studies found that *educational status*, and particularly illiteracy, was an important cause of labour market exclusion. Like health and nutritional status, educational status is associated with the nature of the labour power being offered for sale by persons without any other physical assets.

The importance of education is identified in the studies of Tanzania, Thailand and Tunisia, and the process of social exclusion and problems of devising policies for labour market reinsertion are particularly considered in the study of Tunisia. These studies suggest that, in a situation of rising educational standards, those with a level of formal schooling which does not go beyond primary level, and particularly those who are illiterate, find it very difficult to find decent employment. Moreover, amongst the unemployed, it is this group which is the most difficult to reinsert into the labour market.

More work is obviously required on both the links between illiteracy and labour market exclusions, and the links between nutritional/health status and labour market exclusions. These links seem to be at the heart of the relationship between exclusion from livelihood and exclusion from social rights. This work needs to include theoretical approaches (such as those of Figueroa and associates and Dasgupta) and also to be sensitive to local situations. An example is the work of Breman [1994] who demonstrates the importance of physical strength and stamina in determining labour market exclusion in situations where there is surplus labour. Studying localities in South Gujarat, India, where unskilled day-labourers gather to seek work each morning and when there are insufficient jobs, those who are not capable of maximum effort and cannot meet the heavy demands on physical strength and stamina will be hired less frequently. In South Gujarat, this applied to men and women over 40, who had literally been used up in the labour process and also younger persons suffering from ailments or malnutrition. A vicious circle operates, in which exclusion from labour markets leads to exclusion from satisfaction of basic nutritional and health needs, which in turn reinforces exclusion from labour

markets owing to diminishing capacity to work. This is a common route to destitution for people without land or informal social support or access to common property resources.

With regard to exclusion from *land markets*, the studies suggested that these markets were weakly developed, partly because of the contested nature of property rights, and that exclusion from land resources was strongly influenced by State actions which did not reflect the interests of peasant farmers. This is particularly well-illustrated in the contrasting cases of Thailand (which is considered in more detail in the next section) and Tanzania. In the latter case, various forms of "land-grabbing" by wealthier or more well-connected individuals has occurred during both the period when State ownership was central to the development strategy and under the new neo-liberal policies. During the villagization programme in the 1970s, some landless gained access to land, but village-level land allocation procedures were sometimes unjust, with persistent exclusion of women, and practices which favoured friends, relatives and cronies. With the changes associated with liberalization, settled agriculture or land-intensive tourist development have become more lucrative and this has accentuated a tendency for pastoralists and hunter-gatherers to lose land. This reflects the economic priority given to agriculture over pastoralism, and is rationalized by describing pastoralists' land as "unutilized".

2. States, citizenship rights and social exclusion

One of the crucial advantages of a social exclusion approach is that it inserts the condition of citizenship directly into development policy analysis. Although Silver's work makes it very clear that there is no single conception of citizenship, the case studies tend to work with a particular notion of citizenship. This is not a participatory notion of citizenship (which informs Wolfe's discussion of the paradoxes of social exclusion, Ch. 4). Rather, most of the case studies (implicitly) are based on a conception of citizenship which sees individuals as bearers of rights.

The analytical insights of the case studies in relation to exclusion from citizenship rights can be usefully introduced in relation to Marshall's classic discussion of citizenship. Marshall argued that

Citizenship is a status bestowed on those who are full members of a community. All who possess the status are equal with respect to the rights and duties with which the status is endowed. There is no universal principle that determines what those rights and duties shall be, but societies in which citizenship is a developing institution create an image of an ideal citizenship against which

achievement can be measured and towards which aspiration can be directed [Marshall and Bottomore, 1992, p. 18].

He divided citizenship rights into *civil rights* (liberty of the person, freedom speech, the right to own property and to conclude valid contracts, the right to justice), for which a key institution was courts of justice; *political rights* (to participate in the exercise of State power), for which the key institutions are central and local government; and *social rights*, "to a modicum of economic welfare and security...and to live the life of a civilized being according to the standards prevailing in the society" [ibid., p. 8]. Moreover, drawing extensively on the British experience, he saw the development of rights as a movement towards the possession of citizenship rights by increasing numbers of people in the community, greater equality in the possession of rights and the possession of an increasing range of rights. In the British situation, the historical development involved an expansion from civil rights, to political rights and, in the twentieth century, to social rights.

Within this Marshallian framework, social exclusion can be seen as *incomplete citizenship*, which is due to deficiencies in the possession of citizenship rights (in relation to the ideal of citizenship, of that society or elsewhere) and inequalities in the status of citizenship. Critical analytical questions are the ways in which the range of citizenship rights are increased and reduced; the inter-relationships between different types of rights; and the inter-relationships between the norm of equality in the status of citizenship and the social inequalities associated with the functioning markets. Some clues to answer these questions are found in Marshall's own work. But it is particularly based on the British experience and it can potentially (and unhelpfully) be interpreted in a teleological way. Much work, which is likely to go beyond Marshall's analysis, needs to be done.

One route is to make international comparisons of citizenship rights and identify conditions of incomplete citizenship in relation to *global norms*. This is an emerging area of analysis, but the case studies follow another path. They contain four main types of information. First, some of the studies describe the range of rights and pattern of inequality in their possession within a national frame of reference. Second, some analyse the macro-dynamics through which citizenship rights are extended or contracted in relation to the development strategies of countries. Third, some also focus upon the micro-dynamics through which rights are negotiated, realized and denied. Finally some of the studies provide material for thinking about the effects of the globalization of markets on the condition of citizenship. Some insights are made into the inter-relationships between different types of citizenship rights, but the work is

of a very preliminary nature and does not reflect the complexity of the issue.

A. Range and inequality of citizenship rights

Information within the studies showed the limited range of citizenship rights which nationals of low-income countries possess and also identified patterns of inequality. The studies confirm that analysis of social exclusion in a developing country must include civil and political rights, as well as social rights, which are the focus of the West European literature. In Peru, available statistics show that 37 per cent of the peasantry had no legal title to their land in 1984, and 43 per cent of people living in shanty towns had no legal title on their urban plots in 1991.

Amongst the studies, the case of India provides the most complete delineation of social rights. A particular finding of that study, which is replicated in other studies, is that many aspects of social protection are linked with regular wage employment, which is obtained by only a minority of the workforce. Despite obligations written into the Indian Constitution to provide (within the limits of economic capacity and development) for the right to work, to education and to public assistance in the case of unemployment, old age, sickness and disablement, entitlements have been concentrated on "organized workers" who number less than 10 per cent of the workforce, and implementation of social assistance schemes for other population groups has been patchy. In Peru, only 42 per cent of the economically active population is affiliated to the social security system. One consequence is that two-thirds of the population aged 65 and above have no retirement pension. Labour rights, in terms of organization, protection and acceptable conditions of employment and of work are effectively enforced only in a part of the economic system, which, in the case of economies such as Yemen and Tanzania, is only a very small part. More generally, labour rights are often contested in practice even when they are admitted in theory. In many countries, attempts have been made by both State and private employers to undermine labour organizations promoting such rights.

With regard to the inequality of citizenship rights, rural populations are seen to be particularly disadvantaged in a number of the studies, including Yemen and India. Similar patterns of exclusion are important in Mexico and Peru and are compounded there by discrimination against ethnic minorities dominant in marginal regions. In Siberia, the breakdown of institutions which provided such goods and services outside the market is of vital importance. In rural areas, access to housing, child care

facilities, health care and many other social services was linked to participation in collective or State farms. The breakdown of the old universalist systems has led to a growth of patronage and a race for personal enrichment, based on formerly collective resources. This leads to situations of extreme deprivation and insecurity, with rights to housing a critical issue.

B. Macro-dynamics of exclusion from rights

There are major variations between countries, *and* in the same countries over time, in terms of: the set of citizenship rights which is legally recognized; the capacity of governments to enforce and make rights effective, and of individuals, groups and organizations to defend their rights; and the measure of equality in the realization of rights. An important stream within current development literature is concerned with the relationships between economic performance, development strategy and the provision and realization of civil, political and social rights.

Aggregate statistics show that there are no straightforward correlations between economic growth and social, civil and political rights at the national level. This has led to the important insight that it is possible to extend entitlements to health, education and social assistance without waiting for a general rise in affluence. Increasing command over commodities and services can be achieved through development strategies which aim for “growth-mediated security” or “support-led security” rather than development strategies of “unaided opulence” [Drèze & Sen, 1989].

The case studies do not confirm or deny these ideas. But they show how different forms of social exclusion from citizenship rights are related to the economic logic of a growth strategy. This is a very promising area of research and policy design, whose potential is perhaps best illustrated in the already published literature by an analysis of the dilemmas of securing and maintaining citizenship entitlements in Eastern Europe [Fitzgerald, 1991]. This analysis identifies the central problem of transition in the semi-industrialized economies in the region as precisely how to achieve the imperative of modernizing industry to compete in international markets in a situation in which the population is used to a high standard of social provision and wishes to defend that standard.

The relationship between citizenship rights and macro-economic strategy is most clearly shown in the case of Mexico. Current social exclusion processes are interpreted as being related to “the breakdown of the inclusive development model, based on a corporatist social covenant, which prevailed in the country from the 1940s to the early 1980s, and its

replacement with a neo-liberal project which is being implemented through structural adjustment programmes” (Gordon Rapoport et al., Ch. 13, p. 215). In the inclusive development model, various sectoral groupings were linked to the official party (PRI) and to the government and the State mediated the demands of their members. There was a strong link between economic and social policies and social expenditure was conceived as a part of the development project as, with import substitution industrialization, consumption was promoted to expand the domestic market. Agriculture also had a definite role in the process of economic growth. The social policy sought to give welfare benefits to as many people as possible, without attempting to implement a comprehensive welfare state.

This development model was imperfectly inclusive, very unequal, and by the 1960s was beginning to prove unsustainable. But it increasingly included population groups. With the implementation of an export-oriented industrialization strategy, the expansion of domestic consumption is no longer integral to the growth model, the guarantee of cheap labour is a crucial element of the strategy, and the agricultural sector has been simply exposed to international competition. There has been increasing informalization of labour following the dissolution of collective contracts between workers and employers, the introduction of several new *Pactos Económicos*, and the break-up of regional and national trade unions and their replacement with firm-level unions. The adoption of the neo-liberal reforms is reinforcing old patterns of inequality and discrimination and leading to new exclusions which reflect the particular trajectory of economic restructuring.

The relationship between the role of agriculture in the growth model and social exclusion in rural areas is also noted as significant in another newly-industrializing economy, namely Thailand. This identifies the structural underpinnings of dispossession of peasants of land in the fact that the utility of the rural sector to the current development model is primarily as a source of labour.

Other studies point to the complex set of forces, economic and political, which both enable and entrain the expansion and effective delivery of rights. The Peruvian study, with a phrase which bears deeper consideration, argues that “the culture of inequality” is one aspect of the demand for rights whilst, on the supply side, the delivery of rights depends on the production capacity of the economy, the preference of the ruling classes to allocate resources for the provision of rights in the form of public goods, and international agreements. The factors underlying basic needs satisfaction are considered in some detail in the Indian study. In that

case, underlying the expansion of the provision of public goods in the health and education sector, and also improvements in water supply and sanitation, is a general commitment to promote economic growth. This has been complemented with: specific State interventions to augment the asset base of poorer sections of the population and to provide employment; efforts to move towards more universal provision and higher standards of the services for which the government has accepted prime responsibility; and mandatory reverse discrimination and affirmative action in favour of Scheduled Castes and Scheduled Tribes facing historically accumulated disadvantages. The study argues that the progress which has been made in reducing exclusion from such basic needs reflects two major countervailing tendencies. On the one hand, mass electoral politics based on adult franchise has been important in increasing the political clout of the poor. On the other hand, the effectiveness of programmes targeted at the poor has been reduced by mis-targeting, leakages, corruption, and lack of accountability. Moreover, as special programmes have been implemented, additional groups have also begun to demand special treatment. The politics of caste have become more conflictual in recent years.

A common, though not surprising, finding of some of the studies is that programmes of structural adjustment have undermined the capacity of States to provide health, education and social services. In Peru, for example, per capita real public expenditure on education, health, housing and employment in 1992 was just 30 per cent of the 1980 level. In Tanzania, per capita real public expenditure on health in 1990-91 was 41 per cent of 1977-78, whilst for education it was 34 per cent. Between 1981 and 1987 in the same country, the gross primary school enrolment rate fell from 98 to 78 per cent, and the cumulative drop-out rate in primary schools rose from 16 per cent in 1977 to 25 per cent in 1989 and was even higher for girls.

What is perhaps more important than this finding itself is the observation that these adjustment programmes seek to intensify the integration of national economies into the world economy, and that they have been implemented, particularly in the poor countries of Africa, with multiple and binding conditionalities. A question which arises following Fitzgerald's line of thought is whether these programmes necessarily require regression in the realization of rights.

C. Micro-dynamics of exclusion from rights

Some of the studies examine the micro-dynamics of social exclusion from citizenship rights. They emphasize the gap between the provision and

the realization of rights, noting the importance of poverty in engendering that gap. They also show that negotiation between individuals and groups is an important element in the realization of rights. This is particularly clear in the studies of both Russia and Thailand, which focus on the micro-dynamics associated with *property rights*.

In countries in transition there is likely to be particular confusion over property rights, but mechanisms for defending ones' rights may at the same time be more difficult. In the case of rural Siberia, it is observed that the transition to new forms of ownership and management, which occurred as members of a former State farm (*kolkhoz*) became a Peasant Farm Association with land shared out between members, was nominal rather than real. Each member theoretically had a right to set up in private ownership and was free to work elsewhere, but disputes over claims to housing, in a situation where former managers of the State farm continued to exercise managerial authority and were doing so in their own interests, effectively prevented the realization of these new-found freedoms. The earlier party committees, through which the poor could express their grievances, were disbanded and the only way people could defend their rights was through the courts. However, very few people brought their cases to court because of general legal illiteracy, transportation and time expenditures required (the court was seated in the city), and the general tradition of long suffering.

In Thailand, rapid growth and industrialization has made areas of land designated by the government as "forest reserves" a major source of conflict between business interests and peasants. The former seek to establish eucalyptus plantations to supply the growing pulp industry, whilst the latter, some of whom were earlier encouraged to settle in the forest and many of whom were living in the forest areas before they were officially designated as such, seek to retain access to the natural resources on which their livelihoods are based.

This conflict was dramatized with the short-lived implementation of the *Kho Jo Ko* programme in 1991-92. In this programme, the government sought to rent out "degraded" forest land for reforestation under eucalyptus on 15-30 year concessions at cheap rates. The programme envisaged the relocation of more than five million peasants. It was implemented initially in the north-east of the country where people are very poor and are sometimes regarded as inferior minorities. It was shoddily planned and implemented with violence. In some villages, peasants, with the help of NGOs and students, successfully resisted exclusion and, with a change of government in 1992, the programme was abandoned. However, similar, if less crude policies excluding peasants from land resources continue as

the old momentum of peasant expansion comes into conflict with new forces of expansive urban capitalism, and State policy is founded on a top-down approach.

With regard to *social rights*, the studies focused more on macro-dynamics, as indicated in the previous section. However, the Tanzanian study includes a particular survey of how the plight of the increasing numbers of AIDS orphans in north-west Tanzania is worsening. Customary systems of care, which used to provide some kind of safety-net for the most disadvantaged, are under stress as economic opportunities and incomes decline in the region, and there is an increasingly narrow definition of the immediate family. The interplay between local community-based systems of rights and obligations and national citizenship rights should prove an interesting area for future analysis of the micro-dynamics of social exclusion from rights. Another avenue to explore is to build upon Schaffer's work on the way in which the negotiation of the rules of access to public goods, particularly education and health services, affect the realization of social rights.⁶

D. Globalization and incomplete citizenship

Possession of the status of national citizen is becoming more important as a basis for social exclusion as increasing numbers of people move across international boundaries. In general, persons defined as "aliens" of various kinds (who might be international migrant workers or refugees) are denied rights available to members of the national community and they may be subject to the insecurity associated with the possibility of sudden expulsion [Cohen, 1987]. A good illustration is found in the study of Yemen. It shows the situation in which international migrant workers can find themselves if they are suddenly forced to leave the country to which they have migrated. After the outbreak of the Gulf War, over one million persons returned to Yemen, increasing the population by about one-eighth. Almost half of the returnee emigrants are illiterate and three-quarters do not own housing or land in Yemen. Almost two-thirds have been out of the country for more than ten years and, with their arrival, the unemployment rate increased from 7 per cent to 25 per cent. Four years after the War about 75,000 families still remain permanently in camps with little social infrastructure and restricted access to local labour markets.

⁶ See the theme issue of *Development and Change*, 1975, Vol. 6, on "The problem of access to public services"; and Schaffer & Lamb [1981].

There is often ambiguity over what constitutes the “national community”, and the full exercise of citizenship may also be linked to acceptance of a dominant cultural or political mode of behaviour, including language, customs and way of life. In Thailand, for example, while minority groups such as Malay Moslems in the South do obtain the identity cards which give them full legal and economic rights, the right to cultural and religious differences suffers in the process. The rights of indigenous peoples to identity and the maintenance of their own way of life is widely threatened by unrecognized property rights, coupled with development and population pressure.

One feature of the situation facing developing countries, as the globalization of markets occurs, is that at the same time as the status of national citizenship becomes more salient, the capacity of governments to control the productive basis of the economy, on which the delivery of citizenship rights depends, is becoming increasingly eroded. Also, developing countries are increasingly subject to international regimes which directly seek to influence patterns of rights provision within their national territories. Both aid conditionality and, more recently, threats of trade sanctions, are influencing patterns of exclusion from rights in developing countries.

This is happening in perverse ways. Countries are finding themselves subject to both human rights conditionality, which encourages countries to extend certain civil, political and social rights (which are regarded externally as universally valid) to national citizens, and macro-economic conditionality which can, in the short term at least, undermine their ability to extend the realization of social and political rights. This difficult situation reflects, amongst other things, a failure to understand exclusions from citizenship rights in relation to development paths.

3. *Social exclusion and civil society*

The case studies show that institutions of civil society are also important in regulating exclusionary practices and in enabling resistance to social exclusion.

The relationship between civil society and social exclusion is particularly apparent in the studies of Cameroon and Thailand, with the former considering the relationship between ethnic identity and individual economic advancement, and the latter gender discrimination. The Cameroon study examines various voluntary associations, which include ethnic associations, professional and religious associations. These associations act as an informal social security system and a parallel financial system to official banks. They support poorer individuals excluded from economic resources

and legal rights. But paradoxically “in regrouping the excluded, the associations also exclude” (Inack Inack et al., Ch. 14, p. 235). Savings are a particularly important function of these associations and informal credit associations (*tontines*), often rooted in ethnic solidarity, are an important source of finance enabling their members to acquire goods and services which they could not normally acquire. However, one ethnic group, the Bamileke, has a more developed associational life and has used the *tontines* more effectively in advancing their business interests. As a consequence, they dominate lucrative trading activity.

The Thailand study examines the cultural and religious beliefs which lead to the formation of unequal gender relations and the exclusion of women, particularly those who are young and poor, from their right to equal recognition as human beings. It shows the importance of certain Buddhist practices and the legacy of the male-dominated *sakdina* culture which prevailed in nineteenth-century Thailand. The analysis raises difficult questions about the types of policies which can reduce exclusionary practices which are deeply rooted in civil society.

The institutions of civil society intertwine with markets and States to reinforce social exclusion. But these institutions also can offer a resource for individuals and groups to resist exclusion, although the studies do not identify many grounds for confidence in this regard. They show that people respond to social exclusion in various ways, which range from passivity and a sense of shame and despair on the one hand, to group action to reverse particular processes of exclusion or to alter the political balance of forces within a country, on the other. These responses are rooted in everyday experience, different perceptions by people of their situations, different expectations of the effectiveness of political action, and the existence of different organizational capabilities. But often passivity prevails.

In studies in settings as different as Siberia and Yemen, particular groups experience a sense of worthlessness or impotence which compounds and reinforces their social exclusion. In Yemen this was apparent in the case of the returnee emigrant workers. They initially selected representatives to follow up with the government on promises to provide housing, employment and other social services to help them to reintegrate into the country. Over time, however, they ceased to do this, and responded to the limited ability of the government to help them by giving up hope that they could get support and by withdrawing from political activity. In Siberia, it was found that, amongst the long-term unemployed who had formerly worked as professionals, the sense of shame associated with their transition in status from persons “who earn by their own labour” to being “social dependants” was engendering psychological depression, and feelings of

uselessness and inferiority. One person in this situation responded to a question about their participation in public activities by asking the interviewer "What is the essence of public activity for a 'useless' person?", capturing in that rhetorical question the wider sense of isolation and separation from society associated with long-term unemployment.

Some of the studies, particularly in the least developed countries, showed that people living in situations of extreme material poverty did not necessarily view themselves as "excluded" or "marginalized". This was found in particular in Tanzania, where it was suggested that people are so used to a hard life and material deprivation that they do not always see it. None of the studies focused on social groups which were actively resisting inclusion and integration into national society because they wished to preserve their way of life.

Resistance to exclusion through group action was observed most clearly in situations where people were dispossessed from assets which they regarded as rightfully theirs and on which their basic livelihood depended. In the case of the peasant farmers in Thailand, resistance initially took the form of public irony to shame the military regime with the establishment of "Thai refugee camps" for Thai peasants who had been evicted from their villages without proper resettlement. Government attempts to suppress this form of protest included violent intimidation and the arrest of leaders, but this only reinforced the protest movement, which was also supported by NGOs and students. Protest demonstrations escalated and eventually, after the fall of the military government, the programme was abandoned. In this case, group resistance was linked to specific processes of exclusion and was, on the side of the protesters, non-violent.

In general, social exclusion seems to be more often associated with resignation and a sense of worthlessness paralyzing action rather than resistance. The most common response to exclusion is the active improvisation of household survival strategies. In various studies, a trade-off was observed between effective democratic politics and everyday survival, with excluded groups unable to develop longer-term political strategies to alter the setting which has excluded them because of the unrelenting compulsion to find work and acquire food.

One important finding, articulated in the Yemen study, was that people perceive the problem of their exclusion as a problem of the family or the community as a whole and not as a problem limited to the individual. This is one reason why in the Yemen study it is argued that women there do not perceive themselves as individually excluded, even if they participate less in the economic domain than do men. A similar perspective

was apparent in the study of Cameroon, where ethnic identity is an important idiom of belonging.

4. *Some conclusions*⁷

Markets institutions, citizenship rights and the associations of civil society interact in complex ways in processes of social exclusion. Underlying, and intertwined with, market exclusions there are exclusions from citizenship rights. For example, one consequence of the poor being excluded from property rights is that they cannot use property as collateral for credit. Informal contracts and informal markets, with higher transaction costs, inevitably arise. The possibility of people realizing their rights may itself be diminished through poverty. Moreover, the precise implications of rights associated with the legally constituted status of citizen depend crucially on the norms and expectations of civil society.

The case studies suggest that, starting from a situation characterized by wide inequalities in endowments and extreme poverty, the exclusionary and inclusionary practices and processes, regulated through the institutions of markets, States and civil society, can best be understood as the expression of the interplay between four basic underlying determinants.

The *first* is the increasing transnationalization of social and economic life, with intensifying flows of capital, labour and ideas. Associated with this trend, there has been a loss of decision-making capacity by nation States. This process is occurring to different degrees in different regions according to their position on the international scene but, in general, the economic policies and situations of more industrialized countries are having increasingly intense economic effects on less industrialized countries.

The *second* is the changing availability and distribution of assets in situations of increasing scarcity associated with population growth, radical economic transformation and, in recent years, widespread recession and even, in some regions, a disturbing trend of economic decline. The assets with which people participate in social and economic life are of three types: economic assets, which refer to productive resources such as land and other physical capital, and financial and human capital; political assets, which refer to the access of people to universal rights established by society; and cultural assets, which are defined by the social values attached

⁷ Much of this section is based on a discussion by representatives of all the research teams which took place at a workshop held in Cambridge, England, in July 1994.

to individuals' personal characteristics such as sex, race, religion, and education.⁸

The *third* is the diverse social and political structures, which encompass the institutions through which power is exercised and specific cultural values which reflect and reproduce the balance of power between social groups and also determine their status. These structures and institutions in turn depend on the dominant paradigm of social integration which exists in given national societies. The paradigms discussed by Silver are thus not simply alternative ways in which researchers can define and understand social exclusion. They represent ways in which societies *themselves* understand exclusion. Whether solidaristic or liberal, they give rise to patterns of behaviour and influence for different social actors which are central to understanding who excludes whom, and how.

The *fourth* is the nature of the development regime adopted by the national government, including the relative role of State and markets as allocation and accumulation mechanisms; the policies for growth, poverty reduction and structural transformation; and the short- and medium-run programmes aimed at economic adjustment and stabilization.

Many dimensions of exclusion were considered by the case studies, including livelihood, basic needs, productive assets, labour markets, social and political participation, civil rights, dignity and security. The exclusion mechanisms to which the studies pointed as being important in relation to these dimensions are: (a) the organization of markets, and particularly processes of economic disenfranchisement associated with factor markets; (b) the functioning of governmental and inter-governmental institutions, in particular where they are characterized by limited accountability, the presence of corruption, non-universal enforcement of the law, mismanagement, the centralization of policy- and decision-making, and the monopolization of information and of the power to allocate resources; and (c) the presence of discrimination, particularly vis-à-vis the following social identities — gender, caste, ethnicity and race. Such discrimination is paradoxically found in both the accentuation of particularistic distinctions and also attempts to achieve cultural homogenization through national integration plans.

The studies show that in each country there is a hierarchy in the importance of the different dimensions of exclusion. This hierarchy exists in three senses. First, some exclusions are more important than others in terms of their effects on poverty and inequality. Second, some exclusions

⁸ This model derives from the study of Peru (Figueroa et al., Ch. 12).

are perceived to be more important than others by members of society, perceptions which may vary between social groups. Thirdly, there are inter-relationships between the different dimensions of exclusion. The failure to command particular resources, to obtain particular rights or to enter particular markets results in exclusion in other dimensions. For example, it was observed in one country that for particular rural groups, the process of economic exclusion from the natural resources on which they depend for a livelihood results also in cultural exclusion from their traditional practices and communities and also sometimes in political exclusion as they become labelled dissidents.

The case studies invariably found that inter-relationships existed between exclusion in different dimensions. Also, some social groups — with particular identities, social assets and property endowments — experienced multiple and self-reinforcing exclusions and faced persistent, rather than temporary, disadvantages, which were transferred from generation to generation, often through the nexus of poverty, child labour and under-education. Early labour market entry prevents acquisition of the qualifications which are essential for access to regular, protected work, so early labour market entry is a source of lifetime exclusion from adequate livelihood.

Bearing in mind that the choice of groups studied reflects the researchers' perceptions, the studies suggest that ethnic, racial or caste elements are involved in exclusion in most circumstances (the issue was not treated in Russia or Tunisia) and is sometimes pervasive (Cameroon). Gender-based exclusion is also very widespread. It also seems likely that certain characteristics which were not examined in all studies, notably physical disability, are also widespread and important. Children and young people constitute a particularly important group, subject to some very specific exclusions. Migrants constitute another group subject to many forms of exclusion. International migrant workers are increasing in numbers and they are particularly vulnerable to political and policy changes.

Excluded groups are identified in the studies on the basis of their exclusion (e.g. the unemployed or the landless) or on the basis of an identity which is assumed to lead to exclusion (e.g. gender, ethnicity). One important methodological finding of the research project is that the first method of identifying groups restricts the analytical insights which can be derived from a social exclusion approach. It is almost tautological, since we identify the excluded, from the outset, by the nature of their exclusion. In this approach, the research task can easily get reduced to describing the living conditions, particularly the deprivations of the "excluded". However, particular dimensions of exclusion may also become characteristics which identify groups subject to other forms of exclusion; for

instance, a fixed residence or a job may be needed to obtain social rights or public goods. The unemployed or the landless may be stigmatized and gradually marginalized.

The second basis for defining excluded groups is more promising analytically because identities associated with such attributes as age, sex, and ethnicity are socially constructed, and the ways in which identities are constructed are integral to processes of exclusion. Some attributes are fixed and others are modifiable, a distinction which is important as individuals may escape exclusion through migration or investing in skills. But often, the groups most vulnerable to exclusion are simply those which are most readily identified as different, which are most readily exploited, or which have a particular initial disadvantage which is multiplied through a social process.

From a methodological point of view, deeper understanding of social exclusion is likely to come from a focus on the processes and practices of exclusion, and the social institutions which regulate exclusion, rather than the groups which are affected. But examining which groups are excluded under different circumstances can also help to understand the processes through which they are excluded. Particular situations — youth; lack of work experience; physical handicap; dependency within the household; lack of command of the dominant language; low position in an established social hierarchy — may be directly responsible for vulnerability and so may facilitate exclusion even if they do not directly cause it.

It is difficult to detect regional variations in processes of social exclusion in different parts of the world on the basis of the studies. Nevertheless, two generalizations on regional variation seem valid. First, the studies confirmed that the degree of development of labour markets, and their nature, are pivotal in understanding the relative importance of, and the inter-relationships between, different dimensions of exclusion. In agrarian and predominantly peasant societies, access to land and labour, and to other inputs required to render them productive, are vital. Complex interactions arise between access to labour markets (both rural and urban) and access to land, with exclusion from labour markets, and particularly their more remunerative segments, becoming increasingly significant as urbanization and industrialization occur. In industrialized countries, whether market or transition economies, exclusion is very much associated with long-term unemployment, the loss of rights associated with work and the process of breakdown of social ties and disaffiliation which often comes with this situation.

Second, the studies suggested that the ways in which the institutions of civil society are interlinked with the State and markets in processes of

social exclusion varies between countries. Institutions of civil society are particularly important where citizenship rights are not “nationalized”, in the sense that the enforcement of legal rights is not fully effective and a national culture of expectations and norms has not been in existence for a long time, and where livelihoods are less dependent on impersonal market relations.

Social exclusion appears to occur within all economies and societies, but manifests itself in different forms, with different intensities and with different degrees of salience to members of society or their representatives. What is critical in one country may not be so perceived in another.

III. Policy issues

It is possible to take two broad routes to elaborate the policy implications of a social exclusion approach in developing countries and countries in transition. The first is to describe and evaluate the policy initiatives to combat exclusion which are being implemented in Europe and to consider their applicability and relevance elsewhere. The second is to conduct analyses of social exclusion outside Europe, and to infer policy conclusions in the light of the approach and existing policy experiences to counter poverty, deprivation and discrimination. Both routes are followed here.

1. The nature and broader applicability of European policy experience

In Europe, the social exclusion approach is leading to new policy initiatives to prevent and remedy social disadvantage in the face of economic restructuring. The measures specifically targeted on those who are considered to be socially excluded are various and include: (i) income support tied to social and professional insertion; (ii) training programmes for unemployed adults and youth; (iii) territorially-based cross-sectoral initiatives to improve physical infrastructure, services, community organization, and enterprise development at the local level (which are generally focused areas suffering multiple disadvantages in cities); and (iv) the establishment of micro-enterprises and community associations to reorientate for work those deemed unemployable (such as ex-convicts, substance abusers, homeless persons) (Silver and Wilkinson, Ch. 17). A particularly important initiative in France is the *revenu minimum d'insertion* (minimum income of integration — RMI), which combines an income allowance with an “insertion contract” which pledges the recipient

to take actions (e.g. moving towards a job, undertaking training) which will facilitate the economic integration of the individual. This measure “links the right to the satisfaction of basic needs with the aspiration for social and professional insertion” (Rodgers, Ch. 16, p. 258).

Existing evaluations of this policy experience are not wholly favourable (see Silver and Wilkinson, Ch. 17). Also, in assessing its relevance to “low-income settings” Rodgers argues that *some* items of the European policy agenda can be relevant in *some* situations — for example, “policies such as the RMI might be relevant in some higher-income countries in Latin America and East Asia, where meaningful ‘integration’ contracts might be designed” — but as “low-income settings” are diverse, there are other situations where European experiences will be inappropriate (Rodgers, Ch. 16, p. 266). Devising policy against exclusion, he argues, must be seen in a framework which encompasses actions at the international, national and regional/local levels, and in relation to groups vulnerable to exclusion.

In considering what lessons, if any, might be learnt from the European experience, it is important to examine both the policies themselves and the principles and perspectives which underlie policy. In this light, the European experience suggests six main insights.

First, if policies to combat social disadvantage are marginalized as purely social policies, they will tend to have a welfarist orientation, providing assistance to socially marginal persons. Policies based on a social exclusion approach combat social disadvantage through socio-economic policies which manage the relationship between social dependency and isolation on the one hand, and economic integration (particularly insertion in the labour market), on the other hand.

Second, a participatory bias (either individualist or communitarian in orientation) is inherent to policies based on a social exclusion approach. This is because participation is, in itself, a form of integration. With its participatory bias, the social exclusion approach leads to policies which are not welfarist and which seek to transform the disadvantaged from passive recipients of social assistance into active agents in society and the economy. The approach leads to policy measures which create new partnerships between the public and private sectors.

Third, there is a wide variety of policies which can be derived from a social exclusion approach. The difference between these policies basically reflects different views of social integration. The three basic paradigms of society underlying policy are “solidarity”, “specialization” and “monopoly” (see Silver, Ch. 3). These do not in themselves constitute specific institutional types, but they are foundational understandings of the

relationship between the individual and society, on the basis of which various “integration regimes” develop. “Integration regimes” can be considered analogous to the concept of “welfare regimes”, which has usefully illuminated discussion of welfare state systems [Esping-Anderson, 1990]. In Europe, France and the United Kingdom offer contrasting examples of “integration regimes”.

Fourth, one consequence of the multi-dimensional nature of exclusion is that different professions, agencies and levels of government have to cooperate in administering insertion policies. This can lead to a confusing multiplication of agencies concerned with combating social disadvantage.

Fifth, a territorial approach, with a local focus, offers a possible way of reducing these implementation problems. This focus is also important because local community resources, services and relationships can act to short-circuit processes of social exclusion.

Sixth, initiatives to promote economic and social integration may be counteracted by macro-economic strategies, including fiscal, monetary, trade and labour market policies. Special initiatives based on a social exclusion approach will have limited effectiveness in the absence of significant market-driven employment growth (Silver and Wilkinson, Ch. 17).

In general, the European experience shows that policies to reduce social exclusion can be used for a variety of political purposes and they are not necessarily a panacea. They can distract attention away from a widespread rise in inequality, insecurity and unemployment towards small groups (“the excluded”) who are “ghettoized” in risk categories under a new label (Silver, Ch. 3, p. 78).

2. Policy conclusions of case studies

The case studies conducted as part of the IILS-UNDP project include a number of preliminary policy conclusions which are derived directly from the application of a social exclusion approach to developing countries and countries in transition. The studies suggest that a social exclusion approach provides new justifications for some long-standing policy proposals which go beyond the dominant orthodoxy about what kinds of development policy can effectively reduce poverty. Moreover, they point towards the need to devise mutually reinforcing policies in different dimensions.

The way that the social exclusion approach leads to different policy conclusions to the current orthodoxy can be illustrated in relation to what Lipton and Maxwell [1992] describe as the “new poverty agenda” — the new conventional wisdom amongst international development agencies about how to reduce poverty in developing countries. In the new agenda,

poverty reduction is seen as helping people to achieve a secure and sustainable livelihood. The three essential elements of a poverty reduction strategy at the national level are: (i) promote labour-intensive growth, in order to make use of the poor's most abundant asset (labour); (ii) increase the access of the poor to social services, particularly basic health and full primary education; and (iii) put in place effective welfare safety nets which are targeted at the poorest and most vulnerable to shocks. At the international level, poverty reduction is enhanced through "an appropriate trading environment", more debt-relief for low-income countries, and better targeted aid programmes.

The case studies would agree with (ii), but they question how much this can be achieved through budget prioritization when public expenditure on social services is being cut back. They also go further to suggest some alternative policy proposals to the "new poverty agenda" at the national level.

First, they direct attention to the importance of the redistribution of basic productive assets (a matter on which the new poverty agenda is damagingly shy, according to Lipton and Maxwell), as well as expanding employment opportunities. Land reform and access to credit can be essential to prevent economic disenfranchisement, as well as education and training. Second, they direct attention to the importance of measures to influence the development of social institutions. This encompasses changes in market structures (creating markets), changes in administrative structures and bureaucratic practices, new institutional forms embedded in civil society (such as solidarity banks), and education programmes oriented to change attitudes and cultural values. Markets, States and civil society are all equally seen as part of the problem of social exclusion, as well as part of the solution to it. Third, they draw attention to complex relationships between livelihood and citizenship rights and they suggest that civil and political rights are important in securing and sustaining livelihoods. Fourth, they replace welfarist targeting to catch the casualties of economic restructuring with a participatory and active approach to integrating people in economic life. An important policy for achieving this is the adoption of measures to improve the associational and organizational skills of individuals and groups.

The alternative policy ideas emerging from the social exclusion approach in the case studies are best illustrated in the Peru case which argues that "Policies must be addressed to change the market structure and the initial distribution of assets, which are the factors at the base of the exclusion mechanisms" (Figuerola et al., Ch. 12). Basic markets (labour, credit, and insurance) need to be created or expanded in the entire

economy, particularly rural areas (rather than liberalized on the assumption that markets already exist). New economic assets must be redistributed, universal rights and duties secured and cultural values must, through education, be changed. Economic and cultural assets can be redistributed through the promotion of rights. But this is not costless and rights (for example, to education and health) which can increase other assets should have priority.

The policy recommendations contained in the case studies by no means exhaust the possible policy recommendations which can be derived from a social exclusion approach. The studies do not consider global relationships, apart from stressing that adjustment programmes have often had the effect of tearing the social fabric. They do not consider technology policy. There are many complex issues to be explored, such as the relationships between changes in legal rights on paper and the realization of rights, and the economic costs of redistributing assets through affirmative action. Both the Malaysian case [Lim Teck Ghee, forthcoming] and measures to assist Scheduled Castes and Scheduled Tribes in India indicate possibilities and limitations. A major area of analysis will be to explore the potential of a social exclusion approach at a macro-level, understanding the relationships between capital accumulation, the pursuit of productivity improvements through allocative and technical efficiency, and social integration.

IV. Outline of the book

The book is divided into three parts. The first part deals with conceptual issues. Rodgers presents a clear statement of the value of a social exclusion approach. Silver decodes the meaning and deployment of the concept of social exclusion in advanced capitalist democracies in terms of three paradigms of social integration and citizenship, thus providing a map of how to interpret both analyses of social exclusion and policies of social integration. Wolfe, focusing on the situation of developing countries, situates the analysis of social exclusion in relation to processes of globalization. He considers the paradox of a style of development in which increasing numbers of people are being incorporated into wider economic relations under conditions of exploitation and powerlessness, whilst at the same time increasing numbers are also becoming superfluous to the functioning of the global economy. Gore examines how the literature on socio-economic change in Africa south of the Sahara can contribute to the formulation of a concept of social exclusion which is not Eurocentric, and

also considers how a social exclusion approach can usefully inform debates about processes of impoverishment on the continent. Faria assesses the Latin American literature on poverty, deprivation and marginalization, and considers what a social exclusion perspective might add.

The second part reports the results of case studies undertaken to explore the potential of the social exclusion approach in developing countries and countries in transition. Five of the studies are synoptic, focusing on patterns and processes of social exclusion in each country; four of the studies examine specific issues in relation to social exclusion in particular countries.

The synoptic country studies include one country in transition (Russia), two newly-industrializing countries (Thailand, Tunisia), and two least developed countries (Tanzania, Yemen). In each of the studies of Russia, Thailand, Tanzania and Yemen, special attention is paid to the macro context of exclusionary processes and the micro-dynamics of exclusion in relation to specific excluded groups and/or specific dimensions of exclusion (land, employment, etc.). The Tunisian study pays more attention to the subjective aspects of exclusion, considering how exclusion is seen by persons who might be identified by researchers and planners as "excluded", and discussing in some detail policies to combat exclusion. The Tunisian study is important as it is an example of how European-type thinking on exclusion and insertion can be translated into policy initiatives in a newly-industrializing economy.

The four issue-oriented country studies consider the relationship between social exclusion and social inequality (Peru), social exclusion and economic restructuring (Mexico), social exclusion and ethnic solidarity (Cameroon), and social exclusion and basic needs deprivation (India). The Peruvian study bears particular attention because it contains theoretical propositions about exclusion from markets, as well as important policy proposals.

Many of the case studies include sections on the policy implications of their analyses. But the third part of the book specifically considers policy issues. Rodgers opens the question of the design of policy to combat exclusion in a variety of country settings, providing a framework for future work. Silver and Wilkinson present a comparative study of integration policies in France and United Kingdom.

Finally, the present introduction, as the reader is aware by now, provides a synthesis of the ideas in the book, situates these ideas in relation to existing literature on analysis of social disadvantage and policy design to reduce it, and indicates what we have learnt from the IILS/UNDP research project, thus far, about the value of a social exclusion approach.

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Part I:
Conceptual issues

2 *What is special about a “social exclusion” approach?*

Gerry Rodgers¹

The term “exclusion” has become part of the political vocabulary in Europe. Like “poverty” or “unemployment” it is one of those words which seems to have an everyday meaning, an underlying sense. Social scientists may demand a precise definition but, increasingly, the term is used as if its meaning were self-evident. Social exclusion is seen in the growth of homelessness or urban slums, the declining hopes of the long-term unemployed, the lack of access to jobs and incomes of migrants and some ethnic minorities, the increasingly precarious nature of jobs on offer to new labour market entrants. The European Commission (EC), a major figure in debates on social exclusion and how to overcome it, insists on the diversity of situations, including groups varying from former prisoners to street children, from ethnic minorities to single-parent families, and on the diversity of the social factors concerned: employment, health, housing, education. Many words may be found to express these different problems but the European Commission argues that the notion of social exclusion is particularly appropriate because it describes not just a situation, but also focuses attention on a process which excludes. Excludes who from what? Implicitly, the EC is concerned with the exclusion of groups and individuals from rights, livelihoods and sources of well-being to which all should have access (exclusion of “part of the population from economic and social life and from their share of the general prosperity” [CEC, 1993, p. 7]; “social exclusion refers, in particular, to inability to enjoy social rights without help, suffering from low self-esteem, inadequacy in their capacity to meet their obligations, the risk of long-term relegation to the

¹ This chapter regroups parts of a paper published in the ILS Discussion Paper Series prepared by Gerry Rodgers [1994], including contributions by José B. de Figueiredo, Charles Gore, Frédéric Lapeyre and Hilary Silver. But many other project participants, who are undertaking empirical studies in countries around the world, have contributed directly or indirectly to this work.

ranks of those on social benefits, and stigmatization..." [ibid., p. 10]. But the perspective which it proposes, which in turn is grounded in the analysis of major French sociologists such as Alain Touraine [1991], relates such exclusions to the way in which society functions. An individual may be excluded from the labour market, or indeed from a country club, but this is not the point: it is rather that societies and economies systematically marginalize some and integrate others, and distribute rewards in ways which both include and exclude.

Social exclusion, then, is seen as a way of analysing how and why individuals and groups fail to have access to or benefit from the possibilities offered by societies and economies. It is at heart a normative, heavily value-laden notion, evoking negative responses, in contrast to the positive image of inclusion or integration. As such it provides an important justification for social policy, and was used as such by the European Commission under Jacques Delors, even appearing explicitly in the social chapter of the Maastricht Treaty.

In other parts of the world, the concept of social exclusion has not been widely used. But a great deal of attention has been paid, particularly in developing countries, to related issues such as poverty, inequality, entitlements, marginalization or deprivation. Does the concept of social exclusion add anything which cannot be provided by analysis within more conventional frameworks? Might the analysis of social exclusion offer a new way to approach the structural problems of poverty and extreme inequality in developing countries? Or is this simply a relabelling of an old problem?

For the concept to be useful in more than a political sense, first it is necessary to dissect the idea of exclusion and in particular to consider more carefully the question, exclusion from what?

1. The pattern of exclusion

Three types of exclusion in particular appear to be responsible for heightened public awareness in Europe: exclusion from the labour market, reflected in rising numbers of long-term unemployed and increasing difficulty of initial labour market entry; exclusion from regular work, through the growth of precarious and part-time employment relationships; and exclusion from decent housing and community services, reflected in the *banlieue* phenomenon (which also has ethnic or migrant connotations).

In low-income settings, these three types of exclusion are also widely found, but the forms which they take vary. Moreover, there is a need to

cast the net more widely, and encompass levels of living, means of livelihood, social rights and broader linkages with the pattern of development. Levels of living are reflected in exclusions from goods and services. Exclusions from livelihood take diverse forms. For some this involves exclusion from land, from other productive assets or from markets for goods. For others, it is labour market exclusions which dominate: unemployment, exclusion from secure jobs or exclusion from social protection in work, exclusion from opportunities to develop skills. These patterns of exclusion are linked to the process of development — if the latter is organized around a small modern or formal production system, development itself will create exclusions at the same time as it creates inclusions.

1. *Exclusion from goods and services*

Poverty is usually seen in terms of low consumption levels, and measured in relation to a basket of goods and services, including some which may be provided through public channels such as education and health care. In this framework, exclusion from consumption is mainly a result of inadequacy of purchasing power (or of entitlements, in Sen's framework), and one needs to look further back, in the reasons for low purchasing power, to find the principal mechanisms of exclusion. However, some aspects of consumption can be legitimately interpreted directly in terms of exclusion. The visible growth of mass consumption among affluent minorities clearly intensifies the sense of exclusion among other groups even if absolute poverty does not increase. As Wolfe [Ch. 4] expresses it, there is exclusion from the consumer society, from a high-consumption way of life. Housing may also play a direct part in exclusion, as the clustering of the poor in areas without sanitation, good water, recreational facilities, reliable electricity and other services may directly promote exclusion — residence in a particular locality may stigmatize, may lead to poor health, may make community integration difficult. Spatial segregation has become a major concern in the French literature on exclusion, and one can see parallels in the literature on slums in low-income settings.

In general, the expectation is that public goods will be distributed less unequally than other forms of consumption, but many factors also generate exclusion. Exclusion from public goods is often a question of location. Services may also be most readily available to those with the knowledge or the connections to have access to them. In the case of many public goods, ability to pay is also a constraint, especially where opportunity costs

of time are concerned — this is particularly true of education; even when universally available in theory, the income sacrifices demanded of the poor are such that their children are more likely to be excluded from schooling.

2. *Labour market exclusions*

The understanding of many processes of social exclusion comes through the understanding of the mechanisms at play in the labour market. For most households, and especially for the poor, labour earnings are the major source of income. Employment provides social legitimacy as well as access to income. At the opposite extreme, unemployment and casual, insecure jobs lead to rejection from both material and symbolic spheres of society. Open unemployment, persistently high in Western Europe and growing rapidly in many Third World cities, is increasingly becoming a crucial factor excluding young people not only from jobs and incomes but also from social identity. The struggle for the limited resources available becomes intense. While politicians continue to promote solidarity or consociational models, the segmentation of the economic system, and the barriers which are erected to protect sources of livelihood, suggest that the monopoly paradigm (see Silver, Ch. 3) is widely applicable. Exclusion from the labour market may be associated with increasing violence and insecurity, with a growth of marginal and unproductive forms of income generation, with individual anomie and helplessness. Some is visible, as groups of youths while away the day on the streets, but much is hidden within the home — for instance, women who drop out of the labour force and do not appear in the unemployment statistics.

Open unemployment refers to exclusion from the labour market, but there is also exclusion within the labour market. One of the important contributions of research on the segmentation of the labour market has been to show that some groups are trapped in segments where jobs are insecure, ill-paid and low-skilled. The underlying issue here is the dualization process with, on one side, the “bad” jobs with easier access but where poverty is concentrated and, on the other side, the “good” jobs with restricted access and which provide a degree of security and acceptable working conditions. This implies that there are different levels of exclusion, so it is possible to be included in the labour market and at the same time excluded from the “good” labour market. Labour market segmentation tends to be built around readily identified groups (notably on the basis of gender, race and nationality) and so exclusion from livelihood becomes associated with other forms of social exclusion.

3. *Exclusion from land*

Exclusion from land is a critical issue in many developing countries, and widely associated with poverty and insecurity — but land is a source not only of livelihood but also of social integration in a broader sense. Literature reviews examining the relationship between social exclusion and access to land have shown that this link is strong even in apparently land-abundant settings. One reason is declining availability of productive land to the bulk of the rural population because of land degradation or because of rapidly increasing land concentration in the hands of a few individuals or enterprises. State intervention by no means always leads to less exclusion, for it may involve the ejection of local residents in favour of logging companies or tourist developments. Access to land is usually obtained through discriminatory modes. In much of Africa, for instance, this process may be controlled by particular groups, identified ethnically or demographically (sex and age). In this respect, women are particularly vulnerable to exclusion in that they tend to have not a direct but rather a derivative access to land due, for instance, to their status in the family. Moreover, access to land does not necessarily mean control over the use of land, as there is often an obligation associated with its use, notably for family subsistence purposes.

This aspect of exclusion has been effectively absent from the industrialized country literature on exclusion (except in so far as land for housing is concerned). But the exclusion approach applies forcefully to this domain.

4. *Exclusion from security*

Security has a number of different dimensions. One is physical — security of the person, in terms of safety, freedom from risk of physical violence. To this might be added freedom from environmental insecurity. A second concerns security of livelihood. A third involves protection against contingencies — accident, ill health, death. This issue, which has been taken up strongly by UNDP in recent years (see, for instance, UNDP [1994]), is one to which the analysis of exclusion can be usefully applied. Insecurity of livelihood is linked to the exclusions from land and labour markets discussed above, but focuses on risk — risk of loss of land or of employment, and the possibilities for finding alternative income sources. In comprehensive social security systems, unemployment insurance or social assistance programmes provide a safety net, but these are rare in low-income countries. Instead, informal sharing mechanisms at the community or family level, sometimes structured as pooled resources in

mutual credit funds provide a — usually unsatisfactory — fall-back. Protection against contingencies through social insurance is more widespread, but it is usually those who are least well placed to withstand the contingencies who are least well insured. Appasamy et al. (see Ch. 15) highlight the ways in which inadequacies in social security coverage reflect and lead to exclusion in India (see also Guhan [1994]). They argue that this issue is underemphasized in policy design and that, with appropriate promotional, insurance and social assistance measures, an acceptable degree of security can be attained.

5. *Exclusion from human rights*

A major advantage of the notion of exclusion is that it permits one to consider both rights and welfare within a single framework. The attainment of a living standard adequate for health and well-being in fact forms part of the Universal Declaration of Human Rights but, in practice, inadequate consumption standards are usually analysed in welfare terms. Nevertheless, it makes a great deal of sense to link these two perspectives, for the attainment of particular basic human rights may well be a precondition for overcoming economic exclusion. Thus, the right to freedom of assembly and expression is surely important as a basis for effective mobilization and organization, in turn a precondition for overcoming other forms of exclusion. Where competing interests are at stake in the struggle against exclusion, equality before the law is also a powerful weapon in the hands of the less powerful.

The reverse relationship is also true, as economic and social exclusions affect the attainment of other rights. Extreme need leads to abuse and forces individuals to abandon rights to legal protection or freedom of association. The exclusion of minority groups from full participation in modern economies may render them vulnerable to exploitation and diminish their ability to defend their assets and their civil rights. These exclusions are interdependent with exclusions which are more economic in nature. For instance, the exclusion of populations from land may start with a process aimed at restricting other rights.

On the other hand, it is often argued that premature attainment of certain rights may be inconsistent with economic advance. In particular, workers' rights (to strike, to negotiate collectively) are often restricted in the name of promoting competitiveness and growth. This was the case in the Republic of Korea for many years, for example. It was argued there, and continues to be argued in Malaysia and Singapore, for instance, that this is the most efficient long-term route towards social and economic progress

[Mahathir bin Mohamad, 1994]. In all three cases the model is organicist, arguably State corporatist, and worker demands have been channelled through enterprises or subject to central decision-making. Rising wages and employment have apparently made it much easier to obtain the acquiescence of workers in restricting organization and industrial action (though industrial unrest contributed to the overthrow of authoritarian rule in Korea in 1987).

There is a basic question of citizenship here. Yépez [1994] quotes Marshall's [1973] notion that the rights of citizens in modern societies have been progressively extended and consolidated, starting with civil liberties, continuing with democratic participation and finally extending to social rights. This provides a framework for integrating citizenship, rights and welfare; but the content of social rights remains ambiguous. Those which need to be addressed, in order to establish their linkage with other forms of exclusion, include rights to equality before the law, to freedom of organization and expression, to security, dignity and identity.

6. Exclusion and macro-economic development strategy

A central aspect of the analysis of exclusion is the idea that it is embedded in the way societies function. Thus, differences in development paths and in macro-economic and structural adjustment strategies, imply equally varied patterns of social exclusion. Similar aggregate economic growth records may lead to quite different patterns of income inequality, quite different patterns of distribution of the benefits of growth. In this the institutional arrangements which mediate between economic and social development are crucial. They may include or exclude, limit gains to a few sectors or groups or spread advantage widely. Institutionalists within the *régulation* school, such as Robert Boyer [1994], show how a mutually interdependent set of institutional mechanisms underlies any particular growth path, generating the economic incentives for investment and production at the same time as they provide the social underpinnings of growth by setting the terms on which different groups participate in and benefit from development. Such arrangements therefore determine the pattern of both inclusions and exclusions.

An important application of this line of thinking is to the analysis of the social costs of structural adjustment. The retreat of the State and the restructuring of production systems to adapt to a more market- and externally-oriented economy have generated new patterns of inclusion and exclusion, notably in terms of access to social rights, to employment or to the best jobs in the labour market. Analysing the pattern of exclusion as an

outcome of the interaction between economic and institutional mechanisms may provide significant contributions to the design of adjustment strategies which are more inclusionary than those in the recent past.

II. Special features of the approach

1. A multi-dimensional, multi-disciplinary view

The notion of exclusion links together both social rights and material deprivations. So it encompasses not only the lack of access to goods and services which underlie poverty and basic needs satisfaction, but also exclusion from security, from justice, from representation and from citizenship. A central idea is that exclusion has much to do with inequality in many dimensions — economic, social, political, cultural. This broad framework not only helps to identify the most important mechanisms and dimensions of exclusion, which vary from one situation to another, but also provides the basis for an effective interdisciplinary approach.

While the different dimensions of exclusion interact they are not necessarily congruent. In other words, individuals and groups may be excluded in some ways and some senses and not in others. Labour in parts of East Asia, for instance, has been described as economically included but politically excluded. In many societies, citizenship has multiple dimensions and individuals participate to differing degrees in these different dimensions. Another implication of the multidimensional approach is that exclusions and inclusions may coincide, indeed may feed on one another. For instance, premature labour market inclusion — child labour, for instance — may be the basis for exclusion from acquisition of skills and self-development. Forced economic inclusion of ethnic minorities may at the same time imply their social exclusion.

2. A focus on process

Social exclusion may describe a state, but its particular advantage, in comparison with most work on poverty, for instance, is that it focuses attention on process. It captures both situations of poverty and deprivation and the mechanisms which lead to them. In this it is important to distinguish two quite different situations: one of permanent exclusion, in which groups live on the margins of society; and one in which exclusion is created and recreated by the operation of social and economic forces, so that individuals move from vulnerability to dependence to marginality, or groups are constantly restructured, subject to deliberate actions to maintain

their dependency. The assets over which different individuals and groups have claims determine their ability to resist exclusion — assets extending beyond the economic to include the social, political and cultural.

This perspective is particularly important in understanding the links between deprivation and development. Particular patterns of development have exclusion built into them, in that economic growth is concentrated on particular regions or groups, the gains are captured by national or international elites, the need for cheap and docile labour leads to the suppression of rights, the restructuring of older systems of production and exchange leads to the suppression of institutions for sharing and participation. To understand the persistence of poverty, an understanding of such mechanisms of exclusion is likely to be fundamental.

3. *A focus on social actors and agents*

There are processes which include and exclude, but there are also social actors who both include and exclude. An important aspect of the treatment of social exclusion is to identify these actors, and understand how and why they exclude others. Social groups actively defend their domains against outsiders. The State may play the role of umpire, controlling the exclusion of one group by another, or ensuring that different groups stay in their place and work together. But this positive view of the State can be misleading, for State actions may also lead to the exclusion from services and opportunities of those on whom it is not dependent, or to the forcible inclusion of groups against their will — indigenous groups forced into the market and unable to maintain traditional land rights, or peasants forced into plantation wage labour by taxation or coercion. Other important actors here are enterprises, the military, local authorities, religious bodies and local elites. Enterprises create jobs and incomes and so include some in new economic opportunities, but if their search for competitiveness takes no account of social objectives, they may actively exclude workers from social protection. Academics and international agencies are not innocent, for their work focuses attention and sets priorities.

The same logic implies a stress on the role of the excluded in promoting their own inclusion. Exclusion from effective participation is a dimension of exclusion but, because of the importance of agency, it is also a fulcrum around which other aspects of exclusion turn. Participation here includes issues of organization and representation, political voice, empowerment and more general participation in social interchange.

This perception of agency in exclusion has important implications for the design of policy. Attention turns to the behaviour of the “excluders”, and how it may be controlled; and to the ways different groups may organize to promote inclusion. A wide range of actors may be involved in intervention to prevent or reverse exclusion; the State will be one, but not the only one, and perhaps not dominant.

4. *An impact at many levels*

Exclusion can be understood at several levels: nations, regions, institutions, social groups, individuals, the world as a whole. The question is not one of exclusion within countries alone, for it makes little sense to consider exclusions within national boundaries without considering the greater exclusions beyond them. This is particularly important when we come to policy issues, for a purely national perspective on social exclusion is liable to promote inclusion by either redrawing the mental boundaries around the populations concerned — so that immigrants can be conveniently forgotten or regarded as responsible for their own exclusion — or, in the case of many industrialized countries, by shifting the burdens of exclusion onto populations beyond those boundaries. A transnational view is needed.

Below the international level, exclusion may have a national, regional, group or individual character. Regional exclusion may reflect lack of integration of particular ethnic groups in society, or may reflect the inadequate social and economic infrastructure of areas which have insufficient resources for participation in the mainstream of development and merely constitute a labour reserve.

5. *The terms of inclusion*

Implicit in most of the foregoing is the idea that inclusion is good, exclusion is bad. But there are many possible forms of integration. The dominant economic models may be rejected by large groups, notably in former colonial settler countries with substantial indigenous populations, who are none the less coerced into inclusion. Inclusion in the labour market is not necessarily to the advantage of groups who are forced out of alternative sources of livelihood. There is a widespread trend for increasing wage labour by women but on terms which are inferior to those of men. Rural-urban migrants may become incorporated in a process of industrial development but with little social protection and a loss of community support networks.

The basic issue is the terms on which inclusion occurs. The notion of exclusion is closely bound up with ideas of inclusion or integration. This by no means simplifies the problem. Integration is as ambiguous as exclusion, for there can be many degrees and facets of inclusion. Inclusion can be voluntary or forced, may involve rights or responsibilities at various levels, above all means entirely different things in different types of society. In other words, thinking about integration means conceptualizing the nature of social relationships, the nature of the society in which integration takes place. It is therefore important to consider how social exclusion occurs and is interpreted in different models of society, as is done by Silver (Ch. 3).

III. Operational value

Ideas are weapons and, like other weapons, their value lies in the use to which they are put. An "exclusion" discourse is possible from many political perspectives. It can be a call for radical restructuring of society, but it can also be a way of rendering major social problems innocuous by breaking them down, so that unemployment becomes not a problem for society as a whole, but a problem for the underskilled, for the handicapped, for migrants and for other specific groups. It may be used to support a return to traditional values of solidarity, just as it may be used to promote the empowerment of groups which have suffered systematic discrimination and deprivation.

But the danger that the notion of social exclusion may be captured by particular ideologies or political groups should not distract attention from its very real advantages for analysis and policy. Some of these advantages have been suggested above. They include a direct focus on the processes which lead to deprivation and disadvantage, rather than a simple description of a problem; a focus on agents of exclusion and inclusion, offering perspectives on the ways in which exclusion may be overcome; and a broad framework which brings together economic, social and cultural aspects of livelihood and rights. The analysis of exclusion points to the linkage between deprivation and injustice on the one hand, and the waste of resources on the other. It also promotes thinking about inequality, not as an abstract, theoretical concept, but in terms of its practical implications for people's lives.

Social exclusion has become a mainstream policy concern in the countries of the North, in Europe at least. In the South, its relevance remains to be established. If the problem is essentially one of widespread

absolute poverty associated with low productivity, then addressing the problem of social exclusion is likely to be helpful only in so far as it helps to solve the basic problems of the production system. But if the aim is to create a broad-based process of development which is built upon participatory institutions and a general sharing of the benefits of development, the analysis of social exclusion and how it may be overcome is likely to be important. And beyond the design of policy at the national level, the global problems of inequality in access to livelihoods and to markets are in large measure problems of exclusion.

An important aspect of the approach through social exclusion is that it helps to reconsider the role of the State. In liberal thinking, the ineffectiveness and the negative externalities of active State social policies are highlighted, and policies for economic growth are stressed, in the expectation that growth will increase the welfare of the entire population. The analysis of exclusion, however, shows that there exist mechanisms that exclude many groups from markets and from public goods and services, limiting their access to the benefits of growth. To the withdrawal of the State and reactive policy, we may oppose the possibility of effective proactive social policy based on the understanding of exclusionary mechanisms. Actions on the labour market seem to be crucial, given the socializing function of labour and its ability to provide social legitimacy and social identity as well as income. Such policies require an active role for the State. But, at the same time, the moral authority of the State is bounded; it cannot effectively represent the interests of excluded groups against other groups on which it depends, indeed acts itself as an excluder in some domains. Excluded groups have to be able to formulate their own needs and to integrate them in the process of policy definition. Institutions are required which promote their effective representation and provide them resources, autonomy and influence. One purpose of such institutions would be to build consensus around a "social project" which would determine the social policies to be implemented. Far from an administrative and centralized logic, the new social policies would rely on empowerment and entitlement and assign a key role to civil society.

From the ILO perspective, and perhaps more generally from a perspective which focuses on the relationships between exclusion and poverty, the link between livelihood and rights is the core issue. Exclusions from the labour market, from productive assets, from the capacity to work productively and gain an adequate income are the issues around which other exclusions are structured. And policies for integration in productive and rewarding work, under socially desirable conditions, are likely to constitute the most important elements in the fight against both social and

economic exclusion and poverty. But such policies acquire value, indeed become feasible, only if they are linked to the effective achievement and exercise of rights — rights to security, to protection, to identity and full citizenship.

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3 *Reconceptualizing social disadvantage: Three paradigms of social exclusion*

Hilary Silver¹

All changes coming to a head at this time — technological, economic, demographic, political, ideological — affected the poor to a greater degree than any other class and made their poverty more conspicuous, more controversial, and in a sense less “natural” than it had ever been before... The changes affecting the poor were changes in kind as well as degree, in quantity, in ideas, attitudes, beliefs, perceptions, values. They were changes in what may be called the “moral imagination” (Himmelfarb [1984, pp. 18-19], referring to England circa 1760).

Since the mid-1970s, the advanced capitalist democracies have been undergoing a process of profound economic restructuring. As a consequence, new social problems have emerged that appear to challenge the assumptions underlying Western welfare states. While universal social policies still insure against risks predictable from a shared life-cycle, career pattern, and family structure, the standardization of the life course can no longer be assumed. More and more people suffer insecurities, have become dependent upon “residual” means-tested programmes, or are without social protection altogether. In the European Community, 50 million people live below the poverty line of one-half the national median income, and 16 million people, or 10.5 per cent of the workforce, are officially unemployed. Over half the latter have been unemployed for over a year [CEC, 1994].

How are we to understand these changes? A historical perspective shows that earlier economic and social upheavals brought about a shift in

¹ This is an abbreviated, revised summary of Silver [1994] in which a complete list of references can be found. The long version of the paper discusses the deep historical context of recent French debates on social exclusion and also examines the application of the three paradigms of social exclusion in studies of citizenship and national identity, race and ethnic relations, and long-term unemployment.

the “moral imagination”, and led to the introduction of new concepts. The idea of “poverty” emerged in the Great Transformations associated with industrialization in late-eighteenth century Britain. It was at this time that “the poor” were first set apart from the rest of society. By the end of the nineteenth century, those suffering from economic dislocations came to be distinguished from undeserving “paupers” who rarely, if ever, worked, lived on alms, and lacked direction and self-respect. The notion of “unemployment” first emerged as a political issue in Britain in the 1880s. It was “perceived as a problem distinct from poverty, caused by factors other than moral failings, deserving of public sympathy and remedial action by the state... Much attention was subsequently focused on the need to separate the ‘efficient’ unemployed, who could and should be helped into the labour market, from the ‘unemployables’ or ‘inefficients’ who should be removed from it” [Burnett, 1994, pp. 145-148]. With the rise of Anglo-American “social liberalism,” rights to social insurance were legitimated on the basis of contributions made during employment. Unlike means-tested programmes, insurance implied an obligation of the able-bodied to work when economic conditions allowed. Pauperism was slowly restricted to a small segment of the poor unable to work — the “Fourth World”, as Père Wresinski called them [Paugam, 1993a]. Since the “poverty” addressed by means-tested benefit programmes came to be regarded as a residual problem, its meaning progressively narrowed to denote an insufficiency of income.

Just as in the past, today’s economic and social transformations are giving rise to a shift in the “moral imagination”, new conceptions of social disadvantage, and the introduction of new terminology into public debates. In some countries, the new social problems have been taken as symptoms of a growing “underclass”. In other contexts, they imply the development of a “new poverty”. But, particularly in France, these social transformations are said to reflect “social exclusion”.

The discourse of “exclusion” is rapidly diffusing. For example, in 1989, the Council and Ministers of Social Affairs of the European Community passed a resolution to foster integration and a “Europe of Solidarity” by fighting “social exclusion” [CEC, 1993; Room, 1991]. The preamble to the European Community Charter of Fundamental Social Rights also stated: “it is important to combat every form of social exclusion and discrimination, including discrimination on the grounds of race, color, and religion”. The European Commission’s White Paper, *Growth, competitiveness, employment*, called for fighting exclusion and “the poverty which so degrades men and women and splits society in two”. Today, Germany, Denmark, Portugal, Italy, and especially Belgium, as

well as France, have introduced new institutions to discuss or act on social exclusion. Even United States President Bill Clinton took up the rhetoric of exclusion in late 1993 when, speaking of inner city problems, he remarked "It's not an underclass any more. It's an outer class".

This paper focuses on what precisely is meant by social exclusion, and what implications the introduction of this new conceptualization of social disadvantage might have for social policy.

1. Defining exclusion: A strategy

The approach of this paper is not to set out a single unambiguous definition of "social exclusion". Existing efforts to do this have only shown that the term seems to be loaded with numerous economic, social, political and cultural connotations and dimensions. One European Community document, for example, conceded that "it is difficult to come up with a simple definition" [CEC, 1993, p. 10]. An EC Poverty 3 Programme debate over the meaning of exclusion also "did not lead to firm conclusions with respect to the concepts but highlighted some relevant aspects". Trying to clarify the concepts underlying exclusion "without sufficient precision as to their meaning" only resulted in "a reading of the implicit indications that may be picked up", listed as the notion's "main ingredients" [Andersen et al., 1994]. Similarly, a recent review of sociological theories of exclusion [Weinberg & Ruano-Borbalan, 1993] concluded:

Observers in fact only agree on a single point: the impossibility to define the status of "the excluded" by a single and unique criterion. Reading numerous enquiries and reports on exclusion reveals a profound confusion amongst experts.

Even the *Commissariat General au Plan* (CGP) in France, which is responsible for designing and evaluating policies to combat exclusion, has recognized how difficult it is to define the term and to synthesize existing theories. The CGP's Commission on Social Cohesion and the Prevention of Exclusion concluded that:

Every attempt at typology is necessarily reductive, particularly when it concerns populations which are either excluded or in the process of becoming excluded. The factors causing exclusion — individual, familial, or socio-economic — are multiple, fluctuating, interacting and finally often cumulative.

Despite attempts at official definition:

In the final analysis the notion of exclusion is saturated with meanings, non-meanings, and counter-meanings; finally one can make almost anything of the term, as it signifies the resentment of those who cannot obtain that which they claim [Freund, in Xiberras, 1993, p. 11].

The term "social exclusion" is so evocative, ambiguous, multidimensional and expansive that it can be defined in many different ways. Yet the difficulty of defining exclusion and the fact that it is interpreted differently in different contexts at different times can be seen as a theoretical opportunity. The discourse of exclusion may serve as a window through which one may view political cultures. From this perspective, the multiple meanings of the term are not problematical, but rather inherent to a concept which is "essentially contested", in the sense that its proper use "inevitably involves endless disputes" [Gallie, 1956].

Rather than putting forward a single definition of exclusion, this paper offers a way of understanding the disputes surrounding the term "exclusion" and understanding its usage in different contexts. It does so by tracing the history of the idea in France and decoding the multiple meanings of the term in a variety of national contexts in advanced capitalist democracies.

The argument of the paper can be briefly summarized as follows. The multiple meanings of the term firstly reflect the range of empirical referents of the idea of "exclusion". The concept is often conflated with the new poverty and inequality, discrimination and the underclass; and it is associated with a variety of terms like superfluity, irrelevance, marginality, foreignness, alterity, closure, disaffiliation, dispossession, deprivation and destitution. Moreover, the answer to the question "exclusion from what?" can generate multiple responses. Virtually any social distinction or affiliation will exclude somebody. In the United States, for example, the term calls to mind "exclusionary" immigration policy, "exclusionary" zoning, and "exclusionary" social clubs. Consider also just a few of the things the literature says people may be excluded from: a livelihood; secure, permanent employment; earnings; property, credit, or land; housing; minimal or prevailing consumption levels; education, skills, and cultural capital; the welfare state; citizenship and legal equality; democratic participation; public goods; the nation or the dominant race; family and sociability; humanity, respect, fulfilment and understanding.

But, more important than the multiple empirical referents of the term, the uses and meanings of "social exclusion" are embedded in conflicting social science paradigms and political ideologies. This is because at the

heart of the question “exclusion from what?” is a more basic one, the “problem of social order” under conditions of profound social change. Just as the great transformations of earlier centuries gave rise to the ideas of poverty and unemployment, and also to the first social scientific accounts of social order to address them, so does the notion of exclusion attempt to address the issue of social inclusion under contemporary conditions of rapid transformation. In this case, theories of “insertion,” “integration,” “citizenship,” or “solidarity” provide a point of reference for understanding different meanings and usages of the term “social exclusion”, making it possible to identify different paradigmatic approaches to exclusion.

On the basis of an analysis of the literature on exclusion in Western Europe and the USA, the paper elaborates a threefold typology of the multiple meanings of exclusion which are situated in different theoretical perspectives, political ideologies, and national discourses. Founded on different notions of social integration, I call these types the *solidarity*, *specialization*, and *monopoly* paradigms. These paradigms “specify not only what sorts of entities the universe does contain but also, by implication, those that it does not” [Kuhn, 1970, p. 7]. In effect, they are ontologies that render reality comprehensible and mingle elements of what “is” and what “ought to be”. Moreover, when different paradigms are adopted, practitioners speak from “incommensurable viewpoints” and use the same language to mean different things.

Each of the three paradigms attributes exclusion to a different cause, and is grounded in a different political philosophy: republicanism, liberalism, and social democracy (Table 1). Each provides an explanation of multiple forms of social disadvantage — economic, social, political, and cultural — and thus encompasses theories of citizenship and racial-ethnic inequality as well as poverty and long-term unemployment. All three paradigms are cast in relief when contrasted with conservative notions that see social integration in organic, racial, or corporatist terms and with neo-Marxist conceptions of the capitalist social order which deny the possibility of social integration to begin with.

Identifying these paradigms is not simply an academic exercise. Specifying what exclusion means necessarily entails the adoption of particular values and world views. Prior to recasting “social exclusion” as a general phenomenon or a scientific concept transcending national and political contexts, the values underlying its usage should be made explicit. This serves to clarify the implicit objectives of any policies introduced to combat exclusion.

Table 1: Three paradigms of social exclusion

	Solidarity	Specialization	Monopoly
Conception of integration	Group solidarity/ Cultural boundaries	Specialization/ Separate spheres/ Interdependence	Monopoly/ Social closure
Source of integration	Moral integration	Exchange	Citizenship rights
Ideology	Republicanism	Liberalism	Social democracy
Discourse	Exclusion	Discrimination Underclass	New poverty, Inequality, Underclass
Seminal thinkers	Rousseau, Durkheim	Locke, Madison, utilitarians	Marx, Weber, Marshall
Exemplars	de Foucauld Xiberras	Stoleru, Lenoir, Shklar	Dahrendorf, Room, Townsend
	Schnapper Costa-Lascoux	Allport, Pluralism, Chicago School	Balibar, Silverman
	Douglas, Mead	Murray	Gobelot, Bourdieu
Model of the new political economy	Flexible production Regulation School	Skills Work disincentives Networks Social capital	Labour market segmentation

II. The history of "exclusion" discourse in France

The identification of the paradigms of exclusion can appropriately begin with the history of exclusion discourse in France. The term has become a keyword in French discourse on poverty and inequality, and is providing the impetus for new social policies. Some now deem exclusion to be "the principal challenge confronting French society" (*Esprit*, 1991, p. 6).

Exclusion discourse began to appear in France during the 1960s. Politicians, activists, officials, journalists and academics made vague and ideological references to the poor as "the excluded". However, the coining of the term is generally attributed to René Lenoir, who, in 1974 (when he was *Secrétaire d'Etat à l'Action Sociale* in the Gaullist Chirac government), estimated that "the excluded" made up one-tenth of the French population: mentally and physically handicapped, suicidal people, aged invalids, abused children, substance abusers, delinquents, single parents, multi-problem households, marginal, asocial persons, and other social "misfits". All were social categories unprotected under social insurance principles at that time.² During the 1970s, the French Left also began to distinguish between objective and subjective exclusion. The latter, drawing upon Sartre's existentialism and the participatory ideology of Catholic social action, referred to alienation and the loss of personal autonomy under advanced capitalism. In stressing subjective exclusion, discourse moved away from political expressions of class conflict towards the struggles of mass urban and social movements. Exclusion meant being treated as an object, a condition which could apply to virtually any individual or group.

Exclusion discourse became widespread in the 1980s. As successive social and political crises erupted in France, "exclusion" came to refer to more and more types of social disadvantage. In the early 1980s, the use of the term "insertion" in political discourse shifted from a focus on the handicapped to youth leaving school without adequate skills to obtain a job. By the mid-1980s, both the Right and the communist opposition blamed the socialist government for rising unemployment and what was being called the "new poverty". In symbolic politics, the power to name a social problem has vast implications for the policies considered suitable to

² Since the mid-1970s, the government has introduced numerous policies explicitly designed to combat exclusion of this sort, so that today single mothers and the handicapped, for example, tend to fall outside the purview of commissions of integration and exclusion rhetoric.

address it. Thus, in response to the opposition's emphasis on the new poverty and inequality, the socialist government spoke of "exclusion." The term referred not only to the rise in long-term and recurrent unemployment, but also to the growing instability of social relations: family instability, single member households, social isolation, and the decline of class solidarity based on unions, the labour market, and the working class neighbourhood and social networks. It encompassed not only material but spiritual and symbolic aspects. In sum, exclusion became a new way to describe the difficulty of establishing solidarities between individuals and groups and the larger society.

The prototypical definitions of "social exclusion" can be found in the publications of the *Commissariat Général au Plan* (CGP) which has recognized the State's responsibility to nourish "social cohesion". For example, the current *Commissaire au Plan*, Jean-Baptiste de Foucauld, argues that preventing exclusion requires a different conception of social justice than the one underlying the post-war social compromise which simply insured the population against predictable risks [Foucauld, 1992a; b]. The welfare state must bind itself to the ethical and cultural values that make citizenship live not only in the form of rights, but as a particular relation to the other. A more personalized, participatory welfare state should rest on new principles of social cohesion, insertion, sharing and integration [Nasse, 1992]. In another CGP account, exclusion is a metaphor for the social polyphony of post-modern society, a lack of communication or mutual incomprehension of individuals and groups, preventing them from negotiating on common recognition and belonging. The long review of the sociological literature upon which this diagnosis was based [Xiberras, 1993] itself defined exclusion as a progressive rupture of the social and symbolic bonds — economic, institutional, and meaningful — that normally attach each individual to the society. This rupture is seen to entail a risk for each individual in terms of material and symbolic exchange with the larger society and also, adopting Durkheimian rhetoric, a threat to society as a whole in terms of loss of collective values and destruction of the social fabric.

Within this viewpoint, insertion and integration are seen as the appropriate responses to exclusion. This is reflected in the names of a wide variety of new social programmes introduced in France during the 1980s. For example, those who advocated the *revenu minimum d'insertion* (RMI) adopted the Republican rhetoric of "solidarity", "cohesion", "social ties" and, in a Rousseauian sense, a "new social contract". The discourse was so compelling that, by the 1988 presidential campaign, the electoral programmes of both the Right and the Left included a minimum income proposal to promote insertion.

New political crises continued to expand the meanings of exclusion and insertion. The rise of the *Front National* set off a debate over immigration law. The *Front National*'s claims that North African and Moslem immigrants were "unassimilable" provoked the formation of new anti-racist and ethnic movements like *SOS-racism* and *France Plus* which mobilized mass anti-racist demonstrations. Some argued that the Jacobin State was too strong and inflexible to recognize the legitimate solidarities of ethnic groups. One began to hear about a *racism d'exclusion* which provided a rubric under which the anti-racist movement could criticize all kinds of "exclusion" — national, ethnic, cultural, religious, linguistic, sex, social status, and physical appearance. Finally, exclusion encompassed the issue of the *banlieues* (suburban housing estates).

The inter-related rhetoric of immigrant integration, youth problems, and economic exclusion was spatially fixed after a series of violent incidents in suburban housing estates, starting in Les Minguettes in 1981 and peaking in Vaulx-en-Velin, Sartrouville, and Mantes-la-Jolie in 1991. Increasingly, residents of the *banlieues* were described as the excluded. Through ongoing State decentralization and reform of social and housing services, juvenile delinquency policies, the *Développement social des quartiers* (DSQ) programme, and the 1991 creation of a full-fledged *Ministère de la Ville*, the State sought to combat "urban exclusion". Again, programmes were couched in Republican terminology: *prêts locatifs aidés d'insertion*, *fonds de solidarité logement*, and *programme développement-solidarité*, to name but a few.

Much of the rhetoric of exclusion in France is embedded in French Republican thought. But there is a stream of literature which has a social democratic perspective. This school of thought sees the main problems of the *banlieues* as economic exclusion, aggravated by spatial, generational, and political exclusion. In general, for these interpretations, the real problem is not race and ethnicity, but social exploitation in an era when class-based movements and organizations have decisively weakened.

III. Three paradigms: An introduction

Given the embeddedness of the concept of social exclusion in French political rhetoric, and the varied usages of the term even in that single national context, one might rightly wonder whether it is possible to recast "social exclusion" as a general phenomenon or as a scientific concept transcending national and political contexts. The term does not refer just

to poverty or inequality or unemployment or citizenship, but also to social status, identity and isolation. Its meaning keeps expanding and yet it is contextually and ideologically embedded. How can social exclusion become an object of social scientific research when it is a value-laden moving target?

This paper clarifies the different meanings and values attached to the term through identifying the major paradigmatic approaches to exclusion, namely “solidarity”, “specialization” and “monopoly”. These approaches permeate the existing literature on exclusion in Western Europe and North America. National exclusion discourse in France centres on the debate between republicanism and social democracy and hence between the solidarity and monopoly paradigms, though the former is dominant. In Britain the debate is between social democracy and liberalism (the specialization paradigm) while, in the USA, discourse and debate on social exclusion tends to take place within liberal ideological assumptions.

1. Solidarity

In French Republican thought, exclusion is the rupture of a social bond (*lien social*) between the individual and society, referred to as social solidarity. Adumbrated by Rousseau and exemplified by Durkheimian sociology, the “social” order is conceived as external, moral and normative, rather than grounded in individual, group or class interests. A national consensus, collective conscience, or general will ties the individual to the larger society through vertically inter-related mediating institutions.

The traditional moral discourse of “social solidarity” rejects Christian charity, liberal individualism, socialist class conflict and strictly political citizenship as sufficient bases of social integration. Rather, it offers a “third way” to reconcile individual rights with State responsibility. Solidarity is less organic than humanist in its reconciliation of social interdependence and the feeling of belonging to the collectivity with the demand for individual fulfilment. In republican ethics, individual citizens are less bearers of rights than participants in a communal “civility”, a public life of fraternity. Such moral unity and equality requires incorporating mediating institutions that might compete with the State for citizens’ loyalty. The Jacobin State — strong, unitary, centralized, egalitarian, universalist and secular — actively assimilated regional, national, and religious cultures into a single, distinctive conception of citizenship and national civilization. Rather than accepting cultural and political pluralism, separate interests and memberships are reconciled and synthesized into a unitary whole.

Thus, the solidarity approach lays heavy emphasis on the ways in which cultural or moral boundaries between groups socially construct dualistic categories for ordering the world. Exclusion, like deviance or anomie, both threatens and reinforces social cohesion. The inverse of exclusion is thus “integration” and the process of attaining it, “insertion”.³ In a Durkheimian sense, this implies assimilation to the dominant culture. But most recent usages are “post-modernist” in that they incorporate multi-cultural or cultural pluralist notions about the reconfiguration of the basis of solidarity as the dominant culture adjusts to minority culture.

This paradigm draws heavily on anthropology, sociology, ethnography, and cultural studies more generally. It focusses attention on the exclusion inherent in the solidarity of nation, race, ethnicity, locality and other cultural or primordial ties that delimit group boundaries. Yet applications go beyond analyses of Republican citizenship, ethnic conflicts, and deviance to discussions of cultures of poverty and long-term unemployment and of trends toward “flexible specialization” in political economy.

2. *Specialization*

In Anglo-American liberalism, exclusion is considered a consequence of *specialization*: social differentiation, economic division of labour, and the separation of spheres. It assumes that individuals differ, giving rise to specialization in the market and among social groups. It is thus individualist in method, although causation is situated not simply in individual preference but also in the structures created by cooperating and competing individuals — markets, associations and the like. It thus conceives of the social order, like the economy and politics, as networks of voluntary exchanges between autonomous individuals with their own interests and motivations.

Specialized social structures are comprised of separate, competing, but not necessarily unequal spheres which become interdependent through exchange. Social groups are voluntarily constituted by their members, and shifting alliances among them reflect differentiated interests and desires. Liberal models of citizenship emphasize the contractual exchange of rights

³ Nasse [1992] maintains that liberal individualist conceptions of society use *insertion* to mean making room beside others or placing side by side, while Durkheimian cultural and normative conceptions use the term *intégration* to mean *assimilation*. However, a content analysis of ten years of the French press found that the term *intégration* was used synonymously with *insertion* and *adaptation* with little reference to who was being integrated to what [see Barou, 1993]. *Insertion* also has multiple meanings.

and obligations and the separation of spheres of social life. Thus, exclusion results from inadequate separation of social spheres, the application of rules inappropriate to a given sphere, or barriers to free movement and exchange across spheres.

Because of the existence of separate social spheres, exclusion may have multiple causes and dimensions. The same individual may not be excluded in every sphere. Nor are social spheres and categories necessarily ordered hierarchically in terms of resources or value. Specialization protects liberties and may be efficient, as long as “excluded” individuals have the right to move across boundaries. Individual freedom of choice based on diverse personal values and psychological motives for engaging in social relations should give rise to cross-cutting group affiliations and loyalties, integrating the society. To the extent that group boundaries impede individual freedom to participate in social exchanges, exclusion is a form of “discrimination”. However, the liberal State’s protection of individual rights as well as group and market competition impede this form of exclusion.

In social science, liberal individualism is often reflected in methodological individualism which treats group memberships as individual attributes. It underlies neo-classical economics, theories of political pluralism, rational and public choice theories, and “mainstream” sociology. It encompasses two streams of thought: libertarian or “neo-liberalism”, and “social” or “communitarian” liberalism.

3. *Monopoly*

Finally, the third paradigm, influential among the European left, sees exclusion as a consequence of the formation of group *monopoly*. Drawing heavily on Weber and, to a lesser extent, Marx, it views the social order as coercive, imposed through a set of hierarchical power relations. In this social democratic or conflict theory, exclusion entails the interplay of class, status and political power and serves the interests of the included.

This paradigm’s fullest expression descends from the work of Max Weber. It treats group boundaries — “status” — as a source of domination potentially independent of social class. Orthodox Marxism privileges class solidarity and denies the potential for true social integration in class-based societies. It aspires to universalism. In contrast, this paradigm assumes that the unequal power underlying more general group monopolies can be mitigated with inclusive “social democratic” citizenship, especially as defined by T. H. Marshall.

Weber's theory of status groups assumes that social action is motivated by "material and ideal interests," by structure and culture, constraint and autonomy. Status groups are a manifestation of power relations; they claim social honour and esteem, and have their own consciousness, consumption patterns, and style of life. Material, legal or other forms of monopoly maintain the status group's exclusivity. Social classes may be status groups to the extent that they can exclude non-owners from competing for valuable resources. However, there is nothing necessary about this process. Indeed, one of Weber's most influential theses is that, if the social closure of *status* groups creates monopoly and thus inequality, it does not follow that social *classes* are always status groups.

Those who do not have to exchange in markets have power over the terms of exchange, i.e. a monopoly. Weber used the term "closure" to refer to a process of subordination whereby one group monopolizes advantages by closing off opportunities to outsiders whom it defines as inferior or ineligible. Any convenient, visible characteristic, such as race, language, social origin, religion, or lack of a particular school diploma, can be used to declare competitors to be outsiders. By restricting access to opportunities and resources, closure allows collectivities to maximize rewards. The group of insiders share a common culture and identity and hence, norms legitimating exclusion.

Weber also recognized that such social closure may cause the excluded to react and resist exclusion. When excluded groups successfully usurp in-group privileges, however, they may redraw boundaries in such a way as to exclude groups even less powerful than themselves, in a process Parkin [1974] calls "dual closure". Indeed, this monopoly paradigm does not assume that a society — however open — can include everyone and everything.

Social "closure" is achieved when institutions and cultural distinctions not only create boundaries that keep others out against their will, but are also used to perpetuate inequality. Those within bounded social entities enjoy a monopoly over scarce resources. The monopoly creates a bond of common interest among otherwise unequal insiders. The excluded are therefore outsiders and dominated at the same time.

The particular boundaries of exclusion may be drawn within or between nation States, localities, firms, or social groups. Processes of social closure are also evident in labour market segmentation. Whatever the nature of the boundary, the overlap or coincidence of group distinctions and inequality is at the heart of the problematic of this paradigm. As Gobelot argued, "every social demarcation is at once a barrier and a level" [Gobelot, 1925/1967]. Paradoxically, every level distinguishes and every

distinction levels. The very barrier that demarcates class distinction, however exaggerated and imaginary, also creates equality within class boundaries.

IV. Three paradigms: Some clarifications

Several remarks about these paradigms are in order. *First*, they are, of course, ideal types. In reality, different societies and cultures define belonging in different ways. Moreover, at different times, national debates emphasize some aspects of exclusion and not others:

Sometimes the emphasis is on migration and refugees (e.g. Belgium, Germany), sometimes on long-term or extremely long-term unemployment and exclusion from the labour market (e.g. Denmark, France, Netherlands); or on the problem of low income (Portugal). Discussion is sometimes directly linked to specific policy-making, as is the case with the minimum income (France, Spain) or can be part of more general consideration of the functions of the welfare state (United Kingdom: Citizens' Charter) or discouraging the passivity engendered by certain forms of social protection (Denmark, Netherlands, United Kingdom). It is sometimes fuelled by association or media campaigns focusing on particularly visible problems or those which in any case catch the public's attention, such as the homeless (UK, France), drugs (Italy), child labour (Portugal), and inner city crisis (France) [CEC, 1993, p. 32].

Although recognizing the cultural embeddedness of the concept of exclusion makes the development of legitimate cross-national indicators more difficult than measuring poverty or unemployment, the paradigms illuminate the reasons behind the contested and selective meanings of the term. Choosing one definition means accepting the theoretical and ideological "baggage" associated with it.

Second, as is appropriate for a social scientific analysis, each paradigm conceives of exclusion as a social relationship between the included and the excluded. That relationship may certainly be conceived as social action, as the activity of excluding, and thereby, calls attention to the actors responsible. But does exclusion refer only to a change in the condition of those who are at one time integrated, or can it refer to the constant condition of excluded people who want to be included? To the extent that exclusion is viewed as a process, analysts should specify its beginning as well as its end. Similarly, the extent to which differences produce exclusion depends on such issues as the permeability of boundaries, the extent to which membership is freely chosen, and whether social

distinctions have any social benefits. Indeed, some marginal or deviant individuals may not even want to be included. Rather than define these issues away, they should be explored.

Third, exclusion can be viewed macro-sociologically or micro-sociologically. Weinberg and Ruano-Borbalan [1993] distinguish between macro and micro causes in contrasting exclusion from “above” and “below”. “Top-down” perspectives view exclusion as an employment crisis, or a crisis of ineffective social and immigration policies, or as a crisis of integrative social institutions of the nation more generally. In contrast, local and communitarian “grass-roots” perspectives cast exclusion as a crisis of community solidarity and social regulation. Both macro- and micro-sociological trends may contribute to the process of exclusion.

Fourth, the distinctions among paradigms should not be confused with institutional classifications, like welfare state typologies. Institutions are historical accretions that bear the imprint of past conflicts between ideologies and paradigms. To say, for example, that the French Republic institutionalized Republican ideas implies that, during a particular period of institution-building, a popular coalition was formed around a particular ideological consensus. However, other coalitions contested these ideas and, to the extent that they, too, had influence, the law, the welfare state, and other social institutions embed opponents’ ideas as well.

Fifth, all three paradigms must be distinguished from *organic* approaches to social integration. Like those paradigms, organic models are empirical, normative, and methodological; they describe social reality, provide conceptions of what a good society should be, and offer a selective strategy of analysis. Organic models can thus be seen as a further paradigm, or family of paradigms, for analyzing social exclusion. However, the solidarity, specialization, and monopoly paradigms of social integration fall within the spectrum of mainstream sociological thought which attributes greater scope and autonomy to civil society relative to the State and market than do other paradigms. Indeed, the discipline of sociology and its central concern with integration arose to provide an alternative explanation of the social changes brought about by the democratic and industrial revolutions than those offered by utilitarian liberalism and socialism, as well as reactionary thought.

However, where democracy and industrialization came late, as in Germany, Italy, Iberia, and many less developed countries, other conceptions of social integration took hold. In some places, traditional conservative, preindustrial, and corporatist notions of integration degenerated into justifications for authoritarianism and fascism. In contrast, Christian democracy and “societal” corporatism, particularly in the

postwar era, tempered organicist thought with a recognition of individual rights and tolerance of ideological and religious rivals. Indeed, some analysts classify France in this category, eliding Republican ideology with Christian Democratic or neo-corporatist thought (see, for example, Esping-Andersen [1990]).⁴ Finally, some "plural societies" developed a form of stable consociational democracy in which elites compromise and check one another's power on behalf of distinct social segments. These alternative notions of social integration took hold in both European and Third World contexts.

What most distinguishes organic approaches is less their politically conservative or centrist tendencies than their concern to construct a social order based on groups, be they functional, regional, or primordially based. As mentioned, within this broad range of thought there are three streams: Christian Democratic (societal or neo-corporatist); State corporatist; and consociational. Although they differ in the emphasis they accord to individual rights and group autonomy, all reject extreme individualism and collectivism. Rather, they reflect the principles of "community" and "subsidiarity".

Unlike liberalism, Christian Democracy is "personalist" rather than individualist and, unlike socialism, it is "pluralist" rather than collectivist. Similarly, consociationalism, by checking the power of majorities, guarantees groups the autonomy to run their internal affairs within nation States. And corporatism, or organic-statism to use Stepan's [1978] terminology, rests upon official State recognition or "chartering" of mediating associations which are thus centrally coordinated and controlled for the public good, unlike their free, competitive, interest-based operation in liberal pluralism or their suppression under command socialism.

Christian principles of social integration provide a distinctive perspective on the issue of exclusion. On the one hand, the State has the responsibility to ensure personal development and thus, social, political, and civil rights for all. On the other hand, the inequality inherent in

⁴ In the comparative politics literature, France is usually portrayed as an ideologically and religiously divided polity, lacking the political consensus of the Anglo-American democracies. Based upon its history of reaction and fascist collaboration and its fragmented party and union structures, many assume that the State suffers from democratic immobilism. Based upon the electorate's lack of party loyalty and periodic rebellions against central authority, it is concluded that representatives are not accountable and unresponsive. However, most of these generalizations are based on politics prior to the Fifth Republic and neglect the rise of a "political class," the increasing importance of the central bureaucracy, and expansion of the welfare state.

horizontal pluralism — “sovereignty in one’s own circle” — is also justified. Thus, if the pre-capitalist “corporatist-statist legacy” — feudal paternalism, patronage, and clientelism; corporativism of cities, guilds, and friendly societies; and Bismarckian statism — justified the earliest welfare states, it also shaped the tendency of Christian Democratic social policies to preserve differentials between social classes, occupations, and status groups as well as support the traditional family [Esping-Andersen, 1990]. Thus, this viewpoint recognizes the social exclusion of those not organically integrated into the various smaller, autonomous units of society that make up the greater whole — families, communities, classes, nation States, and so on — but is less cognizant of gender and economic inequality as individual expressions of exclusion.

In contrast, Roman law recognized no individual freedom of association. The only legal organizations were those officially recognized by the State on the basis of *lex specialis*, or “privilege” [Stepan, 1978, p. 38]. In this view, the State may legitimately shape the structure of civil society so that functional parts are integrated into an organic whole. In return for a corporate charter, associations also have an obligation to the State to perform a public service. In this, organic-statism differs from republicanism. Indeed, in the second preface to *The division of labour in society*, Durkheim rejected State corporatism because controls on worker and other associations made them part of the official administration, restricted meaningful participation, and precluded moral, rather than coerced integration.

Several weaknesses of organic-statist integration produce what might be called “social exclusion.” First, the model provides no clear justifications for recognizing some groups rather than others. For example, the model privileges or “over-franchises” functional groups relative to groups based on primordial, e.g. ethnic, religious, regional, or linguistic identities, which are thus excluded. Second, it is unclear why vertical functional associations, with elite representatives, are privileged over horizontal, decentralized, participatory and membership organizations, like movements and community groups. The latter can be viewed as excluded. Third, if functional groups are indeed granted autonomy, there is little to prevent some groups — particularly those with initial power — from gaining control over others, undermining the presumption of organic harmony. Thus, inequality in civil society can also produce social exclusion. Finally, while the State’s concern with the integration of the parts of society can lead to top-down control of functional groupings, undermining their autonomy, dependent States cannot integrate multinational capital within national corporatist structures. This “excludes”

workers in the export sector from bargaining rights. These definitions of exclusion differ markedly from the three perspectives under discussion.

Sixth, the solidarity, specialization, and monopoly paradigms address more than one dimension or aspect of exclusion — economic, sociological and interactional, cultural and political — and thus cut across the social sciences. This interdisciplinary approach differs from prior classifications of theories of exclusion which focus on conditions in one country, usually France, or on one discipline, especially sociology. Although each paradigm includes theories drawn from economics, political science, and anthropology, I, too, stress sociological theories because the concepts of exclusion and integration are central to that discipline.

Seventh, even when empirical studies define social exclusion in “global” terms, research tends to be more “sectoral”. By focusing on a specific population identified as being “at risk” of exclusion, studies often draw on more than one paradigm. The research literature on exclusion includes studies of the following specific social categories:

- (a) the long-term or recurrently unemployed;
- (b) those employed in precarious and unskilled jobs, especially older workers, or those unprotected by labour regulations;
- (c) the low-paid and the poor;
- (d) the landless;
- (e) the unskilled, illiterate, and school dropouts;
- (f) the mentally and physically handicapped and disabled;
- (g) substance abusers;
- (h) delinquents, prison inmates and those with criminal records;
- (i) single parents;
- (j) abused children, those who grew up in problem households or were abused;
- (k) youth, especially with no work experience or diploma;
- (l) child labourers;
- (m) women;
- (n) foreigners, refugees and immigrants;
- (o) racial, religious, linguistic and ethnic minorities;

- (p) the politically disenfranchised;
- (q) recipients of social assistance;
- (r) those needing, but ineligible for, social assistance;
- (s) residents of deteriorated housing or disreputable neighbourhoods;
- (t) those with consumption levels below subsistence (the hungry, the homeless, the Fourth World);
- (u) those whose consumption, leisure, or other practices (drug or alcohol abuse, delinquency, dress, speech, mannerisms) are stigmatized or labelled as deviant;
- (v) the downwardly mobile;
- (w) the socially isolated without friends or family.

These absolute and relative social disadvantages may be inter-related. Indeed, the extent to which these dimensions overlap is a frequent subject of research on exclusion [Wuhl, 1992]. Some find very weak *correlations* among the types of exclusion. But others conceive of exclusion as the *accumulation* of such disadvantages, as the last stage in a process of social disqualification [Paugam, 1993b]. For example, those born into particular groups, with a particular upbringing, education, family or work history may in a sense be doubly or triply excluded. However, the disproportionate representation among the “excluded” of people with these social characteristics does not imply that these characteristics *determine* whether any given individual is excluded. One needs to examine the incidence of these attributes in the included population as well. Some individuals with such characteristics do make their way into secure, well-paid employment, stable families, political participation and so on. Depending on turnover, there need be no “hard-core” group of excluded people or families trapped in a “vicious cycle”.

V. Conclusion: Exclusion, politics and social policy

In this chapter, I have presented three major paradigms of exclusion, each grounded in a different conception of integration and citizenship. In the solidarity paradigm dominant in France, exclusion is the rupture of a social bond between the individual and society that is cultural and moral, rather than interested in orientation. Cultural boundaries give rise to socially constructed dualistic categories for ordering the world, defining the

poor, unemployed and ethnic minorities as deviant outsiders. However, Republican citizenship, by wedding national solidarity to political rights and duties, imposes an obligation on the State to aid in the insertion of the excluded. By posing as a "third way" between liberalism and socialism, the Republican notion of solidarity weds economic to social concerns. Similar emphases can be found in new schools of political economy stressing normative regulation.

In the specialization paradigm, exclusion reflects discrimination. Social differentiation, economic divisions of labour, and the separation of spheres should not produce hierarchically ordered social categories if "excluded" individuals are free to move across boundaries and if spheres of social life governed by different principles are kept legally separate. Cultural pluralism, like political pluralism, rests upon voluntary membership and group competition. Liberal models of citizenship emphasize the contractual exchange of individual rights and obligations and the tensions between the sphere of civil society based on liberty and the public sphere based on equality and democracy. Liberal assumptions are embedded in micro-sociology, with its emphasis on small groups, and in neo-classical economics and other social sciences characterized by methodological individualism.

Finally, the third paradigm sees exclusion as a consequence of the formation of group monopolies. Powerful groups, often with distinctive cultural identities and institutions, restrict the access of outsiders to valued resources through a process of "social closure." The same process is evident in labour market and enterprise segmentation which draws boundaries of exclusion between and within firms. At the heart of this paradigm is the necessary overlap of group distinctions and inequality, "the barrier and the level", to adopt Gobelot's terminology. Inequality is mitigated by social democratic citizenship which, in T.H. Marshall's formulation, entails full participation in the community.

In whatever way they are conceived, the empirical manifestations of rising exclusion in the advanced countries call into question the adequacy of existing welfare state arrangements. Means-tested categorical programmes designed to serve small constituencies are growing rapidly. For more and more people, the assumption underlying post-war social insurance programmes of a uniform life-cycle, career pattern, and family structure no longer applies. The growing types of social disadvantage appear to be "new." Demands to address these newly identified social problems have increased as well.

Moreover, once-quiescent beneficiaries are politicizing under the banner of "demographic identities", forming non-profit groups, and

pressuring local governments in areas where they are concentrated. Concerned less with transfers than with unpopular and residual social services (e.g. drug rehabilitation, assistance for refugees or immigrants, urban programmes), this "politics of consumption" introduces distributive conflicts not only between productive and unproductive citizens, but between cultural groups as well. The demand for differentiated services tailored to socially marginal groups also challenges the principle of universalism that once legitimated the post-war welfare states. This crisis in social policy requires a rethinking of the notions of "citizenship" and "solidarity."

While the manifestations of "exclusion" have led to new social policy approaches, especially in France, any large-scale recasting of welfare state institutions will require a broad political consensus. It is useful to recall that the initial establishment of national welfare states was a process of "institutional searching" for political compromise. To achieve such compromise, it was necessary to formulate political ideas that blended pre-existing nation-specific norms and practices. As the paradigms illustrate, such ideas are still reflected in existing welfare state institutions. Today, as new social problems call for major social policy reforms, the importance of new ideas to forge political consensus would appear to be just as important. Does the notion of exclusion offer a new formula to achieve the political compromises necessary to meet these challenges?

As I have indicated, fighting "exclusion" means different things to different people. But only at the extremes of the political spectrum is one likely to find those who are in favor of exclusion. Given the multiple connotations of the term, it might provide a political opportunity to cement a broad-based alliance in favour of new social policies. For example, the importance that French observers attach to distinguishing "exclusion" from other terms denoting social disadvantage suggests that the concept does have political significance. By defining exclusion as a thoroughly new, multidimensional problem touching those at all levels of the social hierarchy in some respects or at some point in their lives, it may become easier to build large, cross-class coalitions to combat it. Most people have suffered from some kind of rejection or misery in their lives, and apprehension about it has become widespread. As the connotations of exclusion expand to encompass the dashing of extravagant aspirations, "each individual will finally consider him- or herself as an excluded person" [Xiberras, 1993].

For example, a widely-reported December 1993 survey by *CSA/La Rue*, a newspaper sold by the homeless, found that 55 per cent of French adults and 69 per cent of 18-24-year-old youth fear they themselves will

become "excluded" and three-quarters worried that one of those close to them would be [André, 1994]. That feeling of vulnerability is not confined to France. The Families and Work Institute found that 42 per cent of American workers report their companies are reducing their workforces temporarily or permanently [Gans, 1993]. That near majorities perceive a clear threat of exclusion — in the broad sense of a loss of social status — may account for the term's wide appeal and its increasingly broad application.

Exclusionary discourse also mobilizes opposition. Examples are the outrage provoked by Jean-Marie Le Pen and by the Paris mayor and former Prime Minister Jacques Chirac, who set off a furore after expressing sympathy for the French working-class family who must put up with the "noise and smell" of living next door to an immigrant with three or four wives and 20 children and who receives 50,000 FF a month in social assistance without working.

However, whether public apprehension and indignation will be sufficient to mobilize strong political support for new social policies remains to be seen. For example, during the March 1994 demonstrations against the second minimum wage for those under 25 years old, students debated whether to focus on what a CGC union member called the "Kleenex youth, which one utilizes and throws away", or to extend their goals to fighting the Pasqua immigration laws and to demanding youth programmes for the unskilled. If the common fear of exclusion may cement an alliance among those differentially placed in the social hierarchy, it may not be enough to overcome other social cleavages.

Indeed, to the extent that exclusion is understood in the liberal, individualistic terms of the specialization paradigm, it may become a euphemism for stigmatized, isolated, or scapegoated groups. Its meaning may narrow to those with multiple disadvantages. From a monopoly perspective, the university student protests against declining employment prospects may simply reflect a defence of their traditional prerogatives and a demand for protection from increasing competition. Terms like exclusion, the new poor, or the underclass — by identifying the victims of economic restructuring and the end of full employment — may even justify majority resistance to redistributive taxation and expenditures [Room, 1990]. Targeted social policies will then entail no sacrifice by the privileged, and dualism will be reinforced.

Thus, while the idea of exclusion could be useful to reformers who want to point to the inadequacies of current welfare states, it might conversely serve to distract attention from the general rise in inequality, general unemployment, and family dissolution that is affecting all social

classes. By “ghetto-izing” risk categories under a new label and publicizing the more spectacular forms of poverty requiring emergency aid, policies to combat “exclusion” may make it easier to re-target money on smaller social categories like the homeless or long-term unemployed. It may even undermine the universal social insurance programmes that traditionally protected the working and middle classes. To conclude, just as the idea of exclusion has many meanings, it can also serve a variety of political purposes.

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4 *Globalization and social exclusion: Some paradoxes*

Marshall Wolfe

The term “social exclusion” represents a relatively recent way of conceptualizing or at least labelling a range of situations and trends already visible as “problems”, or threats to a self-evidently desirable future of “social integration” or “solidarity”.¹ (It also harks back to debates of the 1960s in Latin America over “marginality”). As with all such efforts its users must struggle uneasily with their own criteria for “inclusion”. Social exclusion can easily become a catch-all for most of the phenomena that seem menacing or ethically intolerable within the globalized capitalist order. As policy prescribers should have learned by now, a changing of labels does not go far toward the curing of social ills. To what extent does the term help to clarify real mutations in human interaction within the present order and in ideological frames of reference for international discourse on “development”? To what extent are the phenomena of social exclusion under way in the industrial or post-industrial societies comparable to those in the so-called “developing” societies?

When the UNRISD Research Programme on Popular Participation in 1979 used the word “excluded” in its working definition of the issues to be explored (“the organized efforts to increase control over resources and regulative institutions, on the part of groups and movements of those hitherto excluded from such control”) it hardly had in mind the broader implications now attached to “social exclusion” [Stiefel & Wolfe, 1994]. The groups and movements in question were envisaged as excluded from control over factors affecting their livelihood and their place in society. They were being expelled or lured from previous forms of livelihood and being incorporated under conditions of exploitation, insecurity and impoverishment into ways of life functional to the “development process”.

¹ The first European Community text to contain the notion of “social exclusion” was a resolution of September 1989. See CEC [1993].

The focus, then, should be on the terms of their incorporation, on their ability to influence these terms through “organized efforts”.

It was only in the course of reporting on the field research that the “hitherto excluded” emerged first as a convenient umbrella label for the peasants, proletarians, slum-dwellers, indigenous or “tribal” people and women who were under consideration; and then as a way of conceptualizing an increasingly prominent trait of real processes of economic and social change since the 1970s: exclusion in the sense of superfluity rather than incorporation under conditions of exploitation and powerlessness. Exclusion in the sense of superfluity now seemed to be threatening not only the impoverished rural and urban groups previously labelled “marginal”, who were indeed growing more rapidly than ever, but also much of the population that previously participated in “development” with some degree of control over the terms of its incorporation: the industrial labour force and the salaried middle strata. Many kinds of “newly excluded” were joining the “hitherto excluded”.

This new face of exclusion did not reduce the relevance of the original focus of the inquiry into participation. “Exclusion” is an active concept like “exploitation”. Someone or something bars out or drives out someone or something else, which reacts as best it can. The excluded in some settings may become practically invisible to the power-holders — the “policy-makers” — improvising minimal survival strategies and unable to conceive promising tactics vis-à-vis the social order that excludes them. For the most part, however, there can be no clearcut distinction between struggles over terms of incorporation, that is, against exploitation, and struggles to resist exclusion and open new channels for incorporation. The changing settings generate responses that are in part unprecedented, responding to the globalization of communications and cultural stimuli, in part adaptations of pre-existing organizational forms, and in part resurgences of bases for solidarity that seemed to have dwindled in importance with modernization, the welfare state, and socialism (religious and ethnic ties). Ways of livelihood proliferate that represent unresolved mixtures of dependent functional integration into the dominant style of “development” (sweatshop production, home piecework, street vending), refuge from it through networks of production and exchange among the excluded, and parasitism upon it. Associational ties combine mutual aid, clientelism, clannishness, intimidation, extortion and other worldly hopes.

The most dramatic aspect of the struggle against exclusion at present is the expansion of migration across national frontiers in the face of rising barriers against such migration. Tens of millions of people are enduring hardships and also showing exceptional persistence and ingenuity to escape

from perceived exclusion in their countries of origin into situations of exploitation and insecurity in new countries. Many of them eventually achieve satisfactory terms of incorporation and even save the economies of their countries of origin from collapse through their remittances.²

The adoption of "social exclusion" as a valid concept through which to view the diverse and contradictory trends now emerging implies a critical but not radically negative assessment of the style of "development" that has come to dominate the world and that since the 1980s has become for some countries a style of disintegration. This style lures and forces the whole of the world's population toward inclusion in a global system of production, consumption, expectations, political and cultural norms, while at the same time barring out the majority in many different ways and degrees and continually changing the rules of the game. At the same time, use of the concept by policy-oriented institutions implies that once governments or other agents turn their attention to social exclusion they can devise remedies that will make the system function for social integration. Remedies that can mitigate certain extremes of exclusion can readily be imagined, but the fundamental paradoxes of the system seem at present to be beyond the understanding or control of any agent, and one might be justified in pinning more hope on the improvisations emerging within societies through the interplay of exclusion and integration.

People who are excluded within one set of norms and expectations can often achieve some kind of inclusion once they accept different norms, generally implying, at least for a time, intensified exploitation and insecurity. That has been happening throughout human history. It may well be, as trends since the 1980s suggest, that within the global system more people are becoming permanently superfluous, irrelevant, or hindrances to its functioning. Under foreseeable conditions of rates of population increase positively correlated with poverty, accelerating environmental degradation, technological innovations divorcing productive capacity from labour needs, and eclipse of the great alternatives for ordering human society in a spirit of social justice, it is hard to see how exclusion can fail to become more pervasive and intractable. The globalized system generates exclusion through its logic as well as through its precariousness. However, historical trends rarely work themselves out in ways foreseeable to observers at a given time. The recent past has been full of surprises and the future will bring its own surprises, for better or worse.

² The United States Population Fund [1993] estimates 100 million international migrants, including 37 millions fleeing disasters, and US\$ 66 thousand millions in remittances to their countries of origin.

A survey of current transformations focusing on exclusion risks over-emphasizing the explanatory power of this concept. It also needs to guard against a propensity to suppose that all bad things go together: that exclusion necessarily generates anomie, anti-social behaviour, resort to the fanatical extremisms that continue to plague humanity. These phenomena, however, seem just as likely to emerge from group competition over the prizes associated with modernization and rising consumption levels, or from defence of traditional power relationships and life styles that are threatened by democratization and changing gender and age-group roles, as from social exclusion.

Let us try to differentiate the main dimensions of exclusion as they interact with each other and with the forces making for incorporation or integration.

1. Exclusion from livelihood

Up to the 1960s, discourse on development commonly singled out as a central problem the “commitment” of people from peasant societies to wage work in industry and other “modern” activities. It was assumed that the demand for wage labour would continue to exceed supply until a late stage of development, and that the supply would be insufficiently committed and of low productivity owing to lack of appropriate work habits, lack of education, poor physical condition and various cultural traits, summed up in one version as absence of “achievement motivation”. In the earlier stages of “development” directed by colonial powers or national oligarchies, various forms of compulsion were recommended and applied. At later stages, with substantial urban and plantation wage labour forces already in being, positive inducements came to the fore: education, subsidized food supplies, social welfare and housing schemes linked to industrial employment. In their approaches to recruitment and stabilization of an industrial labour force the “real socialist” States were rather similar to the capitalist “developing” countries.

When it became evident that the supply of people anxious to work for wages was in most settings exceeding demand and that the excess was finding refuge in “marginal” or “informal” occupations it could still be argued that this was a remediable deficiency of the rate or pattern of economic growth, or simply the formation of an “industrial reserve army” functional to such growth.

In much of the world, the processes that in the past generated a labour force for industrialization are continuing and are fulfilling the same

function: expulsion from small-holding agriculture and efforts by peasant youth to escape a life of poverty and drudgery. (In Latin America, these processes have receded to secondary importance, as rapid urbanization has reduced the rural population to a static or shrinking minority). To a large extent, the international transfers of productive activity in search of lower labour costs are still providing real openings. In most of East and South-east Asia, labour absorption is probably still keeping pace with supply, and in the oil-producing States labour shortages are still attracting millions of migrants, who are incorporated in livelihood opportunities while being radically excluded in other dimensions to be discussed below.

Exclusion from livelihood became more clear-cut and extensive during the 1980s in the countries most burdened by debt and forced into structural adjustment policies, mainly in Africa and Latin America. Import-substitution industries collapsed. Mining was hard-hit by falling mineral prices and rising costs. Governments became unable to support the institutions they had acquired, which had long served as the main job sources for university graduates. Inflation reduced the incomes of these latter groups to levels violently excluding them from accustomed life styles, while campaigns of privatization and debureaucratization eliminated the jobs of many, or at least threatened their job security. For workers and salaried middle strata alike, exclusion meant inclusion in a world of precarious survival strategies and blurring of class self-identification.

Comparable, although less traumatic, trends were emerging in the high-income countries, partly through economic slowdown and transfer of some productive activities to lower-cost countries, partly through curtailment of welfare state activities, but more ominously through technological and organizational innovations that were increasingly divorcing production from the need for a large and relatively stable labour force. Traditional heavy industries such as steel and auto production and mining had for some time combined rising production with declining numbers of workers. More recently, computerization began to eliminate some areas of white-collar employment. Industries as well as commercial and financial enterprises increasingly began to hire temporary workers at lower rates of pay, lesser health and social security protection, and no job stability, so as to reduce costs and strengthen flexibility. Exclusion now threatened even corporate executives.³

³ According to a recent summing up applying to the United States, "Companies struggling through a weak economy are pushing profits up by pushing employees out. Very few good new jobs are being created to replace the ones that are being lost. All types of workers are affected, from gung-ho men and women at the highest levels of the corporate

Pressures toward exclusion from certain preferred lines of employment derive not only from the creative-destructive logic of capitalism but from overdue public efforts to modify this logic, particularly by curbing environmentally unsustainable industrial and extractive activities and by winding down military forces and armaments production. In the high-income countries, as well as elsewhere, pressures toward exclusion from livelihood combine inextricably with challenges to seek and qualify for new livelihood opportunities that are undoubtedly emerging, with increased exploitation, and with changing tactics for organized self-defence against exclusion and exploitation. In the well-paid technological and cultural specializations that are expanding, arduous educational qualifications are needed, and demands for such specializations may continue to change as unpredictably as they have in the recent past. The services that are least susceptible to rationalization but indispensable to the consumer society continue to offer abundant job opportunities but at wages unacceptable to those displaced from industries and white-collar occupations, as the chorus of complaints at dead-end jobs serving hamburgers indicates.

Meanwhile, migrants find opportunities for inclusion and future prosperity in occupations that the "newly excluded" reject. Women have been able to incorporate themselves into the labour force at all levels, partly through greater independence from traditional family roles, partly through pressure to earn so as to maintain family consumption standards, partly through employer preference for them in the occupations most susceptible to exploitation. While young people have been most acutely affected by exclusion from traditional industrial opportunities, and for some exclusion seems to have become practically total except for illegal and dangerous activities such as drug peddling, others have benefited from education to gain privileged access to the newer and more attractive forms of livelihood.

It would be premature to conclude that exclusion from livelihood is bound to become more radical and pervasive, qualitatively different from the painful adaptations that all societies have experienced since the industrial revolution. However, insecurity over exclusion from culturally defined standards of livelihood is on the rise in most of the world, and this has much to do with the other dimensions of exclusion to be discussed below.

hierarchy to kids fresh out of high school and college." ("Looking for work", *New York Times*, 1 August 1993). See also "Service jobs fall as business gains: Automation's impact shrinks employment in New York", *New York Times*, 18 April 1993; and "Temporary workers on the increase in nation's factories", *New York Times*, 6 July 1993.

II. Exclusion from social services, welfare and security networks

Up to the 1980s, popular expectations concerning social rights and services to be guaranteed by the State had been rising over a long period, in poor countries as well as rich. The right to education and basic health services for all; to a social safety net against destitution; to shelter, safe water and waste disposal; and to the satisfaction of various other needs had become internationally accepted responsibilities of the modern State. Now the State's capacity to meet these responsibilities and public confidence in the effectiveness and legitimacy of its efforts to do so have been eroded. In the upper-income capitalist or mixed-economy countries resistance to redistributive taxation and bureaucratic paternalism have mounted, while the diversity of interest groups crusading for different conceptions of rights has become unmanageable. Elsewhere, similar factors have combined with the drying up of external aid and loans, the net outflow of public funds to meet debt obligations, the associated structural adjustment policies, unfavourable export markets and, in some instances, a nearly complete breakdown of the legitimacy and authority of the State.

In the upper-income countries the outcome thus far has been contradictory, with curtailment of some services and continued expansion of others, with some groups of beneficiaries, particularly the aged, holding their own while others, particularly single mothers and their children, have increased in numbers and become paradoxically more dependent on services that seem to confirm their exclusion and generate resentment in other strata of society. The most striking change, particularly in the United States, has been the emergence of significant numbers of families and individuals practically excluded from shelter.

In many of the poorer countries, particularly in Africa and Latin America, and also in the former "real socialist" countries, where State social responsibilities were previously most ambitious, the breakdown in such responsibilities has been more far-reaching. As State ability to finance and administer services and subsidies has dwindled, access to the former has come to depend increasingly on the recipient's ability to pay, in part through privatization and changing of fees for services previously free, in part through illicit but unavoidable payments to functionaries whose salaries have fallen below subsistence levels. Subsidies to urban food supplies (formerly at the expense of peasant producers) and to urban transport fares have dried up. Policies "targeting" public social expenditures to the most needy, as recommended by various international agencies, are in some countries beginning to modify these trends, but in general exclusion of the

neediest probably continues to predominate over compensatory targeting.

The state-supported services fashioned on the models of the upper-income countries and aspiring to universality have in practice always had a propensity to "restricted equity". That is, they became enforceable rights for urban minorities (industrial workers, public employees, other categories of white-collar employees and professionals) while rural majorities and the more marginal urban sectors were *de facto* excluded. (Restricted equity also emerged in the "real socialist" countries, in relation to State and party bureaucracies.) Now access for the former groups has become more restricted, in spite of their efforts to defend acquired rights, partly because of shrinkage of State capacities, partly because of loss of the employment status on which rights were based. The sentiment of exclusion and injustice is very likely stronger among these groups than among those who previously expected little from the State.

Access to the few public services that were really on the way to universalization has been curtailed both by declining coverage and by declining quality. This can be seen most clearly in the case of education, which has been at the same time the most prized means to social integration and mobility and a widely-used device for social differentiation and exclusion. Almost everywhere education has come to absorb very high proportions of public resources. In a good many countries free higher education has become a right even before universal primary education has been achieved. The quality of such higher education was precarious at best, owing to inadequate State financing, sudden "massification", and poor preparation of most students. Now access is being narrowed in various ways, by charging of fees and by inability of the children of the "newly excluded" to meet costs of subsistence while studying. Meanwhile, the rewards expected from such education have diminished with the shrinkage of bureaucratic and other white-collar employment, while openings in the new technological and professional specializations are increasingly restricted to graduates of more prestigious private institutions.

At the other extreme of the educational system, elementary schooling, which had come close to universalization in many countries, at least in quantitative terms of enrolment, has lost ground, with its already poor quality deteriorating further, with miserably paid teachers deserting,⁴ and with pupils even more handicapped than before by malnutrition, family insecurity, and obligations to contribute to family livelihood.

⁴ In the Philippines, for example, thousands of trained school teachers have left the system to work as maids in Hong Kong, Singapore and elsewhere, for wages several times those offered by the public schools.

For the rural areas that are least promising for modernized commercial agriculture, and in which combinations of self-provisioning peasant farming with migration to earn cash incomes continue to prevail, the withdrawal of State responsibilities is particularly excluding. Such areas have benefited, irregularly and insufficiently, from schools, basic health services, road building, water supplies and other State activities. The activities are in many cases shrinking while capacity for self-provisioning declines with population increases and land deterioration, terms of trade for local produce and handicrafts become more unfavourable, opportunities for migrant labour stagnate, and, in some areas, returning former residents displaced from the cities must be absorbed. Relative neglect of such rural localities is evident even in newly-industrializing countries where the State has remained strong and resources adequate; here there is a natural propensity to concentrate public resources on activities and localities that seem most promising for economic growth.

The people of many of the enormous urban agglomerations of Asia, Latin America and Africa are approaching a kind of environmental exclusion from the possibilities of minimally satisfying life styles at the same time as economic changes are excluding them from previous sources of livelihood. The problems of these agglomerations have been studied over a good many years, with dire prognostications as to their future viability, but at least until recently they have shown remarkable resilience and capacity to continue attracting and absorbing migrants. Public services were inequitably distributed in different urban zones according to power and income, but to some extent they reached even into the peripheral shanty towns. Original and promising forms of community organization emerged, generally combining self-help and self-defence with national or municipal government cooperation.

Now, in many cities, the inadequate infrastructure seems to be reaching a state of terminal decay. Electric power, transport, water supply and waste disposal systems are breaking down together. Violent crime reaches unprecedented levels and is simultaneously combated and abetted by police extortions, torture and summary executions. Air pollution has risen far above the limits supposed to be tolerable. The better-off minorities protect themselves against some of the menaces by living in walled and guarded compounds with their own services, water supply and power generation, but cannot escape the polluted air, the threat of epidemic disease, or the possibility of robbery or kidnapping once they emerge from their strongholds. The proliferation of automobiles has a multiple excluding impact. It forces the authorities to concentrate resources on remodelling the urban space to accommodate them, exacerbates the sense of exclusion of

the majority unable to acquire automobiles, and hinders any policy to provide efficient and affordable public transport.

In regard to shelter, the urban authorities have generally abandoned past policies of publicly-financed or subsidized construction, a change that affects mainly the "newly excluded", since the poor practically never had real access to such housing. Programmes to regularize and provide services to the squatter settlements and unregulated land sub-divisions through which the disadvantaged have met their own needs for shelter have continued but have been overwhelmed by the dimensions of the problem and the curtailment of public resources.

As with most other dimensions of exclusion, various forms of exclusion from the amenities previously expected from modern urban life have become ominously visible in many of the great cities of the high-income countries as well as elsewhere. It is evident that the inadequacies of societal efforts to cope with such forms of exclusion are not determined solely by scarcity of public resources and administrative capabilities nor by uncontrollable influxes of impoverished rural migrants. It would be beyond the scope of the present text to comment further on this particularly complex set of issues.

III. Exclusion from the consumer culture

The concept of social exclusion represents, among other things, an attempt at a more operational view of the question of poverty, which has generated such an unassimilable mass of statistical studies, diagnoses, and policy proposals in recent years. For a large part of the world's population, exclusion obviously means destitution, inability to satisfy the most basic needs for food and shelter. For even larger parts, however, exclusion from consumption is a more complicated matter. People throughout the world are now exposed to messages concerning diversified and continually changing norms for consumption. They have internalized such norms to an extent that could hardly have been expected a few decades ago, when the "revolution of rising expectations" became a current cliché, and that is altogether out of keeping with the capacity of the majority to respond. The present felt needs include packaged foods and beverages that are revolutionizing diets and distribution of family expenditures. They include the durable goods that are largely responsible for spreading the consumerist message, first the transistor radio, then television and various electronic devices. They include the automobile, with its devastating effects on the urban environment and its insatiable demand for roads, parking spaces and

cheap fuels. They include many artifacts that are reducing household drudgery and making life easier, particularly for women, and that transform the possibilities for family and community interactions from the local to the global.

They provide major stimuli for "popular participation" in innovation and in the quest for more remunerative employment. They have practically negated the possibility of popular acquiescence in styles of development emphasizing austerity and capital accumulation, on the one side, and styles emphasizing satisfaction of narrowly-defined basic needs, social equality and environmental protection, on the other. Under these circumstances, economic liberalization policies have consistently encountered surges in consumer goods imports out-running increases in the exports needed to pay for them. Government-sponsored social pacts calling for shared sacrifices in consumption have been unable to restrain the groups committed by their organizations. This has happened repeatedly in Latin America and most recently in China, where the forces of pent-up consumer demand have pushed aside the egalitarian and collectivist traits previously admired by advocates of "another development", and generated a troublesome trade deficit.

It would be pointless simply to deplore these phenomena or use the negative features as a stick to beat free-market capitalism. For present purposes, the important question is the role of unrealizable consumerist aspirations in exacerbating the frustrations of exclusion from livelihood, exclusion from public services and security nets, and exclusion from meaningful political choice. Although many people are still excluded through isolation, extreme poverty, or cultural resistances, even these forms of exclusion are being penetrated in incongruous ways by elements of the consumer culture, as numerous accounts of present-day village life demonstrate. More commonly, exclusion today generates a determined quest for expedients to enter the consumerist paradise, in its more ostentatious manifestations a paradise for minorities that can exist only as long as the majority is excluded. A Latin American joke divides the population into three groups: those who have credit cards, those who want credit cards, and those who have never heard of credit cards. The middle group is growing and the third dwindling. In some countries the drug traffic has notoriously become the most accessible channel for entry into consumerism.

Since new areas of consumption quickly become cultural necessities and the possibilities for further diversification are unlimited, sentiments of exclusion can be strong at any income level. Majorities in the "rich" countries have achieved levels of consumption that can never be universalized, and that are already entering into contradiction with resource limits

and environmental sustainability. However, a few years of relative economic stagnation have generated alarm, not only at immediate job and other insecurities, but also by challenging the conviction that each generation has a right to live better than its predecessor. One result can be a stronger propensity to exclude or ignore the claims of supposed competitors, particularly migrants and ethnic minorities. Similar frustrations and propensities to exclude are more segmented in the "poor" countries, and more likely to bring about violent group conflicts.

IV. Exclusion from political choice

In this area the trends are particularly paradoxical. The previous forms of exclusion from political choice through dictatorships and oligarchies are far from extinct. In a good many countries, even if formal democracy and competing political parties are present at the national level, the experience of most people, especially in the countryside, is of arbitrary rule by local bosses, landowners, military forces and police. In still other countries, the breakdown of central authority and endemic civil war have made the idea of political choice nearly meaningless. At the same time, people in more countries than ever before are able to participate in relatively free elections, have access to varied sources of information and argument, and are able to voice their preoccupations openly. International recognition of pluralist democracy as the only legitimate source of authority of the State has strengthened and manifested itself in support for elections and political rights. The plausibility of infallible leaders or vanguard parties entitled to choose for the people in the name of democracy is at a low ebb.

Under these circumstances, however, realities and sentiments of exclusion from meaningful political choice do not disappear. The well-known oligarchic and bureaucratic traits of mass political parties are as conspicuous as ever, and confidence in their ability to present issues honestly and respond to popular choices is also at a low ebb. The capacity of even the largest and most powerful nation States to decide on and adhere to coherent and autonomous policies has dwindled with the emergence of the globalized economic order, the hegemony of market-oriented anti-State ideologies, and the eclipse of the socialist and populist ideologies that previously offered hope of a better life through political participation. Elsewhere, countries that have not been able to take advantage of the opportunities offered by the globalized economy face the recognition of necessity in the form of structural adjustment policies, with notorious consequences for exclusion and insecurity in their populations.

If the excluded then choose candidates who promise to give priority to their perceived needs, the most likely outcomes, to judge from recent experience, will be either repudiation of the promises immediately after the election, when the "victor" faces up to the constraints set by the world system and the domestic balance of power, or policy voluntarism and incoherence followed by economic crisis. In a few cases, the political leadership has been able to maintain broad support and a degree of economic recovery through coalition-building, convincing explanations of the constraints, and measures alleviating the impact of structural adjustment on the excluded. Elsewhere, the consequences include shifting combinations of political apathy and sullen resentment, extreme shifts in voting patterns to punish incumbents, violent reactions to immediate threats to livelihood and consumption norms, corruption on the part of politicians and administrators who have lost hope of accomplishing anything positive, and diversion of political preoccupations toward scapegoats of ethnic and religious exclusivisms.

V. Exclusion from bases for popular organization and solidarity

Exclusion from meaningful political choice leads back to the question of "organized efforts" for "control" emphasized by the definition of participation quoted above. The "resources and regulative institutions" that the "hitherto excluded" might hope to control, partly through organized intervention in the political process, partly through organized bargaining with employers or produce buyers, and even the forces with which they might have expected to struggle for control, have either been losing relevance or receding to spheres in which popular control based on a rational vision of present needs and future potentialities is hard to imagine.

The organizations and less formal expressions of solidarity through which people have struggled to overcome exclusion are based on: (a) their source of livelihood (trade unions, peasant unions, vendors' associations, etc.); (b) their consumption and credit needs (cooperatives, credit unions, etc.); (c) their relationships to State services or services provided through municipal or voluntary channels (parents' associations, pensioners' associations, etc.); (d) their local community or neighbourhood; and (e) their religious or ethnic affiliations. In all of these areas, as research has demonstrated, popular innovations in organization and solidarity are ongoing. However, increasing insecurity and instability in the bases for organization test innovativeness to the limit, narrow the benefits that can

be hoped for from organization, and exclude large groups altogether. If stable employment in traditional industries declines, trade unions must turn to new clienteles that for many reasons are harder to organize, or give way to localized and precarious groupings in the informal sector. If large numbers of men migrate in search of work their main possibilities for association may be through networks that exploit or even terrorize them in exchange for assistance, while women have to evolve their own forms of collective action in the villages, urban neighbourhoods and sweatshops. Youth, for better or worse, evolve their own ties and goals with few relevant lessons from the organizational experiences of their elders. Religious and ethnic bases for solidarity become more important as other bases weaken.

VI. Exclusion from understanding of what is happening

People from all classes and backgrounds are in a sense excluded from confidence in being able to grasp the implications of the scientific, technological, economic, political, cultural, demographic, environmental and other transformations of the world today, while they confront these transformations in their daily lives and are bombarded by presentations, interpretations and warnings concerning them through television and many other sources, including word-of-mouth rumour. Information becomes more varied and accessible than ever before while the requisites for keeping up with the information revolution become more formidable. According to one formulation, societies are experiencing a transition from social relations organized on the basis of work to social relations based on modes of information [Calderón, 1993; Carnoy et al., 1993]. Inability to use a computer becomes a form of exclusion. Even the best-prepared suffer from what Alvin Toffler some years ago labelled "future shock". For some, this means an unprecedentedly wide range of choices in life styles, gender and age group identifications, and an equally wide range of causes that can be embraced so as to achieve some sense of influencing change and warding off specific menaces. For others, it means an unprecedented range of possible survival strategies, all of them subject to unforeseeable risks. For still others, it offers vicarious satisfactions in the form of exhaustive information on sports events, the private lives of celebrities, etc., to the practical exclusion of more unsettling information.

In the face of future shock and the disintegration of previous expectations, most of humanity adapts as best it can, without becoming traumatized, anomic, or frantic through inability to interpret what is hap-

pening. Even in the extreme cases of war-torn societies and mass expulsion of populations, or in the cases of sudden reversal of political systems, eclipsing doctrines that claimed monopoly capacity to explain societal change and also eclipsing the elites that derived power from these claims, some kind of reintegration can be expected to emerge. However, the understandably widening appeal of simplistic, irrationalist, and exclusivist substitutions for participation in the information revolution complicates the picture of exclusion-inclusion that we have been building up.

VII. Policy issues and proposals

For persons of goodwill it might well seem obvious that social exclusion is an intolerable evil, not only in its consequences for the “excluded”, but also in its implications for the “included”: the permanent threat of being pushed into the ranks of the excluded by incomprehensible and uncontrollable economic and technological transformations; the permanent threat of reactions from the excluded that will become radically incompatible with political and economic stability and personal security. “Social integration” then becomes a tempting slogan for the opposite of exclusion. But how can societies move toward integration and away from exclusion if the globalized capitalist style of “development” cannot help generating exclusion and if the momentum of exclusion has become so great and so complex? Can integration advance without genuine empowerment of the excluded? Can the included welcome or tolerate such empowerment in view of their status strivings, their insecurities, their convictions of restricted equity and the ever-widening gap between consumerist aspirations and capacities to satisfy them? Can national governments and inter-governmental political and financial institutions devise remedies that are more than expressions of good intentions?

As the preceding pages have suggested, the pressures toward integration or incorporation are as strong as pressures toward exclusion and paradoxically intertwined with them. Resolution of the contradictory pressures, within the likely future limits of resources, technologies, population growth, human capacities for rational action and human propensities to irrationality and parochial selfishness, can hardly be more than partial and provisional. Advances in this direction seem to require transformations not only in present economic, political and cultural trends, but also in the ways of thinking about such trends.

Discourse on these questions has long been divided into two main currents, with the ideas in both currents changing and diverging over time.

On the one side is the establishment discourse emphasizing the positive aspects of what is happening, looking to an accessible future of social integration and equity if correct economic policies are followed, if scientific and technological innovations are freed to recognize their full potential, if barriers to trade and investment flows are done away with, if population growth slows down, and if popular majorities come to understand and accept these requisites. At one time this line of discourse favoured State-managed development planning and investment (in capitalist and socialist variants), then exclusive reliance on free markets, and now seems to be turning back to endorsement of State social interventions to correct deficiencies of the market.⁵

The other line of discourse, also with many variants, sees mainly mounting human suffering, alienation and future catastrophe in the trends and policies that the establishment discourse labels "development". Some participants continue to put forward proposals for "another development" on a national or global scale, but have poorer prospects than a few years ago of influencing the centres of power or enlightening and mobilizing the excluded. To a large extent, hopes for plannable transformation have become muted in the face of apparent triumph of a style of development judged humanly disastrous. The following prognosis for Mexico may serve as an example of this frustration: "... perhaps from the new 'common sense' of a freshly constituted democratic political culture new alternatives for egalitarian economic development, as yet impossible to imagine, will also emerge. If we observe in the foreground only the overwhelming power and wealth of the core and the cold logic of capital accumulation in the abstract, the future of Mexico seems dark indeed" [McCaughan, 1993]. The globalization of the processes that generate exclusion and shape the struggles for inclusion have practically ruled out past hopes that some national societies, through "de-linking" from the world system, might find original paths reconciling social integration with sustainable development. It is now evident that past advocacy of such national experiments generally exaggerated achievements and ignored weaknesses that eventually brought them to an end. The few national efforts at de-linking are caught in traps of siege mentality and dogmatism, incurring human costs at least as high as the exclusions and exploitations occurring elsewhere.

Other versions of rejection of globalized capitalist development pin their hopes on the localized and partial de-linkings that persist and re-

⁵ The annual *World Development Report* issued by the World Bank constitute the most systematic efforts to elaborate this discourse and at the same time grapple with the real contradictions and inequities associated with "development".

emerge as group survival strategies in many settings.⁶ It hardly seems likely, however, that such strategies will become either accessible or acceptable to most of the excluded, who are by now cut off from the cultural roots and values from which cooperative self-limiting life styles would have to grow, or who are striving against all odds for access to modern consumption norms and a political voice. The universalized vision of human nature about to free itself from the aggressions and delusions of "development" is no more convincing as a mobilizing myth than the economic developers' vision of individualistic economic man triumphing over the barriers of tradition.

Can approaches be proposed, at least in very general terms, that recognize the constraints on societal intervention in the paradoxical and poorly understood transformations now under way, that eschew prescriptions wanted neither by the dominant forces nor by most of the excluded, but that point in the direction of social integration? If plausible approaches are at hand, what agents are likely to act on them? Can the dialectical clash of crusaders for development and crusaders for anti-development lead to a synthesis rather than a permanent dialogue of the deaf? The author of a paper such as the present has a certain obligation to end with positive proposals. The following are thrown out in full awareness that they go only a little way toward resolution of the contradictions and that they evade the question left unanswered by innumerable generalized policy proposals: Who listens?

First, a rethinking is overdue of the functions of employment to correspond to the real de-linking between productive capacity and human efforts in some areas, the rising demand for highly skilled and continually evolving technological specializations in others, the proliferation of low-pay and generally low-productivity jobs in still others, and the growth of population residues either excluded altogether from employment or restricted to activities clashing with their cultural and income expectations. In view of the increasing heterogeneity of employment situations, the divorce between work effort and productivity, and the contradictions between what is done for the sake of income and for the sake of individual, family and community needs, the policy goal of "full employment" might well give way to a conception of "meaningful activity for all".

The main functions of employment up to the present can be summed up as follows:

⁶ For provocative denunciations of development mythology combined with hopes of this kind, see the contributions to Sachs [1992].

- (a) to produce goods and services and perform the social roles valued by the society;
- (b) to give individuals and families access to income enabling them to satisfy their needs and wants;
- (c) to enable people to enter into relationships with the social order, interpret personal interests in its maintenance or transformation, associate themselves with a class or interest group, and acquire organizational ties;
- (d) to enable the individual to meet psychological needs for meaningful activity, self-realization, creativity, and status as family breadwinner.

It hardly needs saying that the ways of livelihood of most people throughout history have combined these functions erratically and contradictorily. In principle, the technological and informational revolutions should mean almost unlimited possibilities for redistributing the ways in which human beings spend their time and for diversifying their choices. In some respects this is happening, in the midst of exclusion, forced improvisation, and choices that the observer might well find deplorable. The gradual shortening of labour time, diversification of work environments, and diversification of leisure activities that seemed socially positive trends a few years ago have been pushed aside as policy goals by globalized economic competition and the widening gap between consumerist aspirations and capabilities. Renewed efforts in these directions seem feasible as well as highly desirable. It might be naïve to expect that such changes will ever lead to ideally harmonious social orders, but if advances can come in regard to other requisites for social integration to be discussed below, the objective of meaningful activity for all might come closer to realization.

Second, the rethinking that is now under way concerning the division of responsibilities between the world system, nation States, local administrations and organizations of the civil society should combine an awareness of the indeterminacy of the future and the imperfections of all human institutions with a striving to strengthen the possibilities for rational political choices and a renewed challenge to the economicist insistence on One Right Way to Develop. This effort must involve many levels of human interaction and participation, but it is more hopeful to seek social integration through changes in the world system than through attempts to withdraw from it, whether at the level of the nation State or the level of the local community.

At the same time, a reaffirmation of the planning and redistributive responsibilities of the State is needed that takes into account the lessons of

past policy over-reaching while also confronting the excluding and concentrating traits of the dominant style of "development". Economic and ideological changes throughout the world have left States with fewer carrots and flimsier sticks. State social programmes and regulations, in poor countries as well as rich, have lost a good deal of their legitimacy in the eyes of the public for their inefficiencies, inequities, corruption and bureaucratic paternalism, but their curtailment has contributed to the exclusion of large groups that were beginning to obtain from them some degree of protection and help toward social integration. In many respects, centralized State programmes can be replaced with advantage by decentralized initiatives of municipal authorities and voluntary organizations but this is no more a panacea than past illusions of the welfare state planning to meet all human needs. The poorest localities have least capacity for such initiatives and the most excluded groups have least capacity for representing their interests in municipal administrations or for participating in organizations. The geographical mobility of most peoples today makes ties of local solidarity precarious. The voluntary organizations that try to redress the balance, while they have proliferated and evolved remarkably in recent years, are active in only a small fraction of the localities now forced to meet their own needs as best they can. Any system of decentralization, if it is to contribute to social integration rather than abandonment of the weak, leaves the State with at least two irreplaceable functions: first, it must try to compensate, at least in part, for the enormous differences in the resources that local groups and communities can mobilize for social purposes. Second, it must set and enforce rules of the game for local authorities and voluntary organizations with social purposes, in spite of the obvious dangers inseparable from such a function. Commonly, one of the most serious reasons for the erosion of State legitimacy has been the gap between the overt purposes of State action and the behaviour of its functionaries, generally in alliance with local power holders. In many settings, decentralization might simply shift arbitrary power from State functionaries to self-serving local cliques. Obviously, the State cannot prevent this by regulations and bureaucratic oversight alone, but a combination of realistic regulations, a government genuinely concerned to apply them, and organized popular participation expressing grievances and making demands can constitute a permanently tense but essential condition for progress toward social integration.

The international agencies that have been the main proponent of structural adjustment policies have, as the consequences of State withdrawal of services and subsidies in the midst of economic crises became notorious, turned to recommendations and financial support for

renovated State social action. They have urged that the State concentrate what resources it can afford to allocate to social purposes on the poorest population groups rather than continuing to aim at universalization of services. Up to a point, such "targeting" policies might constitute legitimate reversals of "restricted equity" in previous distribution. However, the approach also has negative implications for social integration. The "hitherto included", themselves undergoing traumatic adjustments, would naturally resent and resist the shift. The political viability of targeting would thus be small, unless governments were prepared to mobilize the hitherto excluded, or some of them, to offset the better organized defenders of restricted equity. Another proposal modifying the original insistence on targeting envisages mutually beneficial coalitions between "the poor and certain non-poor groups that have an interest in reform", but such coalitions might lead back to the kinds of clientelistic and populist policies that structural adjustment was intended to bring to an end.⁷ In any case, a number of governments (Brazil, Mexico and Peru, for example) have embarked on sizeable programmes targeting the most impoverished groups and designed to compensate for the impact of structural adjustment. The management of such programmes is bound to influence the political dimension of coming struggles over exclusion and integration.

Third, one must grapple with the production and consumption incentives that have dynamized "development" and the contradictions between popular consciousness and the intellectual criticisms of their future viability. This is one of the hardest topics to confront realistically and with full appreciation of the momentum of the processes that are under way. The "right to development", in the sense of the right of all societies to achieve the levels of production and consumption of the present high-income societies, and the right of the peoples of these latter societies to achieve higher levels with each generation, are mirages, with consequences inherently excluding as well as environmentally unsustainable. At the same time, there is no prospect of voluntary acceptance of austere egalitarianism and, since China's recent real cultural revolution, no plausible idea as to how a society giving priority to this could function. Consumerism has been paradoxically liberating and integrating as well as excluding and alienating. There may be no accessible alternative to a flight

⁷ "Policies that help the poor but impose costs on the non-poor will encounter resistance whether or not they increase national income... Giving the poor a greater say in local and national decision-making would help to restore the balance. But since political power tends to reflect economic power, it is important to design poverty-reducing policies that will be supported, or at least not actively resisted, by the non-poor" [World Bank, 1990].

forward through permanent revolutions in technology, information, and social relationships to consumer societies that generate equivalent satisfactions without unsustainable demands on resources and with an ebbing of competition for conspicuous consumption. Any number of published utopias and dystopias point the way.

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