

# TiPSE

## The **T**erritorial **D**imension of **P**overty and **S**ocial **E**xclusion in Europe

Applied Research 2013/1/24

Draft Final Report

Working Paper 4

Comparative Analysis Case Studies

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This report presents a more detailed overview of the analytical approach to be applied by the project. This Applied Research Project is conducted within the framework of the ESPON 2013 Programme, partly financed by the European Regional Development Fund.

The partnership behind the ESPON Programme consists of the EU Commission and the Member States of the EU27, plus Iceland, Liechtenstein, Norway and Switzerland. Each partner is represented in the ESPON Monitoring Committee.

This report does not necessarily reflect the opinion of the members of the Monitoring Committee.

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## The ESPON TiPSE Project:

The TiPSE project has been commissioned by the European Observation Network for Territorial Development and Cohesion (ESPON) programme. It is concerned with the issue of poverty, and processes of social exclusion in Europe.

One of the key challenges for the EU, in its pursuit of social, economic and territorial cohesion, is to address regional or local concentrations of poverty and social exclusion. In terms of practical governance, this remains a national responsibility within the context of EU strategic guidance. In practice, regional or local administrations are often in 'the front line'; implementing national policies to ameliorate deprivation and exclusion. At a higher level, the EU defines its role as identifying best practices and promoting mutual learning.

Poverty and social exclusion are essentially relative concepts, arguably only meaningful within a specified geographical context. This underlines the essential roles to be played by observation, measurement, and careful data analysis, as preparations for intervention. The TiPSE project aims to support policy, both by enhancing the evidence base and by identifying existing good practice.

A central objective of the TiPSE project is to establish macro and micro-scale patterns of poverty and social exclusion across the ESPON space. This will be achieved by compiling a regional database, and associated maps, of poverty and social exclusion indicators. Such quantitative analysis of geographical patterns is considered a fundamental part of the evidence base for policy.

In addition, in order to better understand the various social and institutional processes which are the context of these patterns, a set of ten case studies are to be carried out. These will be more qualitative in approach, in order to convey holistic portraits of different kinds of poverty and social exclusion as experienced in a wide variety of European territorial contexts. The principal goal for these investigations will be to bring forward clear illustrations of the social, economic, institutional and spatial processes which lead to poverty and social exclusion in particular geographic contexts.

The selection of case study areas has been carried out with careful regard to the wide variety of geographic, cultural and policy contexts which characterise Europe. The ten case studies are also intended to highlight a range of different 'drivers' of poverty and social exclusion, including labour market conditions, educational disadvantage, ethnicity, poor access to services and urban segregation processes. A second objective of the case studies will be to identify policy approaches which can effectively tackle exclusion, and thus strengthen territorial cohesion.

The TiPSE research team comprises 6 partners from 5 EU Member States:

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## LIST OF ABBREVIATIONS

EC	–	European Commission
ECB	–	European Central Bank
IMF	–	International Monetary Fund
MS	–	Member State
NMS	–	New Member States
NSI	–	National Statistical Institute
OMC	–	Open Method of Coordination
TPG	–	Transnational Project Group
WB	–	World Bank

## Standard Abbreviations for Country Names

AL	Albania	MO	Montenegro
AT	Austria	MT	Malta
BE	Belgium	NO	Norway
BG	Bulgaria	NL	Netherlands
CH	Switzerland	PL	Poland
CR	Croatia	PT	Portugal
CY	Cyprus	RO	Romania
CZ	Czech Republic	SB	Serbia
DE	Germany	SE	Sweden
DK	Denmark	SI	Slovenia
EE	Estonia	SK	Slovakia
ES	Spain	TR	Turkey
FI	Finland	UK	United Kingdom
FR	France		
FY	FYROM		
EL	Greece		
HU	Hungary		
IE	Ireland		
IS	Iceland		
IT	Italy		
KO	Kosovo		
LI	Liechtenstein		
LT	Lithuania		
LU	Luxemburg		
LV	Latvia		

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## Executive Summary

Ten case studies were carried out in the frame of the project. They were selected to cover different European macro regions, territorial and socio-economic typologies, and welfare regimes. In the following, we summarise main conclusions out of a cross-comparative perspective, with a main focus on the role of space, scale issues and policy conclusions.

### Space

Space plays a role in reproducing and intensifying individual experiences of social exclusion or poverty. Spatial closeness and meaningful networks and encounters in lived space may also, however, help to overcome individual situations of stress.

#### *Space as a driver of social exclusion*

The role of space as a driver of social exclusion is clearer for the rural than the urban context. Living in a remote, difficult to access or sparsely populated area are factors which can aggravate individual situations of social exclusion. Though individual challenges related to being poor or being exposed to social exclusion may be similar in rural as compared to urban areas, the territorial dimension should not be underestimated. In that sense, socially excluded population in border regions like Nógrád, or islands like the Western Isles, additionally suffer from problems related to remoteness or difficult accessibility. Limited access to the labour market or education, and lacking or inadequate quality of public services are key issues exacerbating individual challenges linked to social exclusion and poverty in rural and remote areas. The poor or lacking access to services and infrastructure, in combination with often poor or expensive public transport, is one of the main characteristics of social exclusion in the rural areas. Widespread austerity policy, and the thinning out and centralization of public services due to budget cuts, additionally have negative repercussions. Mobility and energy issues play an essential role, visible above all in the case of the Western Isles, where public transport is scarce, the prices for most goods shipped to the isles are more expensive, and fuel prices are elevated, so that covering the costs of heating is a problem in poor households.

In the urban context, the role of space and its influence on individual situations of exclusion or poverty is less obvious and direct. There is evidence from Dortmund and Izmir on the relationship between a polarized urban structure in socio-economic terms, and the respective patterns of educational achievements of students. The cases of Athens and Botkyrka, however, also point to the fact that living in segregated areas not necessarily goes along with a higher exposure to poverty or social exclusion. Thus, patterns and processes of poverty and social exclusion are often place-specific and have to be analyzed against the backdrop of their specific local context. The impact of segregation on poverty and social exclusion is stronger, however, if segregation goes along with stigmatization of specific localities (for instance, due to the low quality of housing estates), or the insufficient quality of infrastructure

and services in the area. Where a person lives, in these cases, has an additional effect on the risk of poverty or social exclusion.

The concentration of poor households in specific neighbourhoods, blocks or streets may increase the risk of social exclusion over and above individual characteristics. Reports from the case studies show that neighbourhood effects may work on a symbolic level, i.e. in terms of stigmatisation of an area and its inhabitants (see Porto), it may also work on a social level, if and when the level of segregation is hindering contacts between households of higher and lower status or ethnic minority groups and the mainstream society (see Botkyrka). These neighbourhood effects, working on a social, institutional or symbolic level, however are not confined to urban areas, as the example of Nógrád and Banskobystrický kraj, show.

### *Space as a factor alleviating situations of poverty and social exclusion*

There is evidence in the case study reports for spatiality having a contrary role and influence, too: Spatial co-existence and locally embedded networks can help to overcome situations of poverty and social exclusion, as well. Social relations to family or a wider social network may help individuals to overcome situations of stress in daily life. The importance of family support, and the relevance of a wider social network is very clear in the rural areas (Liekša, Albacete, Western Isles) across different welfare regimes. However, it also becomes clear, that these resources, available via social support networks, are being put under great strain – due to necessities for individual mobility, out-migration, and austerity policies which reduce household incomes and thus threaten the families' capability to provide financial support for needy family members. Also, case studies point to potential negative effects of local social networks, such as social control or judgmental attitudes, which might arise from being integrated into small local communities.

For the urban areas, studies likewise point to the relevance of social networks and support in urban neighbourhoods (see Porto). Especially for (newly arriving) migrants, ethnic networks, ties and resources are relevant for facing and overcoming situations of social exclusion and poverty (see Botkyrka and Athens). However, these networks are not exclusively restricted to the neighbourhood level, as the example of Porto shows, where ethnic networks play an important role in combating poverty and unemployment although immigrants are located in different neighbourhoods across the city.

### *Space and Immobility*

Children and elderly, but also disabled and ill persons, are specifically dependent upon availability and quality of services and access to infrastructure in their immediate living environment. While it is the younger and more qualified groups which may look for and take up opportunities elsewhere, those staying behind, be it for family ties or property or lack of resources, become most vulnerable to structural change in the local environment. Geographical immobility, as in the case of Liekša or Western Isles, also limits job search and job opportunities. Immigrants as well, due to different constraints, may become confined to specific localities, be it due to affordable public transport, lack of affordable housing elsewhere, stigmatization, legal issues or cultur-

al factors. However, access to high-quality infrastructure is not only shaped by geographical distance; socio-economic, familial and institutional disadvantages play a role as well, and may shape expectations, perceptions and aspirations. Geographical distance is thus only one factor influencing access to opportunity structures.

On the long run, it is often the most vulnerable population groups who become trapped in a vicious cycle of immobility, exclusion and poverty. It is specifically critical when, within this cycle of immobility and poverty, disadvantage is transmitted from one generation to the next. The cases of Nógrád and Banskobystrický kraj show, how the rise of early motherhood among the Roma population adds to the cycle of inter-generational transmission of poverty and exclusion. Prejudice and stigmatization increases the risk of poverty and contributes to a downward spiral. Sectoral policies, such as increasing education opportunities, or work programmes, are not sufficient to overcome multiple disadvantages in these places. Rather, there is a need for holistic and place-specific policies for promoting social mobility of children and young people.

## **Scale**

Scale plays an important role in making trends and patterns of social exclusion visible for policy makers, and at the same time, questions of scale are important for finding the adequate level for policy interventions.

### *Implications of scale for recognizing patterns*

The degree to which patterns of social exclusion become visible depends on scale: Levels and patterns of social exclusion or poverty may vary quite dramatically depending on the scale at which they are observed. Pockets of concentrated disadvantage at block or street level disappear with sampling data on city-wide level. On the other hand, a close spot on local communities may fail to identify the wider, more dispersed patterns of social exclusion in a rural or urban context. There is no single best level of scale at which social exclusion and poverty processes are observed, but multi-scale monitoring, from the European level to the local level, within a harmonized set of framework concepts, domains, indicators and data sets, is necessary.

### *Social exclusion and poverty as relative phenomena*

Whether an individual feels socially excluded or not, when unemployed, depends on individual characteristics, but also the characteristics of the wider environment. Where cyclical unemployment is historically rooted and always has been a characteristics of the local labour market, as in Lieksa, or, where unemployment or precariousness of employment is the feeling of a whole generation, as in Porto, being unemployed may be perceived as a less stigmatizing experience as in other local societies. This is not to say, that combating unemployment should raise less worries for policy makers under these circumstances. To the contrary, wide-spread feelings of disillusion and resignation, or growing distance to the labour market call for ambitious policies.

On a spatial scale, there needs to be political attention in how far an increased attractiveness of specific (metropolitan) regions affects the relational position of other (pe-

ripheral) regions. There needs to be increased attention towards poverty and social exclusion processes in rural, peripheral areas over time, where there is a process of slow deterioration, characterized by a gradual cutback of services and infrastructure. Likewise the intra-EU migration patterns call for further observation. Here again, it is a specific pattern of centrality and peripherality, caused by disparities in the relative attractiveness of regions in economic and labour-market terms, which prompts migratory movements across Europe, with consequences and impacts for the receiving as well as the sending localities.

### *Understanding the patterns of social exclusion*

The driving forces for social exclusion and poverty processes act at different levels and scales, crossing administrative borders. For identifying the main drivers and, at the same time, the mechanisms for counteracting policies and measures, it is essential to understand how drivers and processes are interacting at different scales, from the European to the very local level. Though social exclusion and poverty tend to become visible on local and often very small-scale level, it is obvious from the case studies that the main factors which are underlying experiences of social exclusion and poverty are often outside the local sphere of influence. Factors and structures influencing inclusion and opportunity structures at individual household level, such as access to labour market or social protection schemes, are likewise related to different and often supra-local scales.

There are welfare regime-specific, as well as nationally specific main actors, key policy ideas and policies behind patterns and processes of social exclusion. For instance, stigmatized housing areas are the result of private market processes in the case of Athens, while in Stockholm policy interventions played a major role. The mix of prevention, support and activation in the set-up of national social policy also is different across European welfare regimes and influences patterns of concentration or diffusion, affected population groups and level and scale of social exclusion. Despite these differences, there is also a range of European-wide trends, such as the above mentioned processes of centrality and peripherality, widespread austerity programmes and public sector cuts, and the impacts of the fiscal and economic crisis, which have had a particular impact over and above nationally and regionally specific trends and patterns of social exclusion and poverty.

## **Policy implications**

### *The need for place-specific and coherent policies*

There is a need for place-based poverty and social exclusion policies, i.e. for taking account of the different territorial, socio-economic and institutional context and different path of localities. The Open Method of Co-ordination and horizontal social programmes are important for the integration of different national policy programmes and priorities. Due to the quite different policy backgrounds and specific institutional environments across the member states, there is likewise a need to support place-specific policies and the regional or local set-up of policies for combating social ex-

clusion and poverty across Europe, which might be promoted best by the European Structural Funds.

Poverty and social exclusion comes in many different forms, dependent on different local contexts, and therefore requires local, tailored responses. Intervention into poverty and social exclusion processes and their specific spatial patterns calls for a coherent approach. Coherence in policy response is best achieved by bringing together the relevant actors, stakeholders and institutions. Different actors and institutions have different knowledge, experience and insights, which needs to be drawn upon for developing a full understanding of problems and potentials, and defining the policy approach.

Devolution of power and resources from higher policy levels to the local level needs to go hand in hand with an inclusive approach at local level, i.e., integrating the views and perspectives of the affected population groups, into the policy process. This is still no wide-spread practice, as the case studies show. Government and the public sector only are not able to solve societal problems, but need to forge new social relationships and collaborations. Multi-level co-ordination and co-operation networks and relationships help to devise effective policy approaches: A coherence framing and conception of social exclusion processes at higher policy levels allows for a more coherent approach at the lower, local policy making levels. At the same time, evaluations of area-based approaches and inclusive local programmes might offer valuable insights on how to improve the effectiveness of policies at higher levels.

### *Monitoring*

Regional or city-wide data may mask considerable inner-regional or inner-city disparities. Given the small-scale nature of processes at work, the available statistics fail to provide policy makers with a clear picture of social exclusion and poverty processes. Changing scale to a less aggregated level is obviously challenging, but a necessary step in order to identify small-scale pockets of disadvantage. Data sets need to be sampled and interpreted at local level. In order to allow for comparisons and learning across populations, geographic areas and institutional settings, these data sets would need to be harmonized across the European territory, within a common frame for sampling and analysis.



# 1 Conceptual framework

All in all ten case studies have been carried out in the frame of the project. All reports are annexed to the draft final report and they provide an in-depth picture of the range of poverty and social exclusion processes in different territorial contexts. The aim of this report is to take a cross-comparative view and – on the basis of the individual reports – to illustrate and explore commonalities and specificities across the different territorial contexts and understand the factors influencing patterns and processes of social exclusion and poverty at micro-scale level, including drivers for change.

## 1.1 The case studies in the context of social exclusion and poverty processes and policies in Europe

With the Europe 2020 strategy (EC, 2010a), a number of policy initiatives in the fields of poverty reduction, social inclusion, education and employment have been adopted on the European and the Member States' national level. The most important headline target has been the one of lifting at least 20 million people out of poverty and social exclusion until 2020. Further targets refer e.g. to the employment situation in Europe as well as to educational attainment within the Member States.<sup>1</sup>

Monitoring reports on the Europe 2020 strategy suggest, however, that it is hard to achieve these targets. Although there have been improvements regarding the educational indicators, it becomes evident that there are still considerable regional differences within Europe; and targets in this field remain a great challenge (Committee of the Regions, 2012, 13). In contrast to the political target of increasing European employment rates, the number of the 20-64 year-old working population decreased between 2008 and 2012 by 4.3 million people (Eurostat table [lfsq\_egan]) – especially in those countries most severely affected by the current crisis and particularly for low-qualified and younger people. Consequently, the European employment rate declined from 70.3% (2008) to 68.4% (2012) and the distance of many regions in Europe from the 75% Europe 2020 target has increased (Eurostat table [tsdec420]).

Data shows, that the consequences of the fiscal and economic crisis are felt across the EU. Even for the most important headline target – the number of people at risk of poverty and social exclusion – the prospects are bleak. The total number of affected people has increased between 2008 and 2011 from 115.7 million to 119.7 million (Eurostat table [t2020\_50]). The figures also reveal that disparities between Member States and within Member States have increased.

However, the fiscal and economic crisis cannot explain fully why the European Union will probably fall short of this headline target. It is widely acknowledged that Europe

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<sup>1</sup> Employment: 75% of the 20-64 year-olds shall be employed until 2020; Education: School drop-out rates shall be reduced below 10% & at least 40% of the 30-34 year-olds shall have completed tertiary education.

2020 has raised awareness for active employment and social inclusion policies (Committee of the Regions, 2012, 2). The Open Method of Coordination for reaching the Europe 2020 goals thus provides a valuable framework for cooperation. However, multi-level cooperation and coordination between different policy instruments still needs to progress. At the same time, in areas such as employment or social inclusion, it appears that Member States would need to set more ambitious goals. Also, nationally defined measures often do not have the form of directives, regulations or decisions (EC, 2013d).

Against the backdrop of growing problem pressure, the need for proactive policies on all levels of governance, and a multi-level long-term approach at all tiers of government to prevent poverty and promote social inclusion is obvious. There are high regional differences in Europe as regards the dynamics of poverty, hit population groups, and the scope and scale of policy impacts on the situation of affected population. Thus, also drivers for change and most effective policy mechanisms will vary across states, regions and cities.

What is the role of case studies then? We cannot claim that they are representative - in a stricter methodological sense - for the wide variety and diversity of situations and policy priorities and strategies across the EU. We have selected our case studies however to cover a wide range of different territorial, socio-economic and institutional environments. Thus, they have been chosen to allow for insights into both, urban and rural dynamics, which, despite quite a body of academic research, has not been studied prominently so far. They also focus on challenges and situations that widely have been acknowledged for their close relation with poverty and social exclusion: long-term unemployment & lacking access to the labour market, school segregation & insufficient access to quality schools, insufficient access to adequate housing and safe environment for immigrants, belonging to a stigmatised ethnic minority, or living in a remote, peripheral area. The thematic focus of the case studies also relates well to the domains of social exclusion identified within WP 2.1, which also define the indicators for the social exclusion mapping (WP 2.6): (1) Earning a living; (2) Access to basic services; (3) Social environment and (4) Political participation.

## **1.2 Case studies and their role in the overall project: a brief overview**

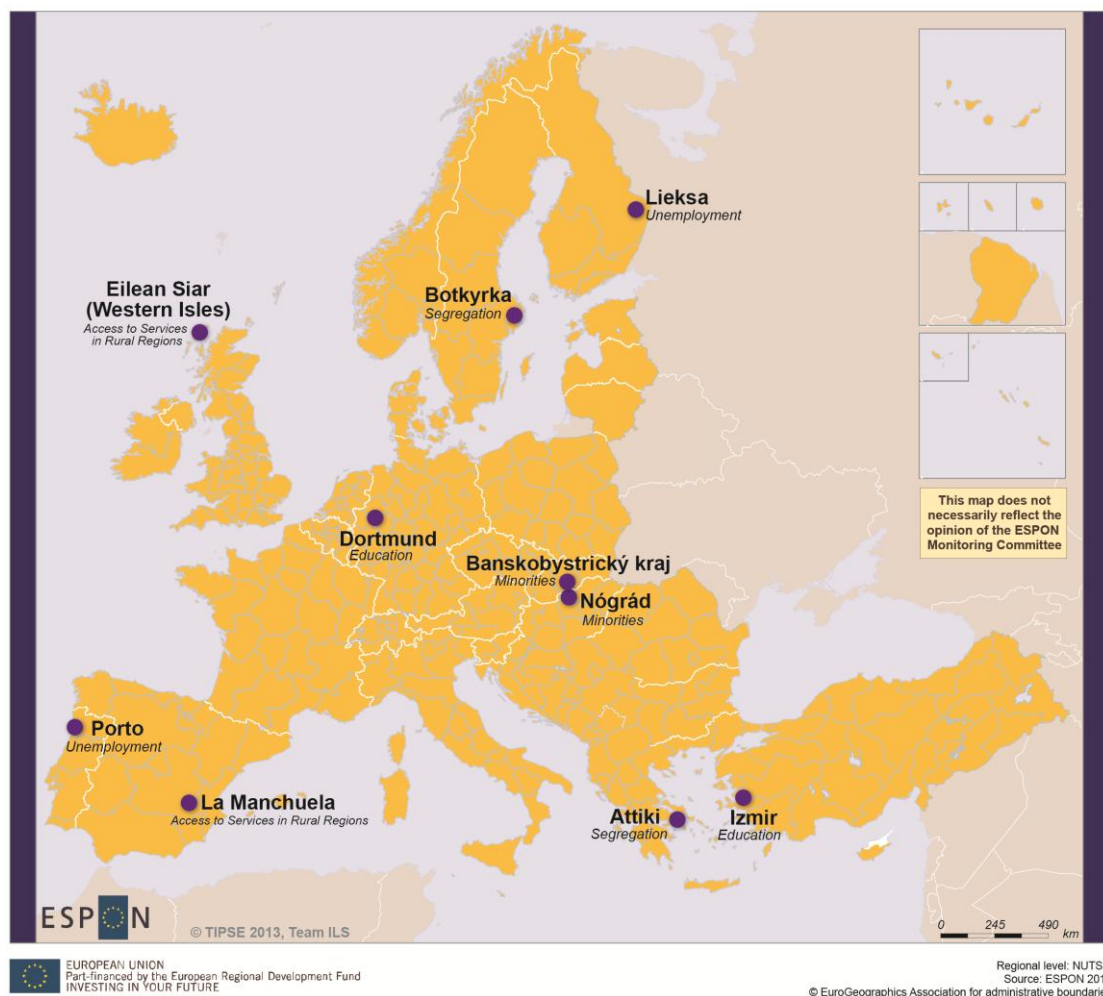
The aim of the case studies is to support European-wide data analysis and explore, with a more qualitative focus, in-depth and at micro-scale level, the multiple factors underlying processes of poverty and social exclusion. At the same time, the case studies are oriented towards the identified domains of social exclusion trying to cover a variety of different dimensions. Evidence of patterns and processes of poverty and social exclusion most often was gathered at a scale of NUTS3 or below.

The following table presents the choice of case studies and their coverage of different macro-regions, territorial typologies, and socio-economic dynamics (see also table as presented in the TIPSE Inception Report).



**Table 1: Overview of the ten case studies**

<b>Nuts 3 Code</b>	<b>Case Studies</b>	<ul style="list-style-type: none"> <li>▪ <b>European Macro Region</b></li> <li>▪ <b>Territorial characteristics according to ESPON typologies</b></li> <li>▪ <b>Welfare Regimes</b></li> </ul>
<b>DEA52</b>	Dortmund, Germany	<ul style="list-style-type: none"> <li>▪ Atlantic/Central Region</li> <li>▪ predominantly urban, in industrial transition</li> <li>▪ Corporatist-Statist</li> </ul>
<b>EL 300</b>	Attiki, Greece	<ul style="list-style-type: none"> <li>▪ Mediterranean/Southern countries</li> <li>▪ predominantly urban</li> <li>▪ Familialistic</li> </ul>
<b>ES 421</b>	La Manchuela, Albacete, Spain	<ul style="list-style-type: none"> <li>▪ Mediterranean/Southern countries</li> <li>▪ predominantly rural, remote area</li> <li>▪ Familialistic</li> </ul>
<b>FI133/ FI1D3</b>	Liekksa, Pohjois-Karjala, Finland	<ul style="list-style-type: none"> <li>▪ Nordic/Baltic Region</li> <li>▪ predominantly rural, remote area</li> <li>▪ Universalistic</li> </ul>
<b>HU313</b>	Nógrád, Hungary	<ul style="list-style-type: none"> <li>▪ East Europe/New Member States</li> <li>▪ predominantly rural, remote area, in industrial transition</li> <li>▪ Post-Socialist/Transitory</li> </ul>
<b>PT114</b>	Porto, Portugal	<ul style="list-style-type: none"> <li>▪ Mediterranean/Southern countries</li> <li>▪ predominantly urban, in industrial transition</li> <li>▪ Familialistic</li> </ul>
<b>SE110</b>	Botkyrka, Stockholms län, Sweden	<ul style="list-style-type: none"> <li>▪ Nordic/Baltic Region</li> <li>▪ predominantly urban</li> <li>▪ Universalistic</li> </ul>
<b>SK032</b>	Banskobystrický kraj, Slovakia	<ul style="list-style-type: none"> <li>▪ East Europe/New Member States</li> <li>▪ predominantly rural, mountainous region, in industrial transition</li> <li>▪ Post-Socialist/Transitory</li> </ul>
<b>TR310</b>	Izmir, Turkey	<ul style="list-style-type: none"> <li>▪ Mediterranean/Southern countries</li> <li>▪ predominantly urban</li> <li>▪ Familialistic</li> </ul>
<b>UKM64</b>	Eilean Siar, Western Isles, UK	<ul style="list-style-type: none"> <li>▪ Atlantic/Central Region</li> <li>▪ predominantly rural, island region, remote area</li> <li>▪ Liberal</li> </ul>



**Figure 1: The ten case studies selected for analysis and their thematic focus**

The case studies focus on five different thematic challenges.

- **Ethnicity-related social exclusion**, with a focus on social exclusion and social integration of Roma population, studied in the Hungarian and Slovakian case study, in a predominantly rural context
- Age-related exclusion, both youth and elderly and **access to services of general interest in sparsely populated areas**, studied in the Western Isles, UK, and La Manchuela/Albacete, Spain
- **Urban Education**, with a focus on educational success, school performance and segregation patterns, studied in Dortmund, Germany and Izmir, Turkey
- Patterns and processes of **ethnic and social segregation in metropolitan regions**, studied in the metropolitan regions of Athens and Stockholm
- **Unemployment**, studied with a focus on long-term unemployment in the rural context of the Finnish case and a focus on youth unemployment in the city of Porto, Portugal

Case study reports followed common methodological guidelines (see Annex 2/ Working Paper 2 of the TiPSE Interim Report). The case studies also served to involve stakeholders of urban, rural, regional and national policy communities into the project.

Concluding, the strategic choice of case studies allowed for a balanced sample as regards different macro-regions and ESPON territorial typologies, as well as different socio-economic dynamics and institutional contexts (democratic and legal system, configuration of labour market, welfare state characteristics, family and community system characteristics). Five out of ten case studies focus on poverty and exclusion in rural areas, and five in an urban context. Furthermore, the thematic challenges which are analysed in-depth in the case studies, relate well to EU 2020 targets in the fields of social inclusion, education and employment.

### **1.3 Research questions for cross-comparative analysis**

Analysis in this paper focuses on the following three research and policy questions across the ten case studies (see also page 42f in the TiPSE Interim Report):

(R1) What are main trends across the case studies?

- What are general trends?
- What are case-specific or territorial-specific trends?

While we see specific and particular trends and patterns in the urban as opposed to the rural case studies, there are nevertheless a range of common challenges. For example, patterns and trends of school segregation are alarming in both contexts, given the relevance of good quality education for labour market insertion and quality of life. At the same time, policy makers face common problems due to migration patterns across the European territory: Persisting or widening socio-economic disparities between European regions may either prompt out-migration or induce in-migration. Common trends as well as territorial-specific trends are analysed in chapter 3 of this report.

(R2) Is it possible to identify main factors and drivers behind social exclusion and poverty processes throughout the European territory?

- Which are main factors behind these processes across the case studies?
- What are case-specific, regime-specific or territorial-specific trends and challenges?

The factors and drivers behind the processes are generalizable to a certain extent and rooted in wider processes that affect localities across the European territory. These include the globalization of economic processes, global migration processes, as well as economic restructuring processes towards a knowledge society. However, there also are relevant differences in the way these wider processes impact on different localities, and the way policies alleviate the negative effects of these processes on individuals and places. Relevant factors and drivers are identified in chapter 4 of this report.

(P1) How and to what extent do the various policies at different levels help to overcome social exclusion and poverty?

- Which policy responses seem to be effective? Are there any elements of good practice?

- What approach is suitable and appropriate for measuring poverty and social exclusion processes?

Policy makers on all levels of governance, from the European to the local level, have an important role in fighting poverty and social exclusion. Horizontal and vertical integration of policies, joint working of actors bringing in resources from different sectors, and sustained and long-term efforts are a key factor for success, across local situations and institutional environments. Policy learning across regions and localities needs to be intensified. We also see the use of contextualised local indicators as a valuable mechanism for monitoring and policy learning. However, there is also a need for standardised data available on micro-scale level, across the European territory. The way these two monitoring systems are connected and linked with each other, is to be explored further. These issues are further explored in chapter 5 on the role of policy and chapter 6 on indicators and mapping.

Before presenting the findings on these research and policy questions, chapter 2 aims to present characteristics of the case studies individually, and out of a comparative view on their socio-economic characteristics and positioning.

## 2 The case studies

The following section 2.1 provides short profiles of all ten case studies. Five of them, forming the first set of case studies analysed in 2012, were presented in the Interim Report already. For getting a complete picture of the whole set, their description has been copied to this report, supplemented by a short profile of the five case studies analysed in 2013. Case studies are grouped in pairs, according to the five thematic challenges. For each of the themes, there is a short introduction on its relevance in the European context, and a section with tentative conclusions out of comparative analysis of the cases.

Section 2.2 compares, on the basis of Eurostat regional data, the characteristics and the positioning of all ten case studies in terms of labour market and demographic characteristics; their social exclusion and poverty characteristics; and their wider institutional and policy context.

### 2.1 Profile of the ten case studies

#### 2.1.1 Ethnicity related social exclusion

The Roma population, with an estimated population of 10 to 12 million in Europe (of which 6 million live in the EU, according to EC, 2013a website) represents the largest ethnic minority group in Europe, experiencing severe forms of deprivation and marginalisation. Statistical data on educational achievement, employment, health and housing segregation reflects the extremely poor socio-economic situation of Roma (FRA & UNDP, 2012). On average, about 90% of Roma population are estimated to live in households with an equalised income below national poverty lines (ibid., p. 14). More than in other socially excluded groups, social exclusion of Roma population is linked to discrimination and racism. Within EU framework strategies, national Roma integration strategies are committed to improve the situation of Roma (EC, 2013b). Segregation along ethnic lines and the extreme poverty of Roma in rural areas are major problems in post-socialist countries such as Bulgaria, Romania, Slovakia and Hungary, and to a lesser extent in the Czech Republic. The case studies focus on the Roma population, and the patterns of segregation in two fields: housing and education. Both case studies are located in rural regions, one in Northern Hungary, and the other one in the Southern NUTS3 region of Central Slovakia.

**Nógrád (Hungary, HU313):** Nógrád is situated in the northern part of Hungary next to the Slovakian border, in a moderately mountainous and remote region. Despite its relative closeness to Budapest metropolitan region, the area is peripherally located due to its unfavourable accessibility and border location. Traditionally, the region has never been a prosperous one, and the last two decades have seen the collapse of the formally determining economic branches. Outmigration of young age groups and a generally low economic activity rate poses severe threats to the economic development potential of the region. In this context, the Roma population experiences se-

vere forms of deprivation and marginalisation. The focus of the case study is on residential and school segregation and its impact on the reproduction of poverty in the LAU1 unit of Pásztó, more precisely, in its centre, the rural town of Pásztó, one of its neighbouring villages (Mátraszőlős), three villages 25-30 km far from the town centre, where residential segregation has been taking place (Szirák, Erdőtarcsa, Kálló), and in Erdőkürt – the neighbouring village of Kálló – where the ‘white flight’ of children had been directed to up until the school year of 2012/2013. Patterns of residential segregation, number and characteristics of Roma, as well as mutual trust and relations between Roma and non-Roma population vary significantly across the studied localities. The report presents contrasting examples of primary school segregation, its forms and mechanisms behind, ranging from a school where teachers have completely given up to hopeful examples of school leaders trying to make a difference based on locally embedded co-operation between Roma and non-Roma, teachers and parents, school and local government leaders. Research conducted at secondary school level points to mechanisms increasing rather than reducing vulnerability of disadvantaged students.

*Authors of the Case Study: Katalin Kovács, Anna Hamar, Bálint Koós and Gyöngyi Schwarcz, HAS (herein after cited as Kovács et al., 2013)*

**Banskobystrický kraj (Slovakia, SK032):** The case study region in Slovakia is situated close to the Hungarian border, in geographical proximity to the previous case study region. Within Slovakia, the region is geographically centrally located, though far away from the economic centres and less well accessible. Population development has been stable over the last years, though with a comparably high rate of elderly people, aged 65 and older. Comparable to the Hungarian case, and following the socio-economic transition of the early nineties, the traditional industries in the area (mining, forestry and manufacturing) were hit hard by economic crises. Compared to other Slovakian regions, industrial transition of the area has been less successful. Within the region, empirical investigation focuses on the district of Rimavská Sobota and more specifically, the two villages of Rimavská Seč and Klenovec. Roma form a majority in the first mentioned village (with one fifth of the population being ethnic Hungarians and only a small minority being of Slovakian origin) and up to a third of the population in the latter village. In both villages, Roma in general live dispersed and scattered in mixed communities, though there are residential concentrations, which are highly stigmatised for their precarious and miserable standards of housing and infrastructure.

*Authors of the Case Study: Katalin Kovács, Gyöngyi Schwarcz, Gergely Tagai, HAS (cited as Kovács et al., 2014)*

Both case studies point to the **severe marginalisation of Roma at social, institutional and symbolic level:** Deprived living environments and miserable housing conditions, residential and school segregation, lacking access to the labour market, as well as stigmatisation due to societal perceptions and stereotypes, are intermingling factors explaining the high risk of poverty and social exclusion for Roma population. The two case studies show how Roma children, growing up in these environments, struggle with a lack of resources and support.

The **school system in both cases does not manage to reduce social inequalities**, but rather becomes a main mechanism for limited skill and work development opportunities. Segregation of Roma children in the educational system works in different ways. On the one hand, Roma children are frequently placed in separate tracks, which is almost the norm in Slovakia, but applied to a much lesser extent in Hungary and only on primary school level. These special education schools prohibit the transition to the standard school system at secondary level and, moreover, students of special vocational schools are qualifying only for so called assistant skilled workers. On the other hand, in schools with mixed inflow, Roma children are placed in separate classes – a common practice in both countries, although in different scales. This sorting process is based on pupils' abilities and performance, seemingly objective criteria, however, performed in a socially and culturally biased manner (Spotáková, 2011). Missing skills and achievements of Roma children at primary education age reflect deficits that most often developed before entering the school, thus pointing to the need for improvements in living conditions, parental education and outreach programmes, as well as pre-school education. Also, ordinary secondary school education seems to strengthen disadvantages in both countries, rather than improving opportunities. Most of Roma children drop out or end school with lower-secondary education, which does not provide them with the means for upward social mobility.

“According to our empirical research findings, the actual system of primary and secondary education fall short for several reasons of its tasks of preventing current disadvantages from being translated into lifelong disadvantages. It has rather an amplifying effect on the already existing process of social exclusion starting during elementary education or even earlier, in the pre-school stage.” (Kovács et al., 2013, p. ix)

Residential segregation processes in some of the villages seem to be rooted in developments prior to the fall of Socialism, though they have increased since then. School segregation follows residential segregation, but is intensified by the **flight of non-Roma children (and Roma children with a higher social status) from highly segregated schools** (ibid., p. 42). A worrying fact is that survey results in Hungarian Roma segregations and their non-Roma vicinity show that 84% of the Roma population of segregated neighbourhoods in Hungary and 72% in Slovakia, but 0(!)% of the non-Roma population in either country would prefer living in mixed areas (Annex 2 Table 8 in Kovács et al., 2013 and Annex 1 Table 15 in Kovács et al. 2014, according to UNDP et al., 2011). In some of the studied villages, widespread mistrust on both sides, the Roma community as well as the majority community, makes it difficult to see how to make change happen. Often, the prevailing attitude is to blame the Roma families themselves for becoming trapped in a cycle of poverty:

“They work, but only for a week or two – they can't put up with a continuous job. The basic reason for that can be found in their process of family socialisation: they fail to learn to conduct routine activities within a strict framework, or conform to regulations, they are inclined to disapprove of hierarchy, while parent-child relationships are usually characterised by aggression and brutality within their families. Many Gypsy children with good abilities are lost this way, because motivation and persistence is lacking, as does family support,

and schools by themselves are unable to counterbalance all that.” (local expert, Nógrád, as cited in Kovács et al., 2013, p. 27f.)

Out-moving or disaffiliation processes of non-Roma families and more well-to-do Roma tend to lead to further concentration of socially excluded and a deterioration of the local conditions for Roma for bringing up children. At the local level, action needs to be taken to build bridges with the Roma community and encourage Roma parents to engage in the education of their children. The Nógrád case study highlights the positive effects of initiatives building on cooperation between local authority, civil society actors, parents and local school; however, the authors are careful about the transferability of the good practice example in the Szirák case (ibid., p. 59).

### **2.1.2 Access to services in sparsely populated areas**

With the recent enlargements of the EU in 2007, the rural population as well as the number of people at risk of poverty in rural areas have considerably increased (from 75 million to 116 million and from 14 million to 26 million) (EC, 2011b). Although challenges in terms of poverty and social exclusion may be similar in rural and urban contexts, the territorial dimension should not be underestimated. Specific rural challenges in remote and sparsely populated areas relate to the provision of public services, especially with regard to education, health and social care infrastructures as well as lack of investment in public transport. Centralisation of public services as well as diminishing investment in public transport due to the implementation of austerity policy as a response to the economic and financial crisis, exacerbate these challenges. Rural areas present lower rates of tertiary education as well as lower employment rates (EC, 2011c; EC, 2011d). Lack of educational and employment opportunities often lead to higher unemployment rates as well as outmigration of younger people, resulting in demographic ageing and depopulation. Therefore, rural areas deserve special attention in relation to the analysis of processes of poverty and social exclusion; especially in light of the Europe 2020 headline targets. The two case studies focus on poverty and social exclusion – particularly related to access to (public) services – in two predominantly rural areas. The first case study analyses factors and processes shaping poverty and social exclusion in light of remoteness and sparse settlement in the Western Isles in Scotland. The second case study focuses on patterns and risk groups of poverty and social exclusion in Albacete, La Mancha within the province Castilla-La Mancha/Spain.

**Eilean Siar (Western Isles, UKM64):** The Western Isles is a collection of more than 60 islands, most of them sparsely populated or unpopulated. The key issue for the islands in relation to social exclusion is how to provide adequate public services in the context of sparse settlement and long distances, which presents challenges at both ends of the age range. For the elderly (but partly also for younger generations), social isolation, elevated costs of living, difficulty of accessing retail and other services where public transport provision is expensive and poor, together with the increasing centralisation of health and welfare services as a consequence of expenditure constraints in the public sector are all major aspects exacerbating social exclusion. For young people, limited education and training opportunities as well as the lack of good



quality and well-paid employment promotes youth outmigration and consequently sharpens the process of demographic ageing. The Western Isles represents an extreme case of exclusion and poor access to services of general interest which is a widespread problem in rural areas of Northern and Western Europe, especially in UK and Ireland, but increasingly also in the Nordic countries.

*Authors of the Case Study: Philomena de Lima and Andrew Copus, University of the Highlands and Islands (cited as de Lima & Copus, 2014)*

**Albacete (Spain, ES 421):** The Albacete Manchuela area is a rural area near Valencia, whose population lives in municipalities with less than 5,000 inhabitants and where agriculture still plays an important role in the local economy. In this case study, provision of and access to public services in light of poor public transport is a key issue related to social exclusion as well. However, due to the heterogeneous structure of Albacete Manchuela, the different municipalities are affected unequally. Population development seems to be quite heterogeneous across the case study area; whereas the smallest villages suffer from increasing population decline; bigger ones grow due to the return of retired people who used to live in the area decades ago, people who are moving from smaller villages to be closer to services such as education, people who are searching for affordable housing as well as an influx of immigrants from foreign countries. For older and disabled people, the lack of public transport exacerbates the access to health services; for younger ones, it severely limits their educational opportunities. The poor local labour market with its short-term contracts and job insecurity related to farming and seasonal work, leads to an above-average unemployment rate and a rising share of people at risk of poverty and social exclusion – among the autonomous regions in Spain, Castilla-La Mancha has the third highest AROPE rate with 35.5% in 2011 (de Lima, 2014, p. 11). At the same time, weak employment opportunities promote the outmigration of young people – not only to other regions in Spain, but also beyond Spanish borders – and simultaneously aggravate depopulation and population aging within the area.

*Authors of the Case Study: Philomena de Lima, University of the Highlands and Islands – with expert assistance from Diana E. Valero López (cited as de Lima, 2014)*

Both case study regions are classified as being predominantly rural, however, the Western Isles are more affected by challenges linked to geographic remoteness and sparse population than the La Manchuela region, that has better access to the next largest urban centre, Albacete, with its 170,000 inhabitants. Therefore, poverty and social exclusion seems to have a quite different dimension in the Western Isles. The fuel prices as well as direct and indirect costs of goods and services exacerbate poverty and social exclusion processes within the Western Isles severely; but seem to be less prevalent in La Manchuela. Nevertheless, both case studies describe very similar challenges. The **poor or lack of access to services, rooted in the rural and remote structure in combination with poor public transport is one of the main domains of social exclusion** in both areas. It affects access to health and educational services, can hamper job seeking or may lead to social isolation.

“In Castilla-La Mancha's 800-odd municipalities, nearly 900 or so, maybe 85% of municipalities have no Senior Centres, and there are very small villages full of old people. And those people do not have access to the resources” (local expert, La Manchuela, as cited in de Lima, 2014, p. 34)

“If you are a young adult trying perhaps to look for work etc., sometimes it is not always so easy for you. You must have access to a phone, hopefully a computer as well, so you can fire off your CV's and you occasionally will have to travel. Now either you will have to have a car if you live in a rural area, because buses, good as they are, aren't fantastic.” (local expert, Western Isles, as cited in de Lima & Copus, 2014, p. 37)

As already indicated, economic weakness and the structure of the labour market pose special challenges in both case study areas: Above-average unemployment rates and overall limited employment opportunities due to the precarious nature of employment related to seasonal work and the lack of skilled and well-paid jobs lead to increasing **outmigration of young people**, whereas the old and less qualified people tend to stay. Therefore, **population decline and demographic ageing** are reinforced in both areas, which in turn will have negative consequences for the provision of services such as housing (especially in Western Isles) or care for the elderly.

“Demography, an ageing population, plus the fact that we don't have enough young people to look after them, that is an issue. And the reason we don't have enough young people here is because our young people go away to find employment, so employment is a big issue here.” (local expert, Western Isles, as cited in de Lima & Copus, 2014, p. 22)

Despite the different welfare regimes in UK and Spain, the **importance of family and informal support networks** in combating poverty and social exclusion and providing social support for older or unemployed family members is stressed in both case studies. However, due to the process of outmigration discussed above, support and resources available via family networks are likely to change, i.e. decrease, in both areas. Therefore, social support and care especially for older people might turn into an urgent problem in rural areas. Both case study reports point to the higher relevance and intensity of relationships outside the family circle in rural areas, which form and shape social contacts and relationships, social life and cohesion more than in an urban context. Potentially, access to these wider networks and resources can provide support and help for getting by in situations of social exclusion and poverty. However, interestingly both reports also reveal certain ambivalence with being integrated into a small local community. Negative consequences might arise such as social control or judgemental attitudes, which can generate even higher levels of isolation. In Western Isles, these attitudes are reported to lead to denial of poverty and social exclusion as well as to not claiming benefits because of 'pride' and fear of **stigmatisation**.

In both case studies, young people are one of the main **risk groups** due to the severe lack of educational and employment opportunities. In addition, disabled people are more likely to experience poverty – irrespective of the location. Nevertheless, there seem to be additional challenges in rural areas that impact on people with disabilities, such as the lack of employment opportunities, poor access to appropriate

services or fewer support organisations. Older people also have a higher risk of poverty and social exclusion, especially in light of the poor access to health services, and a lack of social care infrastructure for the elderly, in combination partly with small pensions. Considering the latter ones, it has to be stated that the significantly higher income that is required to attain the same minimum living standard in remote rural areas (Western Isles) – due to extra costs such as higher prices for food, clothes etc. or higher household fuel bills – leads to an elevated vulnerability of older people. However, both case studies emphasise the heterogeneity of this population group. In some situations, older people might be relatively better off than other groups due to relative income security.

### **2.1.3 Urban Education**

A sufficient level of skills and competencies is a prerequisite for individuals' participation in today's society and labour market. Educational attainment is closely related to employability. Children growing up in poverty and exclusion are specifically vulnerable to low levels of education. It is not only individual factors, such as family background or individual cognitive potential, which influence educational attainment, but the interlinkage of these with wider environmental factors, school composition and neighbourhood context effects, that calls for attention. Closing the gap in educational achievements remains an important European challenge, especially as the proportion of children growing up in poverty and exclusion has not been significantly reduced over the last years (EC, 2010b, p. 4). It is the EU2020 Strategy objective in education to reduce the share of early school leavers from 15% to 10%. The two case studies focus on the interrelation between education and poverty or social exclusion. They analyse educational attainment of children from low-income households and the role of the school system in reproducing or decreasing social inequality. The German case analyses socio-spatial inequality and educational attainment in the city of Dortmund, particularly focusing on social groups that are vulnerable to be socially excluded. The second case study deals with these aspects in the Turkish metropolitan region of Izmir.

**Dortmund (Germany, DEA52):** The city of Dortmund belongs to the metropolitan region of the Ruhr, an industrial transition region. Once a national production centre for steel and coal mining industries, attracting workforce from abroad, the Ruhr has undergone substantial economic restructuring. Following these restructuring processes, the labour market for low-qualified workforce has become more limited, and higher education becomes more and more a prerequisite for participation in the labour market, in Dortmund as elsewhere. OECD Pisa Studies have repeatedly pointed to the above-average strength of the relationship between performance and socio-economic background of students in Germany, though there has been some progress in recent years. The case study focuses on school careers and educational success of students, analysed along ethnic and socio-economic lines. The study looks in detail at educational attainment for different social groups and spatial variations in attainment. Quantitative data shows a clear relation between socio-economic characteristics of neighbourhoods and educational success of students. The study

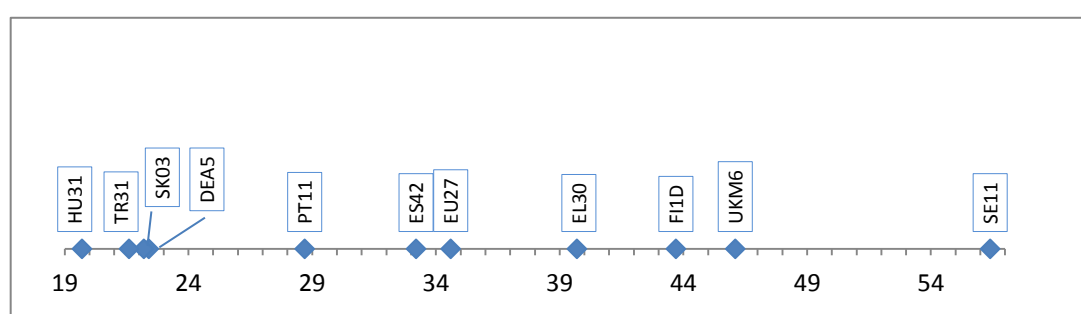
highlights the role of local municipalities and the local attempts to combat educational inequalities.

*Author of the case study: Isabel Ramos Lobato, ILS (cited as Ramos Lobato, 2013a)*

**Izmir (Turkey, TR310):** Izmir is the third biggest metropolitan area in Turkey, located on the Aegean coast. The metropolitan area has experienced rapid urbanisation and transformation, caused by migration flows. Since the 1970s, the city has attracted migrants from the rural Turkish areas, who looked for better living standards and jobs, often in the informal economy. Data shows a pattern of socio-spatial polarisation, with affluent native households located in specific inner-city and suburban coastal regions, and poorer households being concentrated in inner-city areas and at the metropolitan periphery. Informal and marginal occupations of workforce, child labour and low educational attainment of children prevail among the less privileged and in marginalised neighbourhoods. A recent school reform has raised compulsory education from 8 to 12 years. However, high-level education still is difficult to achieve for students from poor families, be it that children drop out of school at an early age to supplement the family income, be it that individual students' educational success still largely depends on financial capital and aspirations of parents. The role of the municipality in providing non-formal education courses, and in promoting integrative approaches which combine educational with social policies, is emphasised.

*Author of the case study: George Kandyliis, EKKE (cited as Kandyliis, 2014)*

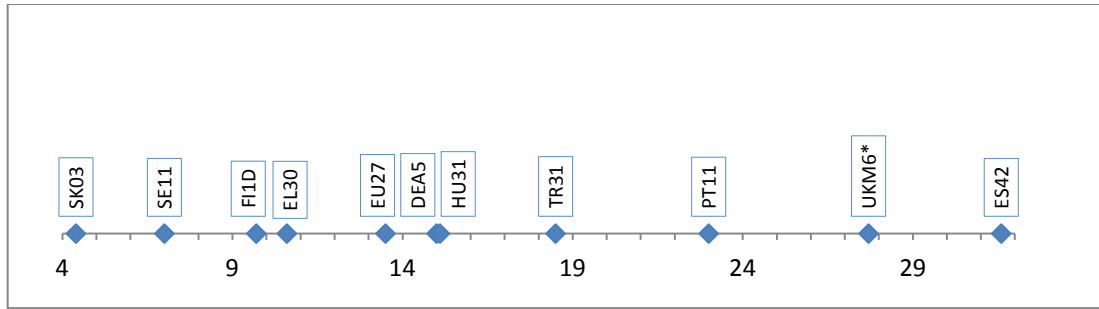
While the two cases are different as regards territorial characteristics, urbanisation processes and social groups that are most vulnerable to social exclusion; there are nevertheless a range of commonalities as regards the relation between social exclusion/poverty and education. Also in terms of wider regional statistics on education, the variation in tertiary educational attainment and the rate for early leavers from education and training surprisingly is not *that* different across the cases.



**Figure 2: Tertiary educational attainment 2012 in % of population aged 30-34<sup>2</sup>**

**Source:** Eurostat Database, Regional Statistics (Reg) Table [edat\_lfse\_12]

<sup>2</sup> Unfortunately, comparable data was only available on NUTS2 level.



**Figure 3: Early leavers from education and training 2011<sup>3</sup>**

Source: Eurostat Database, Regional Statistics (Reg) Table [edat\_lfse\_16]

While both cities are not highly segregated cities, there is a **clear relation between a polarised urban structure in socio-economic terms and the respective polarised educational achievements across the cities' districts**. Thus, the education system in both cases fails to make up for pre-existing socio-economic differences in family background. Children with a low social status are not provided with sufficient resources for upward social mobility. Considering the on-going and intensifying social fragmentation of cities, the forming of 'disadvantaged' and 'advantaged' school locations is a cause for concern. Here as there, the case studies report of clear signals that current levels of inequality have consequences on the (low) level of human capital in the next generation.

In both cities, **education is one of the main concerns of modern urban middle classes**: Middle-class parents tend to take informed decisions as regards which school to send their children, and they invest time and (financial) resources into the education of their children, including, as in the case in Izmir, sending children to private schools. As 'informed decisions' are based on information that is not equally distributed among different population groups, this may increase educational inequalities:

"The parents [non middle-class migrant parents; author's note] are – against popular assumptions – interested in the school career of their children, but they often have no idea how to achieve these goals." (local expert, Dortmund, as cited in Ramos Lobato, 2013a, p. 20)

In both countries, the state spends relatively more money on tertiary education than on primary or pre-school education, thus funding those who have already managed to access university, and who are disproportionately often those of well-off families (Kandyliis, 2014, p. 21). More resources, however, need to go into education, and specifically into primary and pre-school education, making sure that children from poor families are not left behind.

The **role of supra-local educational policies** becomes quite clear. In both countries, still an overwhelming majority of children attends public schools. While in Turkey students study 8 years together and are placed in different tracks afterwards, according to performance in national level tests, in Germany students are sorted into

<sup>3</sup> in % of population aged 18-24<sup>3</sup> (\*low reliability)

different educational pathways after four years of schooling only, in most of the cases. This sorting of students at an early age is often seen as a main factor for children with a migrant background being sorted into lower rather than higher school types, often for reasons of language rather than individual/intellectual capacity. In the Izmir case, it is rather the case that poor or excluded children do not complete primary or secondary education, with negative impacts on their employability, income and social prospects.

“Despite the increase of compulsory education from 5 to 8 and then to 12 years, child labour remains an issue. Children are found to be working in the home, on the streets, as apprentices and blue collar workers in small establishments and service/entertainment sectors (Müderrisoğlu, 2005). The challenge is to combine comprehensive education policies with social policy in order to combat conditions of poverty that force children to drop out, being unable to cover education costs.” (Kandylis, 2014, p. 26)

It is very clear that 15-19 year-olds, or even younger ones, who are not engaged in education or training, but working in the informal labour market, or in precarious employment, are at particular risk to languish on the margins of society. Both case studies emphasise the role of the local state, that is, the municipality, in place-specific approaches for closely interlinking formal and informal learning environments, and networking of social, economic and educational actors and institutions.

#### **2.1.4 Ethnic and social segregation in metropolitan regions**

Increasing segregation along socio-economic and ethnic lines is a worrying trend in European cities. The process of segregation in itself, defined here as the process and degree of different social groups' sorting into different neighbourhoods, is no new urban phenomenon. However, there is a new quality in the process of de-mixing of urban population, reflecting a widening gap between social groups. Polarisation between affluent and poor neighbourhoods/housing blocks is visible in an ever more accentuated form. It is the interlinkage of segregation and poverty processes and effects which is analysed within the two following case studies. In a range of traditional European welfare states, the interlinkage of both processes has prompted policy reactions. Thus, in view of concentrations of ethnic minorities and low-income households in certain urban neighbourhoods or blocks, social mixing and area-based initiatives have become policy objectives in some states. The case studies focus on socioeconomic and ethnic segregation in two metropolitan areas. The first case analyses patterns and trends of segregation in Athens and explains major factors that shaped trends over the long term. The second case focuses on trends and underlying factors in the very different institutional environment of Botkyrka, a municipality in the metropolitan region of Stockholm.

**Attiki (Greece, EL 300):** The economy of the Athens region is, and traditionally always was, based mainly on the tertiary sector. Since the 1990s, social inequality, and its inscription into the urban fabrics in form of socio-spatial segregation processes, has increased. The authors see labour market dynamics, housing production processes, and the (inadequate) integration of immigrants as major processes underlying

this development. The burst of the sovereign debt crisis has dramatically aggravated social inequality in recent years. The report analyses the relationship between social exclusion and poverty processes and the residential segregation of different socio-ethnic groups in the metropolitan region, with a special focus on new immigrant population. Immigrants are the most vulnerable group at risk of poverty and social exclusion, as their insertion into the labour and the housing market has remained rather fragile, partly due to lacking national or local state inclusion policies. The authors argue, on the basis of an analysis of segregation levels for five different clusters of ethnic groups, that there is no linear relationship between levels of segregation and exposure to poverty/social exclusion, but small-scale analysis on the level of neighbourhood is needed for insights into disparities behind seemingly equal levels of segregation.

*Authors of the case study: George Kandylis, Michalis Petrou, Nikos Souliotis & Kostas Vakalopoulos, EKKE (cited as Kandylis et al., 2013)*

**Botkyrka, Stockholms län (Sweden, SE110):** Botkyrka is a municipality located in the Southwest of the Stockholm region and thus it is integrated into the urban fabric of a vibrant and successful metropolitan region. Botkyrka has for the last decades been first stop and home for in-coming, nationally and increasingly internationally migrating population. In 2010, the municipality had the highest level of at-risk-of-poverty rate. Botkyrka itself is characterised by an increased difference between more affluent areas in the south and poorer areas in the north as regards unemployment, income and health issues. The authors identify a range of factors contributing to urban segregation: These are the built environment (modernist public housing of the 1960s and 1970s built in the era of the so-called Million Homes Programme) and access to good quality housing, physical barriers and the access to and quality of public transport, as well as concentration effects, hindering contacts between ethnic minorities and ethnic Swedes. The municipality itself takes a pro-active role and defines itself as a multicultural community. There are a range of community outreach and planning efforts, though it is clear that combating segregation calls for a multi-level approach.

*Authors of the case study: Christian Dymén and Mitchell Reardon, Nordregio (cited as Dymén & Reardon, 2013)*

While, again, the two studied metropolitan areas are quite contrasting cases as regards their wider socio-economic dynamics, planning cultures and welfare regimes, nevertheless, the studies point to common factors underlying segregation patterns.

Both reports emphasise the **need for a longer, historical analysis for understanding segregation patterns of today**. The system of housing provision, dynamics of the labour market, and the active or absent role of the state plays a role here. For example, in the Swedish case, the lacking quality and attractiveness of public housing estates, built in the 1960ies and 1970ies and once meant to offer adequate housing to middle class family households, are a legacy affecting the image and overall attractiveness of parts of Botkyrka to this day. The nature of socio-spatial segregation patterns is often linked to the different attractiveness of the built environment, to is-

sues of access and to physical boundaries; urban planning and the system of housing provision play a role in it.

“When the construction of the ‘Million programme’ started, a three room apartment was the standard for families living in the city. Shortly after that, suburbanisation increased and terraced houses became more accessible and attractive. As an example, the government subsidised this kind of housing. In 1974, the county of Stockholm experienced a population decline for the first time since the 1960s. Apartments constructed during the ten year period were empty and were allocated especially to refugees. Politicians should have anticipated this.” (local expert, Stockholm, as cited in Dymén & Reardon, 2013, p. 18f.)

Investing into the built environment and improving transport and mobility are difficult and costly, but crucial, starting points. In the case of Athens, the housing production process has equally played a role for urban segregation processes. While socio-spatial segregation levels have been quite low in Athens before, urban developments on the metropolitan periphery in the 1990s have attracted middle classes, and suburbanisation processes as well as a poorly regulated integration of newly arriving immigrants into the local society have led to more intense forms of social segregation in the inner city. Other factors underlying urban segregation, such as inequalities in the labour market and income inequalities, and the inadequate access of immigrants to the labour market, are equally rooted in long-term and structural processes. There are no single-factor explanations for urban segregation and also, dealing with urban segregation calls for multi-level approaches.

Both reports focus on **newly arriving immigrants and their position and mobility in the receiving urban society**. While international migrants are a more recent phenomenon in Athens (since early 1990ies), Sweden today is a multi-cultural society and there is high ethnic diversity in the municipality of Botkyrka. The integration of immigrants, as both reports state, is primarily based on their integration into the labour market. Access to the labour market is identified as a key element for social mobility and social inclusion in both cases. In the case of Athens, an always fragile process of integration of immigrants into the labour market has come to an end with the current economic crisis, leaving immigrants today in a most vulnerable and exploitable position.

“Sometimes I feel that only our hands are appreciated... I even wonder if we are complete humans.” (member of the Pakistani community, Athens, as cited in Kandyliis et al., 2013, p. 25)

In the Swedish case, and despite a generally deemed successful integration policy, foreign born are still less likely to have a qualified job, and they are often the first ones that are affected by economic downturns and the last ones to profit from economic booms. Those with a foreign background also tend to live in those districts with the highest levels of ethnic diversity. The unrests in Stockholm in May 2013, that also affected Botkyrka, are, as the authors write “a symptom of a number of deep rooted issues” and cannot be ignored or suppressed (Dymén & Reardon, 2013, p. 7).

There is ambivalence amongst academics and politicians about the **effects of ethnic segregation**. The argument is often, that ethnic concentrations of minorities hamper



social ties and networks with ethnic natives, which influences educational and labour market success of minorities. It is also raised that a supposed isolation may have negative effects on the participation in and adaptation of socio-cultural norms of the mainstream society. On the other hand, the studies points to the relevance of ethnic networks, ties and resources for social position and social mobility, especially for the newly arriving. As both reports state, there is no direct link between segregation and poverty or social exclusion; analysis at the micro-scale level is needed.

### 2.1.5 Unemployment

Fighting unemployment has been a long-time priority in European and national policy programmes. Unemployment is seen as a main cause of poverty for working age population (EC 2010b, p. 4). Therefore, the EU has set an overall employment target for the EU27 in 2020 of 75% for those aged 20-64 (both, male and female). In the last years, however, the number of unemployed in the EU has risen and today, being unemployed is of higher relevance as a risk factor contributing to monetary poverty and social exclusion, compared to the situation in 2005. Youth unemployment is particularly high in some Member States, such as Greece, Spain, Portugal, Italy, Cyprus and Slovenia. In April 2013, nearly a quarter of economically active young people in the EU were unemployed (EC 2013c, p. 5). Also, long-term unemployment worsened in most Member States over the last years and accounted for nearly 5% of the active population in the EU beginning of 2013 (ibid.). The two case studies focus on these two particularly worrying trends across Europe: The Finnish case study analyses long-term unemployment, particularly among the elderly, in a small rural town located near the eastern border of Finland, and explores its characteristics and challenges, as well as policies for social inclusion. The Portuguese case study focuses on youth unemployment and analyses its causes and consequences, as well as policy initiatives in the urban setting of Porto.

**Liekka, Pohjois-Karjala (Finland, FI133):** The case study area is the town of Liekka, located near the eastern border of Finland, in the peripheral, sparsely populated and remote parts of the country. In Liekka, employment in the primary and secondary economic sectors still plays a significant role. Liekka has been experiencing fast population decrease since the 1990ies, also due to structural crisis in its main manufacturing industries (textile, paper, forestry, saw mills). The population is aging and the young people are moving to the bigger cities in the country to escape the high unemployment. While the local economy is weak, and few new employment opportunities are created, the remoteness of Liekka and its isolation from main economic centres also limits people's access to employment and services in the wider regional context. About one third of unemployed suffers from long-term unemployment. Most of the long-term unemployed in Liekka are men and older people (> 50 years).

*Authors of the case study: Petri Kahila and Liisa Perjo, Nordregio (cited as Kahila & Perjo, 2013)*

**Porto (Portugal, PT114):** Porto is a coastal city located in the north of Portugal. Due to suburbanisation as well as natural population development, the city and above all its historic centre districts have lost population in the last decades. The traditional industries (textile, clothing and leather) have lost importance, resulting in huge decreases in industrial sector employment. Today, the economy is mainly based on the tertiary sector, with a diverse educational infrastructure being one of the main assets of the city and a driver for bringing young and qualified into the city. Compared to the national average, the share of people with a university degree in Porto is almost twice as high. However, the case of Porto shows, that university education in the context of a shrinking labour market does not protect against exclusion from the labour market (though young people with only primary education are still affected to a larger extent by unemployment). The current crisis and the subsequent reduction of public expenditure, which has led to decreasing access to public benefits as well as shrinking family incomes, pose new problems for the support of vulnerable groups. While the role of the family traditionally has played and is still playing an important role in terms of mitigating the negative consequences of unemployment, it is also true that changing family structures and shrinking family income will affect the family-based support in the long run.

*Author of the case study: Isabel Ramos Lobato, ILS (cited as Ramos Lobato, 2013b)*

While the two cases are very different as regards the territorial context, analysed age groups and unemployment structure, there are interesting similarities: Both study authors state that unemployment is not automatically leading to social stigmatisation; it is rather other factors (living in a social housing neighbourhood in the case of Porto; or inappropriate social behaviour in the case of Lieksa) which are key factors for stigmatisation. Both studies also emphasise that there is **no clear, causal relationship between unemployment and social exclusion**. In both case studies, the role of the family and access to wider social network resources seems to play a decisive role; not only for getting by, but also for getting ahead, and finding new employment. In Porto, it is the high concentration of risk factors for social exclusion in social housing districts that is worrying local experts, rather than it is felt that unemployment alone automatically leads to social exclusion. Nevertheless prolonged inactivity of young people remains a major cause for concern, given the demoralising and long-lasting consequences for their skills and competencies, motivation and social well-being, like a local expert working for a youth foundation declared:

“I have young people here, and when I ask ‘Are you planning to go to university’, they answer ‘For what? There are no jobs for graduates; that is why I directly start working. I will try to get a job in the shopping centre, with McDonalds, or in another place, because I cannot see that the investment to go to university could be worth it’” (local expert working in a youth foundation, Porto, as cited in Ramos Lobato, 2013b, p. 42)

In the Finnish case, unemployment, and especially long-term unemployment, is seen as a factor intensifying the risk of becoming socially excluded, especially among ageing and less educated people, but again, the role of the family and the community is mentioned as a mediating factor.

“The interviewees specified also that many unemployed persons, especially long-term unemployed, may be socially excluded from the community. However, it was also emphasised that unemployment per se is necessarily not a defining attribute of social exclusion. [...] The interviewees concluded that the community and family is for long-term unemployed people more important environment for social networks and support than for people in stable employment.” (Kahila & Perjo, 2013, p. 21)

**Feeling socially excluded or not, when unemployed, is place-specific.** Local histories and traditions play a role, as it is the case in Lieksa, where cyclical unemployment has always been a characteristic of the local labour market and makes it therefore more accepted (Kahila & Perjo, 2013, p. ix). Also, when unemployment and precarious work become the experience of an entire generation, as it is the case in Porto, it might become a socially more accepted or at least a less stigmatised experience for the individual.

“I do feel protected because fortunately I can rely on my parents and on my friends. They make me feel protected. [...] I can see that there are a lot of people in the same situation. But if we did not help and support each other, perhaps we would be lost at this time. What helps us a lot is that we are all together. We are in the same boat and can help each other.” (young unemployed, Porto, as cited in Ramos Lobato, 2013b, p. 35)

According to a Portuguese university professor for psychology, young unemployed Portuguese are less likely to get depressed by their situation. In contrast to their parents' generation, who have a strong ethics of work excoriating idleness and seeing work as a moral obligation, the importance of work has changed and, at least for young people, there are new forms of socialisation (Correia Pinto, 2012). Moreover, their 'realistic' expectations of their own future seem to help adapting to the situation of unemployment: “They know that society does not give them as many opportunities as in the past. [...] This generation is best prepared for dealing with unemployment.” (Luís Coimbra<sup>4</sup> in Correia Pinto, 2012). However, it should be noted, that young Portuguese simultaneously seem to struggle and resign in light of their lack of perspective.

“This is definitely not the life that I imagined when I was a child. [...] For me, and when I see my friends, we are now almost thirty years old and we do not know what to do with our lives. This is impossible. Is life not like 'going to school, going to university, get a job, buy a house and have a family?' For us, it is not like that. We would at least like to have a kind of stability, leastwise know that next month we do not have to worry about how to get money to buy something to eat” (young unemployed, Porto, as cited in Ramos Lobato, 2013b, p. 42)

Both case studies point to the **relevance of “other work”** when unemployed, be it in the informal economy, or in the form of socially useful work (i.e. caring for elderly). In Lieksa, berry and mushroom picking and hunting is a major activity for older long-term unemployed, which is not only important for subsistence, but also reduces

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<sup>4</sup> This is a quotation of Joaquim Luís Coimbra, lecturer at the faculty for psychology at the University of Porto, in a newspaper article by Mariana Correia Pinto.

negative social consequences of unemployment, such as stress, or feeling worthless. In Porto, informal work seems to be a relatively common strategy to raise sufficient income, especially for vulnerable groups. It is anchored within a strong ethics of work that excoriates idleness in Portugal.

The **role of active labour market measures and an intermediate labour market** within the context of weak local labour markets become quite obvious. In Lieksa, a large number of long-term unemployed used to find employment in the intermediary labour market, but subsidies have been cut in the last years. In Porto, active labour market measures have been implemented, but the experience of many young people is that of shifting between short-term and precarious employment and unemployment. In addition, the cutbacks of benefits and their differentiation by age mostly refuses young people the access to benefits and consequently increases poverty and social exclusion.

**Geographical immobility** in Lieksa adds to structural unemployment.

“The deficiency or total absence of public transportation both between [...] Lieksa municipal centre and remote villages forces unemployed people to limit their activities in searching a job. Private transportation is not a solution, because especially long-term unemployed cannot afford private transportation. Therefore job search is concentrated to local labour markets.” (Kahila & Perjo, 2013, p. 18)

Among the long-term unemployed elderly, moving to another region often presents no real alternative. Due to social and family ties, they feel attached to the particular place, and the costs for moving are a deterrent to mobility for some. It is rather the younger population groups in Lieksa who move elsewhere. In Porto, the situation is similar. Due to the poor employment chances, many young people decide to move and even to leave the country. In contrast to emigration in former times, it is comparatively younger and more qualified population groups. Interviews with young unemployed in Porto confirmed the willingness of young people to leave Portugal in order to find a job.

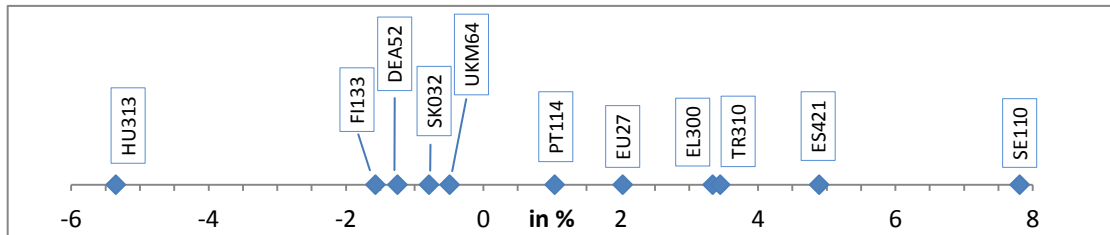
“If they said: ‘Milena, go there, for example Switzerland, Great Britain, Russia or Germany’, no matter where, [...] I would go. Even without my husband. If I had a job there, I would pick up my children and go.” (young unemployed, Porto, as cited in Ramos Lobato, 2013b, p. 43).

## **2.2 A Comparative view on socio-economic characteristics of the case studies**

The nature of disadvantage affecting people in situation of poverty and social exclusion is influenced by the wider socio-economic characteristics of the area where they live. In terms of demographic and labour market characteristics, some cases stake out (for a full view on regional statistics see Annex 1 and Annex 2):

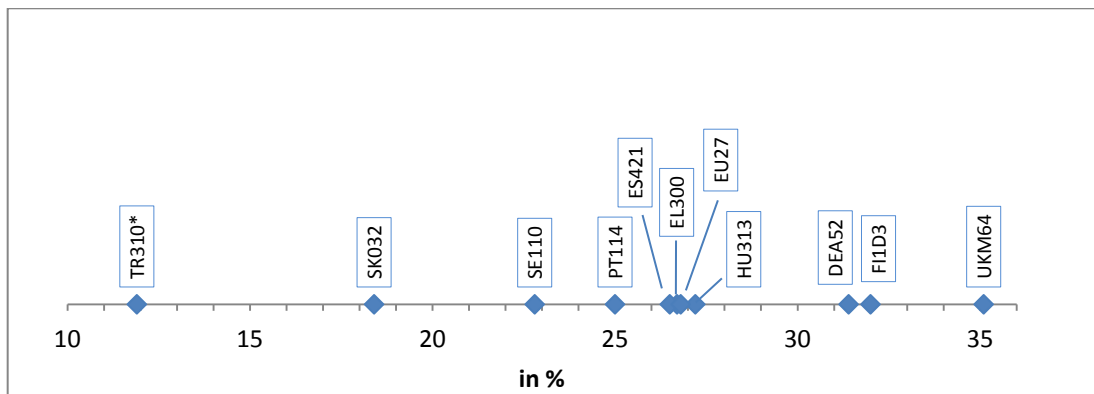
The Turkish and the Swedish region show a particularly high rate of positive population growth (see Figure 4). In both cases, it is the attractiveness of the metropolitan region for in-migrating population, rather than positive natural population develop-

ment which causes population growth. Negative population development is noticeable above all in the case of Nógrád. The loss of younger population groups, often the higher qualified ones, poses particular threats to peripherally located cities outside major metropolitan regions. Obviously, a long-term trend of out-migrating young population groups, often in search for higher education or better employment prospects, leads to the over-representation of elder population groups in a locality, and accordingly the need for appropriate infrastructure and services. This is most noticeable in the British, the German and the Finnish case; all of them showing old-age dependency rates quite above the European average (see Figure 5).



**Figure 4: Population change 2005 to 2010**

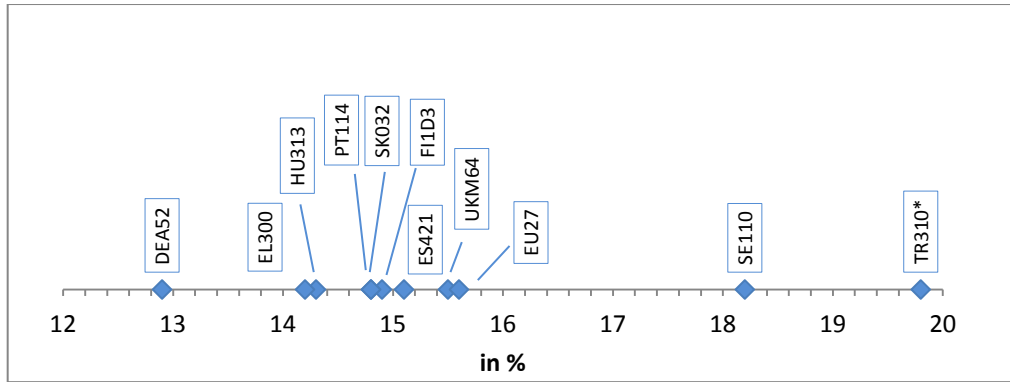
Source: Eurostat Database, Regional Statistics (Reg) Table [demo\_r\_pjanaggr3]



**Figure 5: Old-age dependency ratio 2012 (\*2011)**

Source: Eurostat Database, Regional Statistics (Reg) Table [demo\_r\_pjanaggr3]

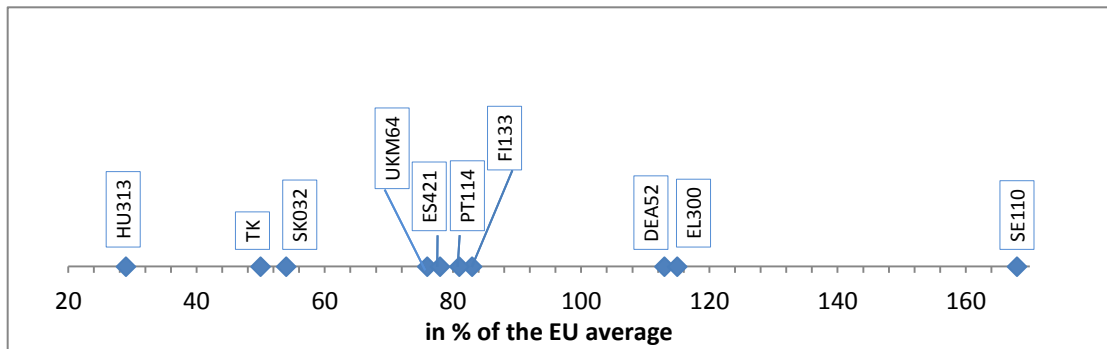
The German case is showing a particularly low rate of percentage of younger population (see Figure 6), in accordance with nation-wide low figures. In 2010, in Germany only one sixth of the population (16.5 per cent) was younger than 18 years – which is the lowest rate in Europe.



**Figure 6: Young-age dependency ratio 2012 (\*2011)**

Source: Eurostat Database, Regional Statistics (Reg) Table [demo\_r\_pjanagr3]

In terms of GDP per inhabitant, the South-East European cases are showing particularly low levels. Nógrád is among the selected cases the area with the lowest rank (see Figure 7); also being one of the least developed regions in Europe, with a still declining development over the last years. In addition, labour market participation is especially low in the Hungarian case, with the respective female participation rate even lower.

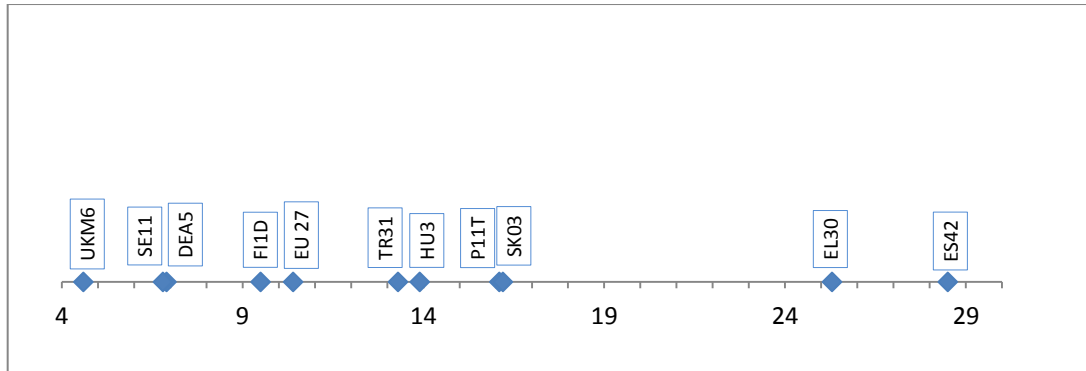


**Figure 7: GDP at current market prices in PPS per inhabitant 2010<sup>5</sup>**

Source: Eurostat Database, Regional Statistics (Reg) Table [nama\_r\_e3gdp]

Unemployment and low economic activity rates are affecting particular localities, such as old-industrial areas or peripherally located areas, and it is particular population groups, such as low-qualified workforce or immigrants, that are suffering most from labour market exclusion. The patterns of unemployment rates within the case studies provide a strong indication of the impact as well as the challenges of the economic and fiscal crisis. Therefore not surprisingly, the Greek, Spanish and Portuguese regions are highly affected by unemployment (see Figure 8). At the same time, it has to be stated, that data on NUTS2 level masks considerable inner-regional disparities. The unemployment rates at case study level are often considerably higher (e.g. in the Dortmund case study, where the unemployment rate is almost twice as high as in the wider NUTS2 region; or in Lieksa, where it is more than twice as high as in the NUTS2 region).

<sup>5</sup> For Turkey, due to data availability data on NUTS0 level is used.

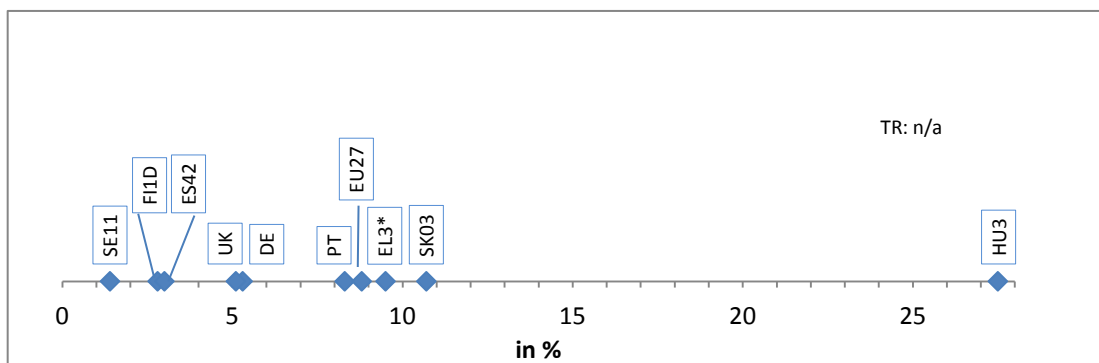


**Figure 8: Unemployment rate 2012<sup>6</sup>**

Source: Eurostat Database, Regional Statistics (Reg) Table [lfst\_r\_lfu3rt]

The available data on workforce employed in professional, scientific, administration and support (see case study reports for further evidence) points to a relative weakness of the labour market in terms of creating new employment (in modern, knowledge- or technology intense sectors, NACE J-N) in all of the rural case study regions, that is, the Finnish and the Hungarian case, but also the Scottish, the Spanish and the Slovakian case study area.

In terms of the wider social exclusion context, data on the EU2020 indicators for poverty and social exclusion shows again a wide variety across the selected cases. Most of the data however, is indicating levels and standards on the national or wider regional level, rather than indicating the position of the case studies, as data on NUTS3 level is often missing. Considering the distribution of severe material deprivation across the ten case studies, the Hungarian case attracts attention (see Figure 9). The severe material deprivation rate within the wider NUTS1 region of Nógrád is more than twice as high as in all other case study areas. At the same time, especially within the case studies part of the Nordic welfare regime, severe material deprivation seems to be comparatively low.



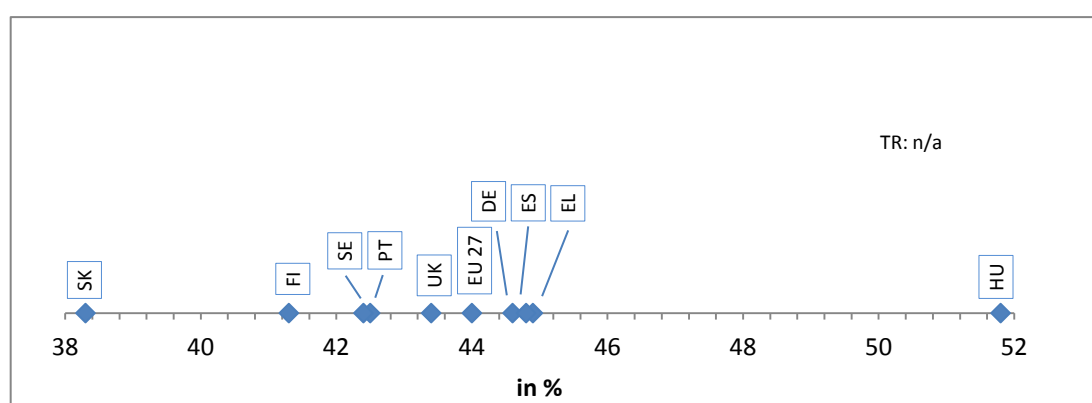
**Figure 9: Severe material deprivation rate 2011 (\*2010)<sup>7</sup>**

Source: Eurostat Database, Regional Statistics (Reg) Table [ilc\_mddd21] and Table [ilc\_mddd11]

<sup>6</sup> Unfortunately, comparable data was only available on NUTS2 level.

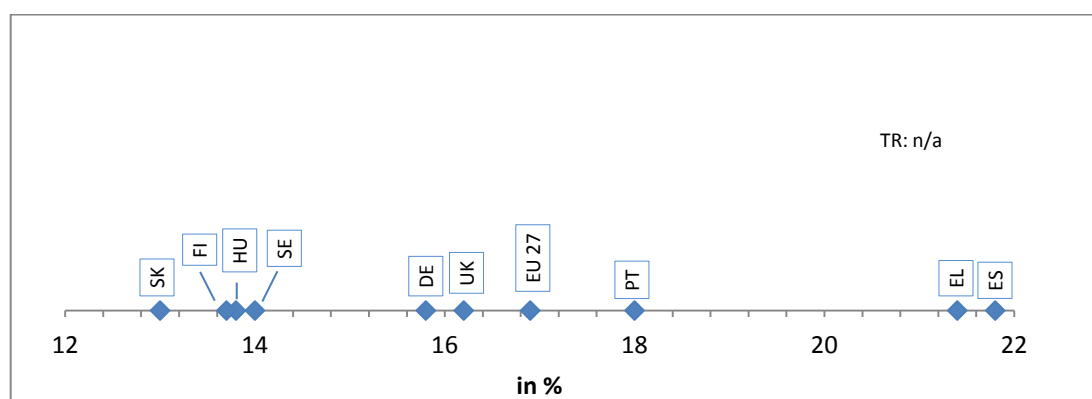
<sup>7</sup> It needs to be emphasised that the administrative level differs due to data availability. Unfortunately, there is no comparable data on NUTS3 level (on case study level); in some cases even not on NUTS2 or NUTS1 level. Therefore, the lowest available level is used.

Considering the at-risk-of-poverty before and after social transfers (this time on the national level), the role of social transfers in alleviating the risk of poverty or social exclusion becomes obvious (see Figure 10 and Figure 11). However, both figures do not only show that the share of people in risk of poverty decreases severely after social transfers, they also reflect the wider welfare regimes<sup>8</sup> and their effectiveness in combating poverty. Whereas the northern welfare systems reduce their poverty rates distinctively, the southern European, familialistic welfare states – especially Spain and Greece – seem not to work that effectively. In addition, the Hungarian case illustrates that the at-risk-of-poverty rate reflects inequality in a specific country rather than poverty. Whereas Hungary has by far the highest share of people living under conditions of severe material deprivation, it has a comparatively low at-risk-of-poverty rate – which only illustrates the share of people with a disposable income below 60 % of the national median income.



**Figure 10: At-risk-of-poverty rate before social transfers<sup>9</sup>**

Source: Eurostat Database, Regional Statistics (Reg) Table [ilc\_mddd21] and Table [ilc\_li09]



**Figure 11: At-risk-of-poverty rate after social transfers<sup>10</sup>**

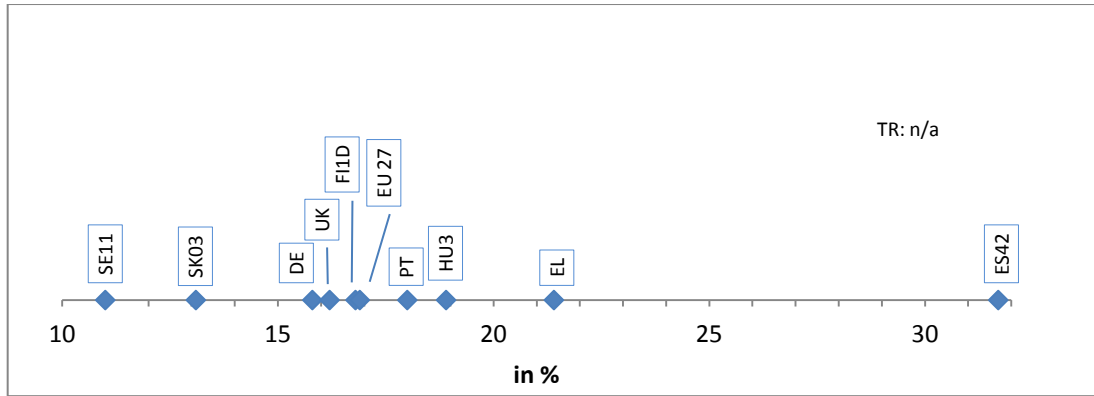
Source: Eurostat Database, Regional Statistics (Reg) Table [ilc\_mddd21] and Table [ilc\_li02]

<sup>8</sup> In accordance with the WP 1 report on Social Exclusion and Poverty (see Annex 1 of the Interim Report) the consortium distinguishes between five types of regime (see p6).

<sup>9</sup> by 60% poverty threshold 2011

<sup>10</sup> by 60% poverty threshold 2011

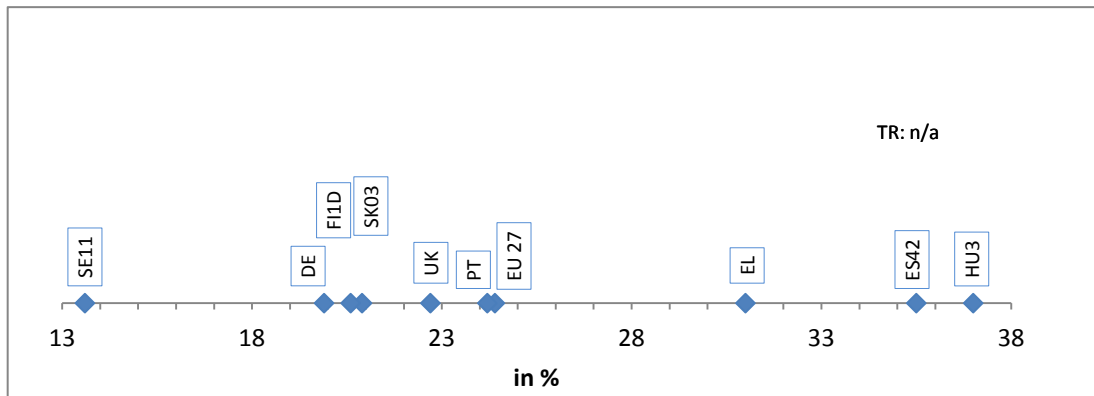




**Figure 12: At-risk-of-poverty rate 2011 at the lowest available level<sup>11</sup>**

**Source:** Eurostat Database, Regional Statistics (Reg) Table [ilc\_mddd21] and Table [ilc\_li41]

The available statistics fail to provide us with a clear picture of social exclusion and inclusion processes, given the internal disparities within the quite large regional or even national level, for which data is provided. Also, even if available statistics allow for a comparison at NUTS3 level or below, careful interpretation of the data, considering the context, framing of results as well as micro-level analysis is important.



**Figure 13: People at risk of poverty or social exclusion 2011<sup>12</sup>**

**Source:** Eurostat Database, Regional Statistics (Reg) Table [ilc\_mddd21] and Table [ilc\_peps11]

<sup>11</sup> It needs to be emphasised that the administrative level differs due to data availability. Unfortunately, there is no comparable data on NUTS3 level (on case study level); in some cases even not on NUTS2 or NUTS1 level. Therefore, the lowest available level is used.

<sup>12</sup> It needs to be emphasised that the administrative level differs due to data availability. Unfortunately, there is no comparable data on NUTS3 level (on case study level); in some cases even not on NUTS2 or NUTS1 level. Therefore, the lowest available level is used.



### **3 Social exclusion and poverty: trends across the case studies and underlying processes**

In the following section, resulting trends and processes from the case studies are presented under the following headlines: 1) Common and specific characteristics for urban as opposed to rural areas, 2) common thematic challenges, 3) migration patterns and 4) the consequences of the fiscal and economic crisis.

#### **3.1 Setting the context: commonalities and specificities across territorial categories**

Statistically, there is an urban-rural divide in the risk for social exclusion and poverty which is different for the New Member States compared to the EU 15 Member States. Specifically in the New Member States, the poverty and social exclusion risk in rural areas is considerably higher compared to the urban areas, while in the Old Member States the risk is higher for those living in urban areas (EC, 2011a, p. 16).

However, rurality in itself is not automatically an indicator for social exclusion and poverty. It can be stated, that remoteness increases the vulnerability of the affected areas, but does not necessarily leads to social exclusion. However, rurality and remoteness become risk factors when these overlap with other risk factors, such as poor accessibility, structural economic problems, sparse and scattered population, ageing and shrinking population, or historical backwardness of the region. Thus, looking across the set of five “rural” case studies, it becomes evident that our set represents localities with complex challenges (remote areas, island regions, mountainous region or regions in industrial transition).

Instead of referring to rural (or urban) risk, we prefer to **link the risk of poverty and social exclusion to an area’s characteristics in terms of its relative centrality or peripherality**, which, to our understanding, is more relevant for understanding social exclusion or poverty processes across territorial categories. One indicator defining a central or peripheral position, would be the connectivity of a locality, that is, it’s being connected and linked to virtual or material networks and wider resources, in terms of infrastructure, access to hot spots of economic activity and innovation, and influence on political agenda setting processes. Peripherality or centrality thus has an infrastructural, an economic and a political notion (Weck & Beißwenger, 2013). Other indicators defining both terms, undoubtedly linked to the ones already mentioned, are selective out-migration or in-migration processes and structural economic crisis.

Well-connected metropolitan areas (urban and central) would form one extreme with very specific and typical patterns and trends of social exclusion and poverty; and peripheral, rural and remote areas the other extreme, with the rest of cases in-between. Typically linked to the former category would be gentrification processes, dealing with diversity and highly segmented labour and housing markets. In the rural and peripheral areas as well as old-industrial areas, poor employment opportunities, depopulation and ageing, due to selective migration of the younger ones, and its implications

on the economic potential and community life, as well as a vicious cycle of immobility and exclusion for the remaining population represent the most important challenges.

Nevertheless, there are common challenges across the territorial 'urban' or 'rural' framing. As reported below, the analysis of living conditions of multiply excluded groups, such as the Roma, is very similar to what is being discussed for deprived social groups in the context of 'neighbourhood effects' research for the urban context. Also, school segregation exceeding residential segregation, is a worrying common trend, with patterns of "white flight" and higher status groups' disaffiliation in the rural as well as the urban context, in Dortmund and Izmir as well as in the studied villages with a major Roma population.

### 3.2 Social exclusion and poverty in peripheral, rural locations

Peripheral locations face particular challenges regarding processes of social exclusion, particularly due to selective out-migration and an often less dynamic economic development.

It is often the mobile, young and well qualified population groups who leave the area in search for better employment or education prospects in the more 'central' places. Selective migration patterns thus tend to weaken the potential for new economic activities in peripheral, rural locations which is also visible in old-industrial regions. This process also impacts on the quality of life of those remaining, and the overall attractiveness of a region for living and working. In the long run, it is often the most vulnerable population groups who become trapped in a **vicious cycle of immobility, exclusion and poverty**. Living in such a locality may then have additional negative effects on people's resources and opportunities, over and above individual risk factors; very similar to those mechanisms debated within the 'neighbourhood effects' research for the urban context (see e.g. Friedrichs et al. 2003; Doff, 2010; van Ham et al., 2012).

These interacting effects are very clearly analysed in the cases of Nógrád and Banskobystrický. The interlinkage of rural poverty and Roma segregation has become one of the "most important social and political issues" over the last decades in Hungary, as Kovács et al. (2013, p. 10) write. A majority of Hungarian Roma lives in rural areas, many of them in rural villages (ibid., p. 11), like the ones investigated in Nógrád county. Nógrád is a peripheral rural area with low economic performance, structural problems and long-term outmigration processes. Long-term unemployment, income poverty and welfare dependency have become long-standing experience and reality for most Roma families, sometimes in the third generation (ibid., p. 39). An individual reaction to the hopelessness of the economic and social situation are changing reproduction strategies, thus, the increasing rate of teenage pregnancies among Roma girls. These interacting effects are also very clearly described for the Slovakian village of Rimavská Seč (Kovács et al., 2014, p. 22): For lack of alternatives, the age for giving birth to the first child dropped from over 20 years to 15-16 years among Roma females since socio-economic transition in the early 1990s. Child allowances are an important means for income first, though on the long run, the

comparably high number of children increases the risk of poverty and contributes to a downward spiral.

**Prejudice and hostility towards stigmatised groups** are specific characteristics that increase the risk of social exclusion and poverty for the affected groups, in this case, the Roma population. In the Southern European rural context, we know of similar experiences of social exclusion of migrant workers that came to work in rural areas, often in labour-intensive economic sectors (agriculture, textiles, tourism) (Morén-Alegret, 2008; Fonseca, 2008; Kasimis, 2009). With the outbreak of the economic and financial crisis, hostility towards migrant workers has increased. Rising conflicts and the rejection of people from foreign countries partly due to the increased competition for jobs becomes evident in La Manchuela, where an increasing share of migrant workers from Romania, Bulgaria or Morocco works in the agriculture sector (mostly low-qualified jobs).

“We are becoming a little racist.... For example, here there have been a lot of foreigners working in the fields, many Moroccan, Romanian and also Spaniards... And now I have been told [...] that foreigners are paid less money, and of course Spaniards refuse such pay. If it was 45€ per day before and now you are told it is 30, only the Romanians, Moroccans accept this, because Spaniards think that "they are taking advantage of me". I am hearing this too much. I have not checked it; people don't want to talk openly about these things. So, on the one hand there is this "they are taking our job", and on the other, is the "I don't want" [the job-My italics] For example, old people do not want foreigners in their homes.” (local expert, La Manchuela, as cited in de Lima, 2014, p. 47)

The Western Isles case study, an area with a declining population reveals that stigmatisation does not only affect people from foreign countries. In a remote rural area the close-knit nature of community, with a strong work ethic influenced by religiosity and where poverty and social exclusion are hidden phenomena and are not as visible as in urban areas, the stigmatisation of unemployed and/or people claiming social security benefits can be a challenge.

“I think that with this generation there has always been this sort of work ethic, and, you know they have always viewed anyone that is not working as lazy. And anyone that is on benefits or is in a council house, they are looked on as they are not working and, they are just playing the system.” (local expert, Western Isles, as cited in de Lima & Copus, 2014, p. 29)

Stigmatisation based on the claim of public benefits becomes also evident in the cases of Nógrád and Banskobystrický. Anti-Roma sentiments are fed by prejudices about the willingness of Roma population to integrate into the employment market as well as about the lacking motivation and persistence of Roma children at school. As the case studies conclude, such negative judgements lead to an increase of mutual distrust and make it even more difficult for Roma to adjust. Moreover, prejudices and negative judgements seem to foster a more performance-oriented perspective: as an example of solidarity the Nógrád case study reports on a project where better off non-Roma parents collect funds to cover school excursions for needy Roma children, however, **differentiating between 'deserving poor' – motivated children from diligent but poor Roma families – and so called 'undeserving poor'**.

Declining local employment opportunities, the centralisation of services and the attractiveness of the major cities for younger, qualified population groups are structural factors influencing the economic and social perspectives of rural, peripheral localities.

“... our biggest export is our youngsters, our educated youngsters, are our biggest export I would say.” (local expert, Western Isles, as cited in de Lima & Copus, 2014, p. 20)

The Territorial Agenda of the European Union 2020 (EC, 2011e, p. 6) points out that “(a)geing and depopulation will bring about changes in many regions including rural and peripheral regions and lead to severe impacts for social and territorial cohesion, public service provision, labour market and housing. Other regions have growing populations and face other pressures”. Intra-national disparities have increased in the last years – above all in central and eastern European countries, but in other countries as well; divergence between growing (most often the central, metropolitan regions) and stagnating regions (most often the peripheral, rural regions but also old-industrial areas), measured in terms of new economic activities, has intensified as well and continues to intensify.

“Now with all the cuts we have in health, education and social services, which are the basis of social welfare our villages are going to disappear. They are going to disappear because in education there is no transport, it is awful, in health there is no transport or anything, and the population is going to move to the biggest centres. Our little villages will disappear if they keep to these policies.” (local expert, La Manchuela, as cited in de Lima, 2014, p. 27)

A process of **slow deterioration**, characterised by a gradual cutback of services and infrastructure, is often felt in peripheral and rural localities; **influenced by the broader framework of increased attractiveness of metropolitan regions**, which affects the relational position of peripheral locations. The Spanish case study however also illustrates the need for small-scale analyses; population development in this region is quite heterogeneous and it becomes evident that it is particularly the smallest villages that suffer most from depopulation. Furthermore, it has to be emphasised once more that rurality in itself is not automatically an indicator for social exclusion and poverty, both are rather linked to the relative peripherality of the region.

### **3.3 Social exclusion and poverty in central, urban locations**

The Fifth Cohesion Report states, that “that the nature of disadvantage affecting people in situations of poverty and social exclusion is influenced by the area where they live. The link between individual circumstances and local situations runs both ways. A concentration of disadvantaged people in certain neighbourhoods results in increased pressure on public services, reduced economic activity and private investment, the emergence of ghetto situations and an erosion of social capital. At the same time, living in deprived areas means reduced access to jobs, often inadequate public services, stigmatisation and discrimination (Syrett and North, 2008). The concentration of disadvantage also appears to be a persistent phenomenon which can spread from one generation to the next (EC, 2010a, p. 187). The concentration of too

many residents with low or little resources has been reported to consolidate negative effects of deprivation on individuals in form of neighbourhood effects (van Ham et al., 2012; Galster et al., 2008; Friedrichs et al., 2003). Territorially, these processes are visible across the set of 'urban' case studies, and manifest themselves in deprived inner-city areas and peripheral housing estates.

Segregation and the subsequent formation of disadvantaged areas are a widespread and worrying phenomena in European cities. Its new quality reflects a widening gap between different social and ethnic groups and therefore also illustrates the still lacking integration of immigrants in many European cities. **Increasing residential segregation also impacts on educational polarisation across cities' districts** by influencing the composition of schools. In some cases, educational (ethnic and socio-economic) segregation even exceeds residential segregation, and thus contributes to the forming of 'disadvantaged' and 'advantaged' school locations. In combination with the interrelation between educational disadvantage and the socio-economic background of children, these processes lead to unequal learning progress and educational disadvantage of children with a low social status – and therefore often migrant children.

“They [children with a migration background often with a low socio-economic background; author’s note] are not encouraged and often disillusioned by their teachers.” (local expert, Dortmund, as cited in Ramos Lobato, 2013a, p. 22).

Within the context of school social segregation processes, parental strategies play an important role. The Dortmund and the Izmir case studies show that education for the own (future) children is one of the main concerns of modern urban middle classes; middle-class parents tend to be more worried about reputation of schools, tend to be spatially less constrained and take informed decisions, which even compounds educational inequalities.

However, the Greek case study points to the fact that “**low levels of segregation are not necessarily synonymous with prosperity and social inclusion.**” (Kandyliis et al., 2013, p. 22). Whereas socioeconomic and ethnic segregation are comparatively low in Athens, severe inequalities between the native Greeks and the immigrant population become visible. Here as elsewhere social mobility as well as social inclusion of migrants is primarily based on the access to the labour market, which is fragile and disadvantaged in almost all of the more recent labour migration countries (with the exception of Portugal, which seems to better address specific problems of foreign-born and -trained workers, according to the Migration Integration Policy Index). The situation of immigrants has even deteriorated within the last years since they are the last to benefit from economic booms and the first to suffer in times of economic downturns. In Athens, the ambiguous legal status of many immigrants and the potential loss of access to residence permits in case of unemployment lead to their specific vulnerable situation.

“(I)f the labour market [does not offer jobs], especially within an environment formed by the IMF and the troika, then they [immigrants; author’s note] will have some problems; not some, a lot of problems.” (local expert, Athens, as cited in Kandyliis et al., 2013, p. 24).

Even in countries with a more comprehensive welfare system and immigration history of several decades (such as Germany or Sweden), **societal integration of immigrants still seems to be challenging**. Lower socio-economic status and difficult labour market integration resulting in higher unemployment rates of immigrants illustrate persistent inequalities between immigrants and natives. In Sweden as well as in Germany, even foreign born university graduates are less likely to have qualified jobs.

“A contributory reason is also the failure of the Stockholm County to find employment for the county’s international population, as has been noted by OECD. Many of our citizens are living in poverty for reasons which often interact and reinforce each other.” (local expert, Stockholm, as cited in Dymén & Reardon, 2013, p. 29)

Whereas the attention of policy makers is often one-sidedly focussed on the effects of residential (and ethnic) segregation assuming that these effects hamper social networks with ethnic natives – and therefore exacerbate immigrants’ integration – and influence educational and labour market success, the urban case studies (in particular in Athens, Stockholm, Izmir and Porto) point to the **important role of ethnic neighbourhoods for immigrants’ integration prospects**. Informal networks seem to provide essential support, especially for newcomers.

### 3.4 Migration patterns across Europe

Although free movement within the EU offers citizens the chance to move elsewhere for a variety of reasons, intra-European migration seems to be still largely driven by opportunity differentials related to better earnings, jobs and career development (Benton & Petrovic, 2013, p. 12). Migration trends and patterns lead to policy challenges in both, the country of origin and the receiving country. Thus, poverty in rural Bulgaria or Slovakia, as well as unemployment and lack of perspectives for highly qualified young people in Portugal, may lead to increasing mobility intentions and the need for active integration policies elsewhere across Europe.

In a way, intra-EU migration always has been underlying the European unification process: Transnational mobility and one common labour market are also a potential means to offset regional imbalances, such as shortage of labour in one place and under-usage of potential workforce in another place. Intra-EU mobility nevertheless still plays a minor role compared to intra-national or intra-regional mobility, for reasons of language barriers, missing recognition of professional qualifications, attachment to a place due to family ties, and so on. Following the EU enlargements in 2004 and 2007, however, there has been an increase in intra-EU mobility with predominantly east-west movements. Lately, migration patterns have changed and there is increased migration from the crisis-hit countries in Southern Europe to the more prosperous North (Benton & Petrovic, 2013, p. 1, 9f.). The proportion of people with 'firm intentions' to migrate in the following 12 months has “more than doubled, from 0.5% to 1.2% or, in real terms, from 2 to 5 million” and is highest in Greece, followed by Central and Eastern EU Member States (EC, 2013c, p. 38). These figures might underrepresent real trends, as patterns of migration are changing, with new forms of



temporal, circular migration arising. Individuals, looking for better perspectives in life and work, may travel to different cities, regions, and countries across Europe, in a temporal and circular way, rather than migration can be perceived as a single and one-way process.

We came across **intra-EU migration** in our case studies for two different groups of migrants: out-moving young population in the case of Porto and Spain, often highly qualified and looking for access to the labour market, and in-moving Bulgarian and Romanian population, in the case of La Manchuela, often occupied in seasonal work in the primary sector. Both cases illustrate the need for a strengthened transnational policy nexus between sending and receiving countries.

Over three-quarter of Romanian citizens living in another EU country settle either in Italy or Spain – mainly due to the role of networks and so called ‘chain migration’ (Benton & Petrovic, 2013, p. 5). In rural areas such as La Manchuela, Bulgarian and Romanian predominantly work in the agricultural sector and help with the harvest. Due to rising unemployment rates and increasing competition for jobs, **stigmatisation and rejection of immigrants** is growing in different case study areas hit by the crisis, such as Athens or Manchuela. The most disadvantaged ones seem to manage their precarious situation with circular migration only.

“Romanian, for example, they were here all the year some years ago, but they starved so much in winter and they had such a bad time they have went back. They prefer go to Romania in the winter, come back in summer, do the season, and go back to Romania to live with the little they have earned, with the little they have got of the exploitation they are subjected to (local expert, La Manchuela, as cited in de Lima, 2014, p. 47-48)

In Germany, recent immigration figures show not only an increase in migrants from crisis-hit Southern and Eastern Europe, but also that especially Bulgarian and Romanian inflows are on the rise; they increased sixfold or fourfold between 2006 and 2011 (from 7,526 to 51,319 or from 23,353 to 94,706) (Destatis, 2012). As a consequence, a range of German municipalities, such as Dortmund or Duisburg, experienced an unexpected inflow of Bulgarian or Romanian population in the last years. Often, migrating groups concentrated in low-income neighbourhoods of bigger cities, living in extremely precarious circumstances. Due to their lacking employment permits until 2014, Bulgarian and Romanian are forced to earn their livelihood with informal jobs. As in other cities, the sudden influx of socially vulnerable population groups has led to wider public discussions, in combination with growing negative reactions and stigmatisation by the local population.

The issue of emigration was not explicitly addressed in the interviews in Nógrád and Banskobystrický kraj, but also did not turn up in informal discussions. One reason for this might be, that literature emphasises that it is mostly urban spaces from where Roma migrants come from; migration from rural areas seems to be sporadic (information K. Kovács). Analysing the data from a survey on segregated Roma neighbourhoods and their vicinity in Hungary and Slovakia, 29% of surveyed Roma population (22% in Slovakia) had migration intentions (compared to 20% or 14% of non-Roma population), with more than a third having the intention to migrate within the next 12 months, and Germany, Canada and UK (UK, Czech Republic and Germany in Slovakian survey) as the top destination (UNDP et al., 2011).

**With unemployment still rising, emigration from Southern European countries has increased within the last years**, especially in Greece and Spain – two of the countries worst hit by the financial and economic crisis. These recent migration processes can be characterised as mainly intra-EU mobility (Benton & Petrovic, 2013). The primary reason for emigration is the search for better employment opportunities, as the Portuguese or Spanish case studies illustrate. In contrast to former emigration in Southern European countries, however, current emigrants are comparatively younger, come predominantly from urban contexts and are more qualified. According to a research study ordered by the Portuguese student associations, 69% of the students who participated in the study intend to emigrate after finishing university (Lusa, 2012), which illustrates the dimension and extent of current emigration patterns.

“In former times, predominantly young people with lower qualifications emigrated. Young people with higher qualifications used to stay here. This is a significant change” (local expert, Porto, as cited in Ramos Lobato, 2013b, p. 43)

“The idea of looking for opportunities by going outside Spain amongst the young people who have finished their studies in the last two or three years has been growing. I was told yesterday about a boy and a girl who has gone to work in England, also a few days ago about one who was going to go to China. Things are at boiling point amongst people who are finishing their studies.” (local expert, La Manchuela, as cited in de Lima, 2014, p. 32)

However, it seems that **emigration goes along with considerable risks for quite a number of migrants**. Whereas some bilateral programmes exist, which coordinate migration between EU Member States for specific professional groups, a not insignificant number of migrants seems to move without concrete job offers, sufficient knowledge of the employment market in the destination country and without language capabilities or an elaborated strategy. Rather, migrants utilise or establish social connections with acquaintances or friends who already live in foreign countries and can give support at least for the first weeks and test their luck in the job market. “There are others who go without having anything planned; they only go with misfortune” (local expert, Porto). Statistical data shows that mobile citizens from Greece, Spain and Italy are most likely to have moved without a job already set up (Benton & Petrovic, 2013, p. 13) diminishing the likelihood to find a job according to the own qualification level, as interviews with young unemployed in Porto illustrate.

“They [highly qualified friends or acquaintances of her who already immigrated to other European countries without having a concrete job offer; author’s note] normally arrange jobs, but also precarious jobs. I do not want to say that a job with McDonalds is precarious, but a lot of my friends are working with McDonalds in foreign countries. Here in Portugal, these are precarious jobs, and I guess that in these countries they are precarious as well.” (young unemployed with university degree, Porto, as cited in Ramos Lobato, 2013b, p. 44)

Besides the risks young emigrants face in their arrival countries, these migration processes have also **unpredictable consequences for the countries these young migrants leave behind**. The increasing emigration, in combination with its selective nature as regards age and level of qualification of those that leave, poses quite a

challenge for Southern European countries – in terms of a potential brain drain as well as future demographic and economic development.

### 3.5 Consequences of the fiscal and economic crisis

As the previous chapter have shown, the financial and economic crisis has led to a change of patterns of social exclusion in many countries and has intensified the problems that already existed before. Especially within the countries hardest hit by the crisis, the forced adoption of austerity plans aimed at fiscal consolidation has led to a negative social impact that exacerbates the situation for vulnerable population groups. Infrastructure and services are being ‘centralised’ in rural and peripheral areas while in cities and metropolitan areas, local programmes are being cut to the most basic services in times of austerity. The impact of the economic crisis is noticeable within the southern European countries in particular. The labour market in these countries is characterised by growing unemployment rates and precarious employment, which affects the most vulnerable population groups such as low qualified, immigrants or young people. Consequently, the growing emigration – in particular of younger and highly qualified people – from the countries hit worst by the crisis is one of the most visible consequences of the crisis.

Moreover, in response to subsequent pressure of the troika, there have been **severe cutbacks of public spending within different public sectors**, e.g. social protection schemes and educational programmes. Consequently, austerity measures threaten not only the traditionally most vulnerable population groups, but increasingly also people who used to have at least a minimum level of protection, such as young people or lower middle classes. Since the **crisis leads to shrinking family incomes, it simultaneously threatens families’ capacities to provide support for needy family members**. Austerity measures challenge the capacity of families to provide assistance to their members, even in countries with a familialistic welfare model, while at the same time there is no alternative access to social protection. As stated above, family ties and networks, that traditionally used to play a crucial role in combating poverty and social exclusion in countries such as Spain, Greece or Portugal, seem to lose their strength and relevance for various reasons (higher mobility, changing lifestyles and values), which will have serious effects on poverty and social exclusion in these countries.

“The general reduction of public expenditure threatens to leave unprotected not only the traditionally most vulnerable social groups such as the minorities and undocumented immigrants, but also people who used to have the benefit of a minimum level of protection, such as young unemployed, long-term unemployed and retirees. For many among them, family networks are still important but significantly less effective in transmitting resources to their members.” (Kandyliis et al., 2013, p. 38-39).

All three southern case studies point to **changing patterns of affected population groups**. Although there are population groups particular vulnerable to poverty and social exclusion, the case studies illustrate the emergence of a new group of affected people, partly even from the middle classes with medium and high educational level (see Athens, Porto, La Manchuela). People who have never been dependent on so-

cial security benefits are now increasingly affected by the negative consequences of the crisis.

“More recently, there are more people coming to our job centre who come for the first time; people who have never been unemployed and are now addressing to our service for the first time. A few years ago, we only had clients who have never been employed or only from time to time and who have always been recipients of the RSI [social security benefits; author’s note] or other social benefits.” (local expert, Porto, as cited in Ramos Lobato, 2013b, p. 35f.)

“We’re talking about an entirely new category of people without shelter, whose professional, educational and social profiles markedly away from the profile of homeless people we knew until the economic crisis.” (local expert, Athens, as cited in Kandylis et al., 2013, p. 32)

“I am now seeing families who were more or less normal before and now they are almost at the edge, asking for the Council’s Employment strategy and finding that their unemployment benefit is about to finish and they have two children and they do not know what to do.” (local expert, La Manchuela, as cited in de Lima, 2014, p. 20)

In rural communities, impressions from the interviews suggest that the effects of the crisis are quite similar to urban areas – reduced public expenditure leads to a negative impact on services, individuals as well as on welfare state provision – but they are further exacerbated by their remoteness. **Public sector cuts take effect and services such as health care or education are centralised in larger rural municipalities.** As a consequence, outmigration processes of youth and women from rural areas due to the lack of employment opportunities are intensified further. In addition, outmigration from rural areas also impacts on family structures and weakens their role in combating poverty and social exclusion, even in countries that do not depend on familialistic welfare support:

“I think that one of the biggest differences that people will have noticed from now to ten years ago, is that shift of family being next door is beginning to affect these islands as well. [...] So I think maybe in the past when people were struggling, people next door or maybe the family helped, and obviously that is not so much the case, people moving away, new people moving in. You get a different dynamic. And not that people don’t want to be neighbourly, but you don’t look after your neighbours in the same way you look after your brother, your family.” (local expert, Western Isles, as cited in de Lima & Copus, 2014, p. 26)

## 4 Factors and drivers behind social exclusion and poverty

The multi-faceted nature of poverty and social exclusion calls for a multidimensional analysis including economic, political and social aspects (Talbot et al., 2012, p. 9f.). While knowing about their interrelations in shaping and forming social exclusion processes, we will nevertheless focus on specific factors and drivers underlying these processes. Analysis is guided by the four domains of social exclusion: (1) earning a living, (2) access to services, (3) social environment and (4) political participation.

### Earning a living

In terms of economic conditions, the case studies point to underlying factors and drivers of social exclusion related to different situations of this domain: (1) in-work poverty; (2) restricted access to the labour market and (3) unemployment. In many European countries, most of the political aims concerning poverty concentrate on the promotion of employment since overcoming unemployment is seen as the most effective way of social inclusion (Omtzigt, 2009, p. 24f.; Talbot et al., 2012, p. 18). However, by analysing the socio-economic situation of the labour force it becomes apparent that unemployment rates do not reflect the whole dimension of income-related poverty and social exclusion. The share of **working poor** has increased in some European countries within the last years; even, or perhaps especially<sup>13</sup> in those, where shrinking unemployment rates suggest a positive development of the labour market. Thus, employment does not always protect from poverty – in particular in situations, where one or more individuals depend on one employed person (see case studies Athens or Porto). In-work poverty is often based on **precarious employment**, in forms of low wages, part-time or temporary contracts. Especially in rural areas with traditional sources of income, seasonal employment and low agrarian rents are responsible for low incomes, e.g. in La Manchuela. In Portugal, a popular form of precarious employment are the so called ‘green receipts’ – a form of pseudo self-employment misused by many employers to circumvent any form of employment rights, which subsequently leads to low wages and social insecurity.

As already mentioned, the case studies point to **remoteness as a factor aggravating access to the labour market**. On the one hand, access to the labour market is exacerbated by poor public transport and long distances – partly accompanied by high fuel prices as in the case of the Western Isles – leading to high mobility costs. On the other hand, social networks gain in importance in providing informal information about job opportunities as well as in accessing employment in remote areas with no or less formal information available excluding those with only small social networks. Especially long-term unemployed in peripheral regions tend to be less suc-

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<sup>13</sup> In Germany, the rise in employed people seems to have a high price in social terms since an increasing share of the labour force cannot earn a living with their work and is therefore dependent on additional social security benefits.

cessfully in developing and maintaining social ties which are useful for labour-market integration and consequently do not have adequate access to information about new employment opportunities.

“Mobility is directly welfare related question and in many cases cornerstone in possibilities to have an access to employment. In the remote rural labour market, long-distance commuting is the only way to get close to employment possibilities but not real possibility for unemployed or long-unemployed persons. [...] If a person is long-term unemployed, the possibilities to be mobile are really restricted. Rather often this kind of situation leads to geographical marginalisation.” (Kahila & Perjo, 2013, p. 37).

Within the last years, a **reinforcement of individual ‘employability’** can be observed driven by the rise of unemployment and the consolidation of a neoliberal mindset. This new perspective “tends to transfer the responsibility for existing principal economic problems to the unemployed and their ‘deficits’” (Queirós 2012, p. 235). Consequently, the mentioned cutbacks are often accompanied by higher pressure on beneficiaries of unemployment or welfare provisions. In the studied post socialist rural contexts, the individual perspective on employability becomes evident by the highly polarising measure of ‘welfare work’ – a specific active labour force measure that has become the most important welfare provision recently. It is usually organised for unqualified long-term unemployed and covers simple jobs such as collecting garbage. In Hungary, the concept was coupled with a 20% reduction of social benefits; ‘welfare work’ is a requirement for the access to social benefits. Similar measures do also exist in other European countries; their effectiveness is always very controversial.

Though there is not necessarily a **direct causal interrelation between unemployment, social exclusion and poverty**, as family and wider social network resources may be mediating factors (see the Lieksa and Porto case studies), being in a situation of feeling trapped in precarious employment, increasing insecurity and anxiety about unemployment can cause mental health problems, as the Athens case study illustrates:

“A characteristic example to mention is that of a volunteer psychologist who asked permission from the municipality to use its premises for extended hours as the incidents of citizens in need of psychological support are growing. [...] Incidents i.e. associated with mental disorder, stress, anxiety and hypertension due to the economic crisis.” (local expert, Athens, as cited in Kandyliis et al., 2013, p. 29)

The Western Isles case illustrates the interrelation between poverty and stigmatisation in the context of a close-knit nature of community and its emphasis on work ethics. These characteristics may lead to a situation where poverty is hidden by those affected as being out of work is seen as being ‘work shy’ or ‘not trying hard enough’ and consequently accessing welfare benefits is highly stigmatised.

### **Access to services**

Access to services and infrastructure represents the second domain of social exclusion, as defined by the TIPSE project, and covers the areas health, education and housing. Regarding **health infrastructure**, it has to be stated that although the direction of causality seems to be uncertain, there is a strong interrelation between poverty, social exclusion and health status (EC, 2013e, p. 19). Whereas ill health can cause poverty, e.g. by preventing people from participating in the labour market or by discrimination, on the other hand, social exclusion and poverty endanger the health and wellbeing of people. "Health outcomes and the risk of health-related financial hardship may be affected by changes in the resources available for health systems and in private resources available to households to support health service usage and healthy lifestyles." (WHO, 2010, p. 2).

Besides the effect of poverty and social exclusion on wellbeing of the population, results from the case studies illustrate the **increased financial barriers to health services for particularly vulnerable social groups**. According to a survey analysing the social impact of the crisis, about 30% of the asked EU citizens stated that it had become 'more difficult' to bear costs of general healthcare and even 11% reported much more difficulties (EC, 2010c, p. 24). Other research studies point to the reduction of routine health care as well as the cancelling of health insurances as a coping strategy (WHO, 2010, p. 9). This is confirmed within the TIPSE case studies: The Lieksa case study identifies the association of the health care system with the individual's employment situation as a reason for the exacerbated access to health care for unemployed. The impact of the crisis leads in other cases to an elevated number of uninsured people without any access to health care facilities.

"We received a lot of requests for medical care from our citizens; these are rapidly increasing as the economic crisis deepens. The dramatic rise in unemployment has created a 'whole army' of uninsured people without rights and access to health insurance." (local expert, Athens, as cited in Kandylis et al., 2013, p. 29)

In addition, the case studies point to the **relationship between the access to health infrastructure and peripherality**. In rural and remote areas where population is scattered and (specialist) services are concentrated in few places, access to health care is often hampered by long distances. In particular older and disabled people are affected by the insufficient access to support services. Moreover, the provision of adequate health services in remote rural areas is additionally challenged by the growing number of elderly in combination with the reduction of public expenditure, as the Spanish case study illustrates:

"Emergency teams are also disappearing. That means that each health centre, not all of them but most of them have two emergency teams (two nurses and two doctors), so if there is an emergency in a village 15 kilometres away, a doctor and a nurse go and another doctor and nurse stay to attend to whoever comes. Right now, the second team is disappearing." (local expert, La Mancha, as cited in de Lima, 2014, p. 24)

The same difficulties also apply to access to (higher) education in rural and remote areas. Moreover, peripheral areas suffer in many cases from a vicious cycle of out-migration and ageing in combination with **limited educational and training oppor-**

**tunities.** Due to the decreasing number of children in these areas, many schools are closed and distances between home and schools is becoming greater. At the same time, the limited educational opportunities and the lack of skilled, well paid and secure employment leads to high numbers of out-migrating youth and thus limited opportunities for those remaining. Access to education in rural areas is further even exacerbated by reduced public spending, which limits the funding of scholarships or other social support mechanisms and thus simultaneously has negative impact on the educational success of socio-economically less advantaged children – not only in rural areas.

“I know about people who are studying at the University in Albacete, many students from the villages cannot go to classes most days because their scholarships have been removed. They say “I cannot commute everyday to Albacete and I cannot live in Albacete as I cannot pay for my accommodation”, so, they select and say “I will go twice a week”.” (local expert, La Manchuela, as cited in de Lima, 2014, p. 23)

Besides the access to educational infrastructure, case studies clearly highlight the **interrelation between educational achievements, poverty and social exclusion**. On the one hand, poverty hampers the direct access to education by forcing children to drop out of school at an early stage to contribute to the family income or to look after younger siblings (see case studies Izmir and Nógrád). In these cases, social inequalities are perpetuated and the risk of poverty and social exclusion increases. Additionally, severe poverty impacts on the learning conditions of children, as the Nógrád case study illustrates:

“Most of the schools and municipalities make sure that pupils/students who come from extremely poor and multiple deprived families are fed. [...] However, when a municipality cannot afford to feed eligible school children, the drama of poverty and deprivation becomes more and more acute, deepens the gap between the poor and the middle class and threatens with social unrest locally (Kovács et al., 2013, p. x).

On the other hand, **barriers to institutions and the interrelation between poverty and educational disadvantage can also be found on a symbolic level**. The case studies point to differences of the educational performances of children strongly related to their socio-economic background. These educational disadvantages are related to individual reasons as well as to the educational system itself, which in many cases “is reproducing rather than closing pre-existing attainment gaps.” (Ramos Lobato, 2013a, vii). Moreover, advanced residential and educational segregation illustrated in the case studies leads to the evolvement of different learning environments, consequently to educational disadvantage.

In 2011, 12% of the population in EU27 was **overburdened by housing costs**; 39% of the people at risk of poverty were affected and less than 6% of the non-poor population (EC, 2013e, p. 7). Most prominently, the Scottish case points to the struggle of the population with higher heating costs, due to the non-availability of gas pipelines, unfavourable climatic factors and the poor condition of the housing stock. In some cases, the burden of housing cost can lead to homelessness that, according to data and national experts, seems to be on the rise in many Member States. Particularly



the Athens case study emphasises the changing profile of the homeless people with an increasing share of middle-class population with medium and high educational levels.

Results from the case studies show that there is not necessarily a **linear relationship between segregation and exposure to poverty and social exclusion**. The Botkyrka case study points to the interrelation between relatively high levels of socio-economic and ethnic residential segregation with an unequal access to the labour market, education or health care. It is also argued, however, that local social networks and resources in segregated areas might also help individuals to overcome situations of social exclusion. Likewise, the Athens case argues that segregated areas may also offer specific opportunities for social integration.

“The congregation of vulnerable social groups is often understood as merely the spatial expression of phenomena of poverty and social exclusion, i.e. as an indication of spatial exclusion. Our analysis reveals, on the contrary, that poverty and social exclusion may be present in situations of spatial dispersal and, on the other hand, that some level of congregation is a positive factor for social integration” (Kandylis et al., 2013, p. 45).

Behind seemingly equal levels of segregation, there are very different levels of poverty or social exclusion. Intervening factors are, e.g., the role of social networks in ethnic enclaves, or the level of stigmatisation of an area. In the case of Porto, territorial stigmatisation and negative images have an additional negative impact on those living in the social housing areas across the city. Negative effects of the neighbourhood become particularly visible while searching for a job; interviews illustrate that due to the high stigmatising effect of social housing neighbourhoods, people living in these areas seem to have lower chances to get employed when mentioning their address.

“[...] living in these areas [social housing neighbourhoods; author’s note] leads to a kind of territorial stigmatisation that – together with poverty – causes social exclusion. [...] It is perhaps worse, coming from a social housing neighbourhood than being unemployed.” (local expert, Porto, as cited in Ramos Lobato, 2013b, p. 26).

### **Social environment**

Social environment, the third domain of social exclusion, covers the four dimensions age, ethnic composition, immigrants and household structure. Concerning the first dimension, the case studies identify young and old people in different contexts as groups at risk of poverty and social exclusion. In particular in rural and remote areas, there is a **strong connection between poverty, social exclusion and old age increasing the social isolation of elderly**. The centralisation of services in combination with the lack of public transport limits old people’s access to services (including health care) and infrastructure. In light of an ageing population in many rural areas, further challenges refer to the provision and organisation of home care services due to dispersed settlements and youth outmigration.

“Demography, an ageing population, plus the fact that we don’t have enough young people to look after them, that is an issue. And the reason we don’t have

enough young people here is because our young people go away to find employment” (local expert, Western Isles, as cited in de Lima & Copus, 2014, p. 22).

Analysing the situation on the employment market, the vulnerable position of young people becomes evident. According to current data, youth unemployment is a widespread phenomenon within the European Union, where 22.9% of the young people less than 25 years are unemployed (30.1 of them have been unemployed for more than 12 months (European Council, 2013)). However, young people are not only more affected by unemployment; in many cases their **access to unemployment and other social benefits is distinctively limited in comparison to other age groups**. In particular in Southern European countries, the dualisation of the labour market employment, that is the differentiation between a core group of well-protected workers and the more insecurely employed, “corresponds to a differentiated treatment across generations, with the situation of the youngest cohorts being the more unfavourable.” (Baglioni & Mota, 2013, p. 322).

Within the second dimension, especially the stigmatisation of Roma population stands out. The Council of the European Union declared in 2011 that despite the efforts made on national, European and international level to support the integration of Roma, many Roma are still affected by poverty, social exclusion and discrimination often resulting in limited access to education, employment market and services, poor living and health conditions as well as low income (Council of the European Union, 2011). The case studies describe the situation of Roma in similar ways, analysing clearly the strong relationship between ethnic origin and poverty and social exclusion. Besides specific age groups or household types, **belonging to the Roma community seems to be a severe risk factor closely linked to exclusion in its various dimensions** – most notably the exclusion from the labour market and education. The employment rate of the Roma population within the investigated countries is extremely low; at the same time, the markedly high share of unskilled workers in precarious employment and informal work stands out (according to the 2011 UNDP et al. survey, the rate of Roma with informal work accounted for 20% in Hungary and 21% in Slovakia (Kovács et al., 2013, p. 12; Annex 1 Table 15 in Kovács et al., 2014)). The aggravated access to the labour market is based on low educational attainment of the Roma community – even exacerbated by a limited amount of jobs within the low-wage labour market (mainly due to de-industrialisation and economic restructuring) and the scarcity of jobs in the case study areas. As a consequence, social and child benefits constitute an important source of income for many Roma households – they amount to 42% of the income of the surveyed Roma households in Hungary and 59% in Slovakia (UNDP et al., 2011), illustrating the severe vulnerability and dependency of Roma on social assistance and even leading to changing reproduction strategies.<sup>14</sup>

As already mentioned, low educational attainment is a crucial reason for high unemployment rates and low income of Roma. At the same time, this relationship is recip-

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<sup>14</sup> Summarising all social transfers (including pensions), 72% of the income of the surveyed Roma households consists of welfare benefits in Hungary, and 81% in Slovakia (Kovács et al., 2013, p. 12; Kovács et al., 2014, p. 23).

rocal considering the huge impact of poverty on educational attainment; e.g. many Roma families cannot afford paying for pre-school and afternoon school fees, especially in Slovakia, where the fees have been relatively high. Besides the obvious correlation between poverty, social exclusion, educational attainment and employment opportunities, increasing stigmatisation in terms of educational segregation becomes evident (see chapter 2.2.1), strongly related to residential segregation. Many Roma live in segregated neighbourhoods or dwellings, often in settlements with bad housing conditions outside the administrative boundaries or at the edge of villages or towns living in isolation from the majority society. However, even in some non-segregated areas the acceptance of Roma is quite low. As the Nógrad and Banskobystrický Kraj cases show, **discrimination, stigmatisation and anti-minority feelings are nourished by a wide range of prejudices** blaming the Roma families for their deprived situation.

“If they wanted it, they would manage; they have all the means at their disposal to be able to live a better life.” (principal of a special school, Banskobystrický Kraj, as cited in Kovács et al., 2014, p. 35).

Besides the particular situation of ethnic Roma, most of the case studies illustrate the vulnerable situation of immigrants concerning structural aspects of social inclusion, such as access to employment, education, housing etc. Moreover, **social inclusion of immigrants seems to be hampered by their lacking relationships with natives**: the case studies rather point to networks within the own ethnic community than ethnic bridges to natives. The Botkyrka case study illustrates that even in a country with a long-lasting experience of immigration, which scored the best result on equal opportunity for immigrants by the Migrant Integration Policy Index (MIPEX), residential segregation impacts on the probability of maintaining contacts and networks with natives.

The case studies point to **specific household types being particularly vulnerable to poverty and social exclusion**. On the hand, single person households including single pensioners are identified as groups at risk of social isolation, in particular in rural and remote areas with sparse population and poor access to public transport. In UK, changes in the State Welfare System provision as well as the introduction of the ‘bedroom tax’ increase the risk of poverty and social exclusion for single person households – particularly in areas such as the Western Isles, with a lack of small one or two bedroom houses. On the other hand, data analysis reveals that households with dependent children, especially lone parents, are disproportionately affected by poverty and social exclusion.

As the case studies show, in many countries **households or rather the family and close friends have an important role in protecting individuals from poverty and social exclusion** – not only by giving financial support, but also by helping with childcare or other support (see case studies Botkyrka, Lieksa, Athens, Porto). Especially in the Southern European countries, strong families and traditional support networks are regarded as key elements of the familialistic welfare model. Against a backdrop of precariousness of state provision, the importance of informal networks, based on kinship, neighbourhood or friendship, in providing support and care is very high. The concept of the so called “welfare society” coexists with a weak-welfare

state and therefore compensates the deficits in state provision (Wall et al. 2001). However, fragmentation and diversification processes in terms of family and household structures are becoming visible. Some case studies point to changing family ties and structures, which are not as close as in the past. Consequently, it is likely that also the role of families in coping with situations of poverty and social exclusion is decreasing. As mentioned above, shrinking family incomes, as a consequence of public expenditure cuts, also impacts on families' capacities to provide support for needy family members.

### **Political participation**

In a more narrow sense, **citizenship** is related to legal rights defining access to societal institutions, such as property rights, voting rights, etc. As a broader concept, however, citizenship is about inequalities in the access to resources, institutions and decision-making processes, which often, but not necessarily are related to formal citizenship.

Lacking the legal status of an EU citizen (asylum seekers, for example, or illegal immigrants) implies lacking access to most of its social institutions: Education, employment, housing, health insurance, and political participation. Without formal citizenship, individuals are deprived of labour rights and often subject to exploitation, unable to raise their voice and collectively fight for better living conditions. This is especially pointed out by the Athens report. Formal citizenship, however, does not necessarily imply the opposite, that is, full incorporation into society. As the cases of Bulgarians and Romanians in Dortmund or the Manchuela region show, even though being EU citizen, access to the labour market and other public goods, such as political participation, may be restricted.

Political participation is, however, not only enhanced or limited by the legal right to organise. To raise one's voice and participate in political processes also depends on local political culture, or an individuals' confidence to influence one's situation through political participation. The feeling of being powerless, lacking solidarity, belonging to a stigmatised group and not being recognised by others as an equal member of society may thus limit the actual participation in political processes. The latter one apparently also limits the political participation of Roma population in both case studies.

## 5 The role of policy

The institutional environment of regions and cities is a main factor shaping the dimension and impact of social exclusion and poverty processes on individuals and places. In the following, we briefly reflect the role of local and regional policy makers, European policy, and the role of social entrepreneurs and civic organisations. We start with the level where social exclusion and poverty and the need for actions become evident, that is, the local level. We then continue with the role of policy on the national and the European level. As known, the European Union's approach to social inclusion policies is characterised by the "Open Method of Co-ordination", by which EU-level policies set a frame, but it is the Member States who set their own priorities to reach agreed policy targets. In the last section, we emphasise the role of individuals and report of some of the often small-scale local initiatives, that we came across in case studies and which make a difference in the lives of socially excluded or poor persons.

### 5.1 Integrated and holistic responses at the local/regional level

Horizontal and vertical integration of policies, joint working of actors bringing in resources from different sectors, a pro-active approach and sustained and long-term efforts are key factors for success, which are identified in the case study reports, across the different institutional welfare regimes and territorial environments. The role of regions and cities is important, as it is the local level where integrated and holistic responses to social exclusion and poverty are formed – or not. Of course, local action is more effective if there is coherence in policy response on higher policy levels (state level). The role of place-based approaches (as opposed to spatially blind ones) has been underlined by Barca et al. (2012, p. 319): "Development strategies should not be space-neutral, but (...) place-based and highly contingent on context."

**Horizontal and vertical integration of policies.** Horizontal integration and coordination of policies at the local level has an important influence on the effectiveness of local approaches. As social exclusion processes are multi-dimensional, effective policy approaches likewise need to be 'holistic' and comprehensive, and transcend departmental divisions. At the same time, these need to be embedded into a supportive environment at higher policy levels. The challenges linked to segregation processes, as stated in the Swedish case study report, cannot be dealt with on the local level only. Patterns of segregation, as the authors illustrate, need to be understood on the local level, but solutions call for a multi-level approach (Kandyliis et al., 2013, p. 45; Dymén & Reardon, 2013, p. 28, 37). Policy requirements are best discussed and defined in a process involving policy actors from all tiers of government, encompassing monitoring, policy evaluation and policy adaptation. The same applies to dealing with other forms of persistent exclusion, such as structural forms of unemployment, as is the case of Lieksa, or policy responses to out-migration and decreasing population in rural areas, as is the case of the Western Isles.

Territorially focused, comprehensive programmes need to be aware of the importance of wording and “labelling”: Horizontal integration appeared both in Hungary and Slovakia in territorially focused programmes targeting multiply disadvantages in the programming period of 2007-2013 with significant Structural Funds spending. The Slovak so called ‘Comprehensive Approach’ applied ethnic labelling explicitly which – according to an evaluation study – contributed to the low spending rate of the allocated resources; the Hungarian Programme targeting the most disadvantaged LAU1 units did not apply ethnic labelling, nevertheless reached the Roma population to a significant (but yet not appropriate) extent (Kovács et al., 2013, p. 47, 63).

**Joint working of actors.** The need for a combined approach, bringing together the resources of actors from different sectors, the public sector, the private and the civil sector, is emphasised in all reports (see, for instance, Kovács et al., 2014, p. 52; Ramos Lobato, 2013a, p. 40; Kahila & Perjo, 2013, p. 27). Different actors and institutions have different knowledge, experience and insights, which should be drawn upon as far as possible in an inclusive process for developing a full understanding of problems and potentials, and defining the policy approach. Multi-agency working, as highlighted by de Lima and Copus (2014, p. 46f) is needed to effectively help households facing multiple, and often interrelated, problems. Joint working of actors on the local level needs to be supported by higher policy levels (Dymén & Reardon, 2013, p. 29; de Lima & Copus, 2014, p. 54). Kahila and Perjo (2013) discuss the role of a vertically and horizontally integrated approach towards long-time unemployment in the Finnish case. They point to the necessity “to combine social welfare, health care and work ability into a wider perspective of employability” (ibid, p. 38).

**A pro-active approach.** Problems need to be recognised by policy makers and agencies, in their scale and long-term consequences (see Kovács et al., 2013; Kovács et al., 2014). Established ways of thinking, prejudices, generalisations and stereotypes, might hamper stakeholders’ perception of problems, and whether and how benefit payments, assistance or social services are taken up. The UK report emphasises the need for “poverty awareness training” among different agencies (health services, housing, etc.) as an important element in developing a strategic and holistic approach towards combating poverty. The importance of early intervention was likewise seen as a necessity and an opportunity; for example, educating children in issues such as energy consumption and renewable energies (de Lima & Copus, 2014, p. 50). The Swedish case study report emphasises the need for a pro-active local approach as regards interculturality, “supporting an interchange and interaction between human beings with different origins” (Dymén & Reardon, 2013, p. 29).

**Sustained and long-term efforts.** The need for long-term measures is emphasised in all reports. Experimental projects and programmes are important in triggering innovation, however, success needs to be maintained and successful initiatives mainstreamed (Kovács et al., 2013, p. 61f.). The need for long-term approaches is obvious in dealing with structural and long-term challenges such as educational disparities, socio-spatial segregation (Dymén & Reardon, 2013, p. 28; Kandyliis et al., 2013, p. 47), structural unemployment, or out-migration trends in rural areas. The short-term nature of many grants may lead to unsatisfactory or even counter-productive results, if projects end when the funding runs out (Kovács et al., 2014, p. 45f).

**Balanced policies.** While there is need for a combined policy approach, there is always a difficult balance to be struck between different priorities, targeting alongside non-targeted approaches, focussed action in particular areas alongside support according to individual needs and target-group specific initiatives (de Lima & Copus, 2014, p. 54f.; Kovács et al., 2013, p. 62; Ramos Lobato, 2013a, p. 39). Given the scarcity of resources, flexibility is important to vary the nature and intensity of support according to emerging needs. The Fifth Cohesion Report states in the context of discussing the policy challenges arising from social exclusion and poverty processes, that “(s)ocial policies, therefore, need to tackle the territorial aspects of disadvantage if they are to succeed in helping people in the places where they live and to encompass the regeneration of deprived areas as well as support to the people concerned themselves.” (EC, 2010a, p. 187).

The balance of policies may vary according to the characteristics of the territorial environment. In rural areas, characterised by dispersed populations, an emphasis on area-based policies will not always be appropriate, given the dispersed nature of social exclusion and poverty presence (de Lima & Copus, 2014, p. 55). It is important to ensure the coherence of individual measures and be aware of inconsistent or contradictory policy approaches. In Porto, for example, a wide range of initiatives against youth unemployment has been set up, but for the moment, these seem to cater for different geographic areas and target groups in parallel, being less well strategically coordinated and interlinked (Ramos Lobato, 2013b, p. 49f.). For greater effectiveness, there needs to be a broader strategic vision and how the individual policies and measures contribute and feed towards policy aims, and the flexibility to take focussed actions according to changing needs. Concluding from the experience in Athens, Kandylis et al. (2013, p. 46) point to the relevance of adequate housing for the integration of immigrants and policies that “find flexible solutions in an environment of restricted allocated resources and without spatially segregating the affected groups”.

The reports also point to different combinations of factors – both, structural context and individual level – which increase the vulnerability of risk groups (see de Lima, 2014, p. 38). Some of the most relevant ones, depending on context and by no means an exclusive list, are: immigration & unemployment; old age & health issues & sparsely populated context; Roma & segregation; immigration & lack of access to rights and services; young people & lacking access to the labour market. In this vein, agents at higher policy levels need to define the broader conditions of policies and programmes, and leave it to local level agents to tailor these to the specific local needs and conditions.

## **5.2 National Level**

At the national level, much can be done to support local and regional policy makers in dealing with the problems at those levels where they become visible. National policies set a frame for the understanding of policy issues or problems and the agenda-setting. The mix of prevention, support and activation in the national social policy approach also influences scope of action at local and regional level. Talbot et al. (2012) point to the different welfare regimes, and the significant differences with respect to timing, framing and policy approaches for combating social exclusion or poverty

across the ESPON territory. Despite these differences, they also note that there is a general shift across European Member States towards “active inclusion” approaches (ibid., p. 21), such as lifting people out of unemployment, increase employment levels, and more actively support the inclusion of specific risk groups.

We cannot claim for representativity of the selected cases for their wider welfare regime in a strict sense; nevertheless the local case studies quite well reflect particularities and differences across the wider regimes. We will briefly reflect on some of these similarities and differences in the chosen five challenges and situations that are closely linked with poverty and social exclusion:

In dealing with **unemployment**, the role and relevance of active labour market policies is a highly relevant topic in the Finnish case study. In general, the Nordic countries have the highest levels of expenditure on active policies across Europe, and there is some evidence that high spending levels goes along with a lower persistence rate in unemployment for short-term unemployed (European Commission, 2013d, p. 14). Portugal, where the second case study on unemployment is located, is in a middle position, while many Eastern European countries spend little on active labour market measure, with a resulting high persistency rate in unemployment for short-term unemployed. The UK, that is, the Anglo-Saxon model, constitutes a special case, with low expenditure on active policies, but also low short-term unemployment persistency rates. The way in which income support, labour market and quality social services are adequately integrated in the different member states to support social inclusion, is quite diverse and there is a need for European level exchange and learning (Network of Independent Experts on Social Exclusion, 2013) to promote active inclusion. The Finnish system provides a good example for a country with a comprehensive policy approach; despite some progress, a comprehensive approach is less well established in the Portuguese case (see Network of Independent Experts on Social Exclusion, 2013, p. 19, 22, 23). Family and social networks traditionally have helped individuals to overcome situations of exclusion and poverty in Portugal (a characteristic of the familialistic Southern welfare state model), but these resources tend to get weaker in the current crisis and the subsequent reduction of public expenditure. The case study in Finland, but also the Hungarian and Slovakian ones, raises the question of how to deal with persistent long-term unemployment. Against structural (long-term) unemployment: What is the role of the third sector or a subsidised labour market in an “active inclusion” approach? Paid work is not the only means of integrating individuals into society. Against the backdrop of working poor and structural long-term unemployment, the need for alternative routes into society becomes evident. Socially useful community work, if providing minimum wage and being perceived as “real” work (Kovács et al., 2014, p. 34) could be a solution.

The link between disparities in educational achievements on the one side, and socio-economic disparities, on the other side, is quite clear looking at the two chosen case studies. **Investing in education** – from early childhood education and care to measures that prevent children to drop out early or leave school without qualification is quite different across countries and welfare regimes. Investing in education is a means to stop intergenerational transmission of disadvantage, if educational policies are sensitive to concentrations of disadvantage and integrated with social policies (see the Dortmund, Izmir and Nógrád report). Evidence from the OECD’s PISA stud-



ies shows that access to and quality of early education has influence on educational achievements and overall skill levels later on in life. However, there is large divergence between European countries and also within the defined European welfare regimes as regards investing in education and educational achievements of socio-economically disadvantaged population. In line with other authors (see e.g. Willemse & de Beer, 2012; Muskens, 2009), we thus see less evidence for a clear-cut interrelation between (inclusive) education and welfare state regimes. The interrelation between residential segregation and educational segregation, and the higher risk of migrant population, marginalised social groups and/or socio-economic disadvantaged population to achieve less and drop-out early, is quite clearly analysed in the case study reports, and calls for place-specific and integrated political responses. In rural contexts, school segregation and other forms of social exclusion are by no means a less worrying phenomenon than in urban contexts. More attention needs to be given to educational segregation as well as to the strongly related issue of poverty in rural areas in rural development programmes and plans.

On a European scale, service provision and **access to services in sparsely populated areas** in general seems to be better in the old Member States compared to the new Member states (ESPON, 2013), though there is wide variation in-between the western Member States, as regards overall share and at-risk-of-poverty rate of population and the general state of quality and maintenance of services in remote and sparsely populated areas. Also, the political attention towards reducing inner-national territorial polarization and policy frames for dealing with sparsely populated areas are diverse across Europe. In the Scottish case, stake-holders aim for a strategic multi-agency approach to addressing poverty and social exclusion in the Western Isles. In the Spanish case, responsibilities seemed to be more dispersed across agents at different policy levels and stakeholders are more pessimistic in successfully face the challenges. The financial crisis and public expenditure cuts in addition have had a specifically strong impact on ease of access to those services and activities which may be described as representing the common facilities that should be accessible to all. In dealing with specific rural challenges linked to social exclusion and poverty, a careful balance between strategic, macro-scale policy interventions, on the one hand (for dealing with the structural issues of out-migration, economic stagnation, structural weakness of the labour-market, etc.), and micro-scale, localised responses to the specific challenges (such as the impacts on villages and people) is needed. There is no clear-cut relationship between welfare state regimes and response to the challenges in sparsely populated areas. In deregulated environments, there might be a tendency to emphasise micro-scale, local approaches; while in highly regulated ones, there might be a tendency for top-down approaches.

Dealing with **urban segregation** likewise calls for a multi-level approach, with a balanced mix of macro-scale and micro-scale approaches. Weak segregation and weak inequality are usually associated with the highly regulated institutional environment of the Nordic countries, while higher levels of segregation and inequality are associated with the Anglo-Saxon welfare regime. Patterns and processes of segregation in Athens, representing quite well a Southern model of socio-spatial development, are not regulated by comprehensive welfare state arrangements. Questions concerning the social integration of immigrants were and are not sufficiently addressed. However,

the Greece case study illustrates that in ethnic segregation patterns “some level of congregation is a positive factor for social integration” (Kandylis et al., 2013, p. 45). Therefore, policy interventions need to be based on an understanding of the negative and positive aspects of segregation. In Sweden, there seems to be a relatively broad level of acceptance of large-scale immigration at political level. The increasing diversity that comes with it is pro-actively dealt with in the municipality of Botkyrka. Nevertheless, the Swedish case study also points to Swedish-natives self-segregation and small-scale patterns of residential segregation according to ethnic lines.

Dealing with the high risk of social exclusion of **ethnic minority groups**, that is, the Roma population in the case of the Hungarian and the Slovakian case study, is a wider societal issue, as it calls for policies that improve the material conditions of Roma population, but also policies that aim to change non-Roma stakeholders’ perception and attitudes of this group. Poverty and social exclusion of Roma in rural areas are major problems in post-socialist countries, and to a lesser extent in Western European countries. The recently agreed council recommendation on effective Roma integration measures in the member states (Council of the European Union, 2013) is a further step towards promoting national approaches to Roma integration and combatting social exclusion and discrimination. The document emphasises the importance of education and calls for eliminating school segregation, stopping the placement of Roma children in special needs schools, and reduce early school-leaving, besides measures to increase access of Roma to employment, adequate housing, and health services. However, the Slovakian case study points to low educational attendance of Roma as a result of negative experiences regarding education as a means for upward social mobility, which thus has to be kept in mind when implementing policies to combat social exclusion and poverty of Roma.

“Education itself cannot solve the problem of school segregation which is triggered mainly by deep poverty. In the context of crisis, without widening employment opportunities, it is not possible to cease the cause of the problem, that is, the lack of jobs and the increasingly narrowing employability of unskilled masses.” (Kovács et al., 2013, p. 59).

Some good practices have been implemented in Hungary supported by ESF (European Social Fund) co-financed schemes. They provided a wide set of assistance for Roma children and their parents ranging from early childhood via school-age supports to community development. However, the impact of such holistic programmes has been limited due to the restricted availability of funding: funding for Complex Child Protection Programmes for example was restricted to the so-called most disadvantaged LAU1 units, 33 from 171 such units.

Moreover, there is a need for local action plans and transnational learning, alongside wider initiatives to combat discrimination. Local and regional authorities should be supported in accessing resources from European-level programmes for the development of integrated approaches at local level, in order to combat the multiple forms of deprivation faced by Roma population groups.

### 5.3 The Role of the European Union

The headline target of lifting 20 million people out of poverty and social exclusion, as one of the seven flagship initiatives of the European 2020 strategy, sets an ambitious target. The target itself, quantified for the first time, and the multi-level policy process for reaching it, has substantial innovative elements, though commentators have also noted inherent weaknesses linked to the Open Method of Coordination (OMC) for fighting social exclusion and the “voluntaristic nature of the target” (see Copeland & Daly, 2012, p. 283; Omtzigt, 2009, p. 27f.). In addition, and as stated by Talbot et al. (2013, p. 19), EU’s social policy objectives are also “integrated with, or in some commentators’ view subsumed by, the EU’s economic growth and competitiveness agendas.”

Nevertheless, the EU’s target setting process has had positive effects on visibility and attention for poverty and social exclusion issues across the Member States and has raised social awareness and commitment, to a varying extent. Given the lack of “hard” policy instruments (legislation and regulation), it is the “soft” policy instruments (coordination, improving knowledge, exchange of information, etc.) with which the European Union can take influence. Alongside national action plans, enhanced multi-level policy coordination, dialogue with stakeholders, and good-practice promotion, the EU funds offer a substantial mechanisms for reaching the target.

Taking stock of the achievements to reach the target, and the challenges ahead, European Commission President Barroso concluded in the 2013 Poverty Convention speech that there was a “need to mobilise structural funds for social inclusion, to invest on social innovation and to act at regional and local level” (EC, 2013f, p. 1). There are a range of new instruments to promote achievements of targets, alongside the more established ones of EU Cohesion Policy.

The newly established European Union Programme for Employment and Social Innovation (“EaSI”) specifically aims to support achieving the Europe 2020 targets, especially its poverty reduction and employment objectives. It seeks to identify socially innovative solutions and to scale up their implementation, as emphasised in Barroso’s speech. Due to its focus on poverty reduction, EaSI, is of special relevance for policy learning and exchange of experience at EU level. Its aim is to promote projects, irrespective of their size, with clear Union added value. Likewise, the Social Investment Package, aimed to guide national reforms towards the Europe2020 target, is one of the more recent mechanisms adopted in the frame of the flagship initiative for reaching the target, together with a wide range of initiatives, such as the Employment Package or the Youth Employment Initiative. The Youth Employment Initiative (YEI), set up to deal with the consequences of the financial and economic crisis, is directed to benefit young unemployed persons aged 15-24 years living in regions with levels of youth unemployment above 25%.

In the 2014-2020 programming period of EU cohesion policy, it is above all the community-led local development (CLLD) focus in the European Social Fund (ESF), as well as in the European Agricultural Fund for Rural Development (EAFRD), which can be deployed for reducing persistent social exclusion in specific places. Likewise, the European Regional Development Fund (ERDF) has a focus on integrated actions for sustainable urban development. Barca (2009; VII) stresses the need for place-

based cohesion policies to tackle “persistent underutilization of potential and reducing persistent social exclusion“. So far the alleviation of poverty and social exclusion was completely absent in rural development programmes including LEADER strategies, in some of the European countries (see for example Hungary and Slovakia). Consequently, no EAFRD money was used for this purpose. Considering future policy frameworks, out of a place-based policy perspective, coherence between these different programmes sometimes was raised as an issue. Community-led local development was mentioned as a tool to provide a most appropriate framework for targeting the poor, as reported from the Hungarian and Slovakian context, because of the relatively flexible funding regulations.

These different programmes (and others, such as the European territorial cooperation, EGTC) provide a valuable platform to facilitate networking and exchange of experience. From the point of view of our research, testing new solutions, local/regional policy learning and exchange of experience and good practise within this frame could be promoted as regards, for instance, the following themes:

- The role of integrative policy networks and approaches, as well as the integration of formal and non-formal policy elements for improving educational achievements of socio-economically disadvantaged population, within an urban as well as a rural context.
- Local action plans and local initiatives which might be able to break the cycle of intergenerational transmission of disadvantage of Roma households, especially focussing on the problematic situation of young girls and women. Also, initiatives to establish and improve trust and co-operation between non-Roma population and Roma ethnic minorities, as well as promoting active citizenship of the latter ones in villages and rural areas.
- Initiatives which focus on different models for the access to services in areas with declining population and sparsely populated areas, within different regimes and with different forms of integration of institutional and community resources.

Other issues, such as a multi-level policy approach for dealing with patterns of urban segregation, or understanding the (positive) role of concentrations of ethnic groups for social inclusion and incorporation into mainstream society, or the impact of social and demographic trends – in terms of family and social network support – on socially vulnerable population groups would best be researched within the Horizon 2020 Framework for Research and Innovation.

And still others, such as the exchange and learning as regards the design of active inclusion policies, would be more appropriate to deal with in transnational networks of national level policy makers.

#### **5.4 Self-help and social innovation**

Partly influenced by the financial crisis, there is a general understanding nowadays that government and the public sector are not able to solve societal problems on their own. Social innovation is defined as “new ideas (products, services and models) that

simultaneously meet social needs and create new social relationships or collaborations. In other words, they are innovations that are both good for society and enhance society's capacity to act." (Murray et al., 2010, p. 3). The EU EaSi regulations make specific reference to the role of social innovation "in response to social needs that are not met or that are met insufficiently" and acknowledges the role of social entrepreneurs or third-sector organisations in it. Social innovation can arise from the civil society, as bottom-up self-help initiatives, or out of new combinations of civil society resources with public or private sector resources.

The role of self-help is acknowledged by stakeholders in the Western Isles, where there always has been a strong sense of community.

"You know we have an opportunity to have that kind of self-help, and community help has much more scope to be a model and it could be made to work more easily than big infrastructure. So that kind of thing where people can save significant amounts of money that is then freed up for spending in the local economy, which then generates jobs. So these issues are linked." (local expert, Western Isles, according to de Lima & Copus, 2014, p. 51)

Likewise, it is argued in the case of Lieksa that the way how the situation of being long-term unemployed is managed, influences individuals' own perception of being socially excluded, or not:

"A critical issue for wider analysis of social exclusion is to decide the scope of social and economic problems that defines whether a person is socially excluded or not. Two particular groups could be recognised in Lieksa case study. First are working age men living in peripheral areas often taking care of their older parents and, second are men interested in hunting and fishing as well as picking up berries from the forest. The latter group have also possibility to become economically self-sufficient and not dependent on labour market allowances." (Kahila & Perjo, 2013, p. 37)

Not only in closely-knit, rural communities, also in the urban context, subsistence economy can play a role in overcoming situations of poverty and social exclusion.

"A project that aims at renovating an abandoned manor and cultivating a community kitchen garden is also frequented by some unemployed living in the same area. 'I think that today there is an opportunity to return to these kind of things because we need to create other sources of revenues' (local expert, Porto)." (Ramos Lobato, 2013b, p. 50)

It is often individuals/civil society groups who make a difference on the lives of socially excluded – from the Roma teacher in the Slovakian village to the role of the library and associations in the suburb of Botkyrka, to dedicated school teachers and the parents-teacher-networking in a migrant neighbourhood in Dortmund, and the setting up of fuel buying clubs for heating oil in Western Isles. The "elephant and butterfly" metaphor quite adequately describes the relationship between welfare state institutions on the one hand, and local initiatives on the other hand (Oosterlynck et al., 2013). Small local initiatives, which can make a difference, need to be supported and integrated into wider strategies; they should not be thought to replace, but rather add to other actors' engagement and resources.

Social innovation is a deeply local and regional phenomenon. Initiatives may work in one place and not at all, or only with a different set-up and carefully adapted, in others. Locally successful initiatives and projects need to be carefully analysed to see to what extent the success is due to place-specific local factors, and whether and how they might work in other institutional settings, territorial contexts and socio-economic environments. Committed local leaders and politicians, and the level of co-operation and mutual trust, for instance, are an essential factor contributing to success, as visible in the contrasting examples of dealing with primary school segregation in the Hungarian case study, promoting mentoring programmes, or innovative pedagogical methods, and without this commitment, an innovative approach might not work at all in other contexts. Individuals make a difference: Skills, interpersonal abilities and commitment are of decisive importance in order to access funding, work effectively with partners, and cultivate a culture of trust and confidence. Equally important, the way how an innovative project is embedded into the wider institutional context, and linked to other policies and measures, will affect its success.

Potentially, some case study examples might be transferable to other contexts, or have a potential for being up scaled.

**Ternipe Civic Association:** This Slovakian civic organization, founded in 2007, successfully runs an afternoon school in Rimavská Seč. The afternoon school is funded by the Roma Educational Foundation / Open Society Institute (REF OSI) according to similar Hungarian initiatives. The organization is also in charge of coordinating a wider mentoring programme in the Romungro communities of Central and Eastern Slovakia. The Ternipe Civic Association is led by a young teacher, who lives in the village. The association is one of the examples of sound initiatives of Roma intellectuals who have been willing to invest into their wider (ethnic) community (according to information from K. Kovács).

**The municipal library and the Women's resource centre in Botkyrka:** The library plays a very active role in reaching out to the community and is working more and more in the area itself, also recognizing and supporting the various approaches to learning that are accompanied by a diversity of cultures. The Women's Resource Centre is citizen driven (with funds from the municipality) and has worked to initiate a number of programmes in coordination with the municipality. (see Dymén & Reardon, 2013, p. 30)

**A primary school in a disadvantaged neighbourhood in Dortmund** provides a (in the German context) widely renowned example for parent-teacher networking to foster (migrant) children's development and collaboration with the local community. Every day a so called "parent's café", open to all interested parents, takes place in the school. This is a forum for networking among the parents and for communication between parents and teachers; but also German or computer courses or round tables with experts, such as physicians, are organised. The school distinguishes itself by its holistic approach for supporting children. It also has well-established links into the local community. (see Ramos Lobato, 2013a, p. 33)

Some local initiatives may have considerable impact on the local community, if these initiatives do manage to bring in wider resources from higher policy levels and become interweaved and intersected in wider networks and relations. The role of the

European Commission is to support exchange of experience across Member States, support pilot projects, and – if successful - promote their up scaling and mainstreaming in implementation across the Member States.

A range of other experiences, pilot initiatives from the public sector, or mixed public-private initiatives as well, could be considered for wider experimentation, evaluation and mainstreaming:

The Road Equivalent Tariff (RET) Scheme (2008-2012), a Scottish Government initiative with a specific remote rural focus, was introduced to address issues related to transportation costs. “The RET scheme involves setting ferry fares on the basis of the cost of travelling an equivalent distance by road (see Halcrow Group Ltd 2011 for information about the evaluation of the pilot). This was introduced in what were described as 'fragile ' communities such as the Western Isles. Whilst the evaluation of the pilot suggested mixed results with regard to issues such as population growth and economic development (Halcrow Group Ltd) , the stakeholders felt overall it had made: '...a huge difference.’” RET was, however, withdrawn for commercial vehicles, which consequently lead to comparatively higher consumer prices on Western Islands compared to the mainland, again. (de Lima & Copus, 2014, p. 45)

In Porto, the so called ‘National Centres for Support for Immigrants’ (Centros Nacionais de Apoio ao Imigrante - CNAI) try to support and facilitate the societal integration of immigrants. They were set up in 2004 and could best be described as a “one-stop-agency” for different services relevant to immigrants, ranging from residence legal issues, employment and education to social services and health. This project was considered as best practice example within the ‘Handbook on Integration for policy-makers and practitioners’ in 2004 by the European Commission Directorate-General for Justice and was awarded in 2005 first place by the ‘Prize for Best Practices in the Public Sector’ by the *Diário Económico* (ACIDI n.y.). (Ramos Lobato, 2013b, p. 34)

Concluding, as regards the role of policy, it is clear that there is no one intervention, or single policy, for combating social exclusion. At national level, it is the mix of prevention, support and activation that shapes and influences trends and patterns of social exclusion and inclusion. At European level, there is a need to both, make best use of the “soft” policy instruments (policy coordination, dialogue, facilitate exchange of experience), and promote coherent local action plans that tackle territorial concentrations of social exclusion and poverty within its cohesion policy. “There is a great need to solve the problems progressively and in a coherent way”, as stated by Omtzigt (2009, p. 26), as “(s)ocial Exclusion is by its very nature cumulative and multidimensional and should be tackled as such.”

## 6 Indicators and mapping

There is a need for micro-scale monitoring, not for top-down bureaucratic control, but as an instrument for policy learning. We also see, however, the need for standardised data available on micro-scale level, across the European territory.

Talbot et al. (2012, p. 2), conclude in their working paper that “poverty and social exclusion are multi-dimensional and relational. Therefore, they should be studied in a multi-dimensional and multi-sectoral analysis, in which economic, social and political aspects of vulnerability and exclusion are all taken together into account, and how their compounded effect may find expression in spatial concentrations of disadvantage and vulnerability.” Such an analysis, as evident from the case study reports, is deeply hampered by the lack of available data.

- 1) Given the internal disparities within larger regions or within cities and the often small-scale nature of spatial concentrations, regional NUTS-3 or even local LAU-1 data fails to provide us with a clear picture of territorial social exclusion and inclusion processes.
- 2) In addition, availability and quality of data tends to cover labour-market or economic data (the “Earning a living” domain), but there is scarce data for assessing patterns and trends in the domains of “Access to Basic Services” and “Social Environment”, and nearly no comparative data to assess “Political Participation”. Apart from lacking event data, longitudinal data is often missing, to track developments over time.
- 3) Even if available data allows for cross-country comparison, careful interpretation of the data, considering the cultural context and framing is important. “Without local knowledge” as Kovács et al., 2013, p. 56, argue for the income indicator, “data can easily be misinterpreted” (see also Dymén & Reardon, 2013, p. 33).

These arguments point to the relevance of a framework for the kind of data that needs to be available at European level, the kind of data that needs to be sampled at local level, and the interlinkage of both.

The case study reports point to the need for standardised data on micro-scale level across the European territory. Standardised data allows to compare trends and patterns across populations, geographic areas, institutional settings, as well as over time. Moreover, harmonised data makes it easier to understand key issues, problems and trends, define areas of action and discuss the role of policies.

Data collection, as instructed by the different policy levels, from the very local to the European level, needs to go hand in hand. There are obvious limits to data sampling of European-wide surveys, such as the European Social Survey, for reasons of cost-efficiency. At the same time, sampling data on social exclusion trends and processes and discussing key issues is also a valuable mechanism for policy learning on the local and regional level.



As a first step, there would need to be a common conceptual framework that defines as precisely as possible, the different domains and dimensions which allow to cover social exclusion trends and processes across European countries. Based on work undertaken in WP 2.6 of the TiPSe project, we suggest the following frame: (1) Earning a living; (2) Access to basic services; (3) Social environment and (4) Political participation. These would need to be commonly discussed and agreed upon between different policy levels and institutions.

Secondly, there needs to be agreement on the indicators within the different domains and dimensions, with which social exclusion trends and processes might be best captured and assessed. Being aware of the locally specific meaning and significance of indicators, there needs to be common agreement on which ones are comparable across different settings and environments.

Thirdly, there needs to be a common understanding on the shared responsibilities between different policy levels and data as regards sampling of according data. From a European level, more contextual and spatial data needs to be linked to the existing data sets, at the lowest spatial unit level possible, that is, below NUTS3, and even LAU1 level. From a national level, more efforts need to go into the ways and methods to link European datasets to nationally, regionally and locally reliable data sets for covering trends and processes in the different domains.

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## Annex 1: Socio-economic characteristics of the case studies, NUTS 3 level

	DEA52	FI133 FI1D3	EL300	HU313	UKM64	ES421	PT114	SE110	SK032	TR310	EU27	Source
<b>total population 2012</b>	580,956	165,906	4,109,074 (p)	198,933 (p)	26,147 (bp)	396,212 (p)	1,284,967 (p)	2,091,473	660,128	3.965.232	503,663,601	demo_r_pjanaggr3
<b>population change 2005-2010</b>	-1.25	-1.57	3.34	-5.35	-0.49	4.89	1.04	7.81	-0.79	3.45	2.03	demo_r_pjanaggr3
<b>young-age dependency ratio 2012 (*2011)</b>	12.9	14.9	14.3	14.2	15.5	15.1	14.8	18.2	14.8	19.8*	15.6	demo_r_pjanaggr3
<b>old-age dependency ratio 2012 (*2011)</b>	31.4	32.0	26.7	27.2	35.1	26.5	25.0	22.8	18.4	11.9*	26.8	demo_r_pjanaggr3
<b>tertiary educational attainment 2012<sup>15</sup> (NUTS 2*)</b>	22.4*	43.7*	39.7*	19.7*	46.1*	33.2*	28.7*	56.4*	22.2*	21.6*	34.6	edat_lfse_12
<b>early leavers from education and training 2011<sup>16</sup> (*NUTS2)</b>	15.0*	9.7*	10.6*	15.1*	27.7* <sup>17</sup>	31.6*	23.0*	7.0*	4.4*	18.5*	13.5	edat_lfse_16
<b>GDP at current market prices in PPS per inhabitant 2010<sup>18</sup> (*NUTS0)</b>	113	83	115	29	76	78	81	168	54	50	100	nama_r_e3gdp
<b>unemployment rate 2012 (*NUTS 2)</b>	6.9*	9.5*	25.3*	13.9*	4.6*	28.5*	16.1*	6.8*	16.2*	13.3*	10.4	tgs00010

Source: Eurostat Database, Regional Statistics

<sup>15</sup> In % of population aged 30-34.

<sup>16</sup> In % of population aged 18-24.

<sup>17</sup> Low reliability.

<sup>18</sup> In % of the EU27 average.

## Annex 2: Data on the wider social exclusion context for the cases studied; NUTS 2 or higher levels

	DEA5	FI13 FI1D	EL30	HU31	UKM6	ES42	PT11	SE11	SK03	TR31	EU27	Source
<b>severe material deprivation rate 2011 (*2010)</b>	5.3	2.8	9.5*	27.5	5.1	3.0	8.3	1.4	10.7	-	8.8	ilc_mddd21 & ilc_mddd11
<b>at-risk-of-poverty rate before social transfers 2011<sup>19</sup> (*NUTS0)</b>	44.6*	41.3*	44.9*	51.8*	43.4*	44.8*	42.5*	42.4*	38.3*	-	44.0	ilc_li09
<b>at-risk-of-poverty rate after social transfers 2011<sup>20</sup> (*NUTS0)</b>	15.8*	13.7*	21.4*	13.8*	16.2*	21.8*	18.0*	14.0*	13.0*	-	16.9	ilc_li02
<b>at-risk-of-poverty rate 2011 at the lowest available level<sup>21</sup> (*NUTS0; NUTS1**)</b>	15.8	16.8	21.4*	18.9**	16.2*	31.7	18.0*	11.0	13.1	-	16.9	ilc_li41
<b>people at risk of poverty or social exclusion 2011 (*NUTS0; NUTS1**)</b>	19.9*	20.6	31.0*	37.0**	22.7*	35.5	24.4*	13.6	20.9	-	24.2	ilc_peps11

Source: Eurostat Database, Regional Statistics

<sup>19</sup> By 60% poverty threshold 2011.

<sup>20</sup> By 60% poverty threshold 2011.

<sup>21</sup> By 60% poverty threshold 2011.