Economic Issues

No. 37

Re-Thinking Social Policy: Place-Shaped As Well As People-Focussed

Authors:
Emeritus Professor Cliff Walsh
School of Economics
University of Adelaide

Assoc Professor Michael O'Neil
Executive Director
SA Centre for Economic Studies

May 2013

South Australian Centre for Economic Studies

ISSN 1445-6826

Copyright: All rights reserved. The Copyright Act 1968 permits fair dealing for study, research, news reporting, criticism or review. Selected passages, tables or diagrams may be reproduced for such purposes provided acknowledgement of the source is included. Otherwise, no part of this publication may be reproduced, stored or transmitted in any form or by any means without the prior permission in writing of the Publisher.

Disclaimer: While embodying the best efforts of the investigators/authors, and while every reasonable effort has been made to ensure accuracy, neither the South Australian Centre for Economic Studies, the parent Universities, nor the individual authors/investigators, take any responsibility or will accept any liability for any consequences that might arise from reliance on the information presented in this paper.

The views expressed in this paper are the views of the author(s), and should not be taken to represent the views of the South Australian Centre for Economic Studies or of the two parent Universities of the Centre.

Published by: South Australian Centre for Economic Studies
PO Box 3192
Rundle Mall SA 5000
AUSTRALIA
Telephone: (61+8) 8313 5555
Facsimile: (61+8) 8313 4916
Internet: http://www.adelaide.edu.au/saces
Email: saces@adelaide.edu.au

© SA Centre for Economic Studies, 2013

Subscription and Corporate Membership:

Information on Corporate Membership of the SA Centre for Economic Studies may be obtained by contacting the Centre or at our website, www.adelaide.edu.au/saces

Executive Director's Note

Welcome to the thirty seventh issue of *Economic Issues*, a series published by the South Australian Centre for Economic Studies as part of its Corporate Membership Program. The scope of Economic Issues is intended to be broad, limited only to topical, applied economic issues of relevance to South Australia and Australia. Within the scope, the intention is to focus on key issues – public policy issues, economic trends, economic events – and present an authoritative, expert analysis which contributes to both public understanding and public debate. Papers will be published on a continuing basis, as topics present themselves and as resources allow.

This paper takes up the theme of Re-Thinking Social Policy and follows, in one sense at least, from an earlier paper on Re-Thinking the Approach to Regional Development (EIP No. 28). It argues that place as well as people focussed social policy is similar in many respects to what is called place-based regional policy. Building the capacity of communities in which government plays a supportive role, not controlling role, is critical to addressing the situation of disadvantaged people and communities (i.e., places and people) and is a platform for regional growth and development.

The authors of this paper are Emeritus Professor Cliff Walsh, School of Economics, University of Adelaide and Assoc Professor Michael O'Neil, Executive Director of the SA Centre for Economic Studies. The views expressed in the report are the views of the authors.

Michael O'Neil
Executive Director
SA Centre for Economic Studies
May 2013

Recent Issues Papers

36. "South Australian Centre for Economic Studies: 30 Year Anniversary -", by Gary Banks AO and Gary Sturgess AM, April 2013.
35. "Is Adelaide a University City?", by Michael O'Neil and Mark Trevithick, April 2013.
34. "Assisting Regions and Communities to Cope with Structural Change: Context, Objectives, Principles and Good Practice", by Cliff Walsh and Michael O'Neil, August 2011.
33. "The Economic Consequences of the Euro" by Colin Rogers, July 2011.
32. "Banking Competition: The Rhetoric and the Reality" by Dr Penny Neal, May 2011.
31. "South Australian Labour Markets: 2000 to 2010" by Michael O'Neil and Mark Trevithick, February 2011.
30. "Migration Trends in South Australia, 1998/99 to 2008/09" by Mark Trevithick, January 2011.
29. "Decline and Rejuvenation: The Provincial Cities of South Australia" by Michael O'Neil, Mark Trevithick, Daisy McGregor and Antony Pietsch, January 2011.
28. "Re-Thinking the Approach to Regional Development in South Australia", by Michael O'Neil and Cliff Walsh, December 2010.
27. "Identifying the Main Economic Issues Facing the South Australian Wine Industry", by Nicola Chandler, April 2010.
26. "Nuclear Power in Southeast Asia: Implications for Australia and Non-Proliferation", by Andrew Symons, April 2009.
25. "The Global Economic Crisis of 2008: Some Thoughts on Causes and Remedies", by Colin Rogers, January 2009.
24. "Assisting Injured Workers Return to Work: The Economy Needs You!", by Michael O'Neil and Peter Lumb, November 2008.
23. "A Review of the Literature of Active Labour Market Policies", by Michael O'Neil and Penny Neal, June 2008.
22. "Self Managed Superannuation Funds: Some Public Policy Issues Regarding Their 'Decumulation' Phase, by Owen Covick, April 2008.
21. "Australia's Productivity Growth in the 21st Century", by Dean Parham, September 2007.
20. "Building a Local Defence Industry: Workforce Requirements 2006-2010", by Michael O'Neil, Steve Whetton and Edwin Dewan, March 2007.
19. "Running on Empty: The Risk of Continuing to Dither While the Empty Light is Flashing", by Professor Peter Cullen, AO, FTSE, January 2007.
18. "South Australia's Recent Productivity Performance" by Jim Hancock and Wing Hsieh, April 2006.
17. "Mining the Labour Market: The Estimated Demand for Labour in the SA Mining Sector, 2006-2014" by Michael O'Neil and Paul Huntley, April 2006.

16. "Australia's New Trade Agreements: Beneficial Liberalisation or Harmful Policy?" by Andrew Simon, November 2005.
15. "Wind Generation and the South Australian Economy" by Stephen Nelson, April 2005.
14. "South Australia's Overseas Exports" by Paul Huntley, March 2005.
13. "The 2004/05 South Australian Budget" by Jim Hancock, July 2004.
12. "The Relative Decline of Manufacturing Employment in South Australia" by Anthony Kosturjak and Joshua Wilson-Smith, July 2004.
11. "An Ageing Australia: Small Beer or Big Bucks?" by Gary Banks, May 2004.
10. "Enhancing Trust in Australia's Tax System" by Owen Covick, April 2004.
9. "Inquiry into the Management of Electronic Gaming Machine Numbers" by Michael O'Neil and Steve Whetton, April 2004.
8. "Review of the South Australian Economy, 1990-2003" by Michael O'Neil, Penny Neal and Anh Thu Nguyen, March 2004.
7. "Darwin: A Gateway to Asia?" by Andrew Symon, March 2004.
6. "Innovation Activity and Income Levels: A Summary of Indicators" by Jim Hancock, Marianne Herbert and Steve Whetton, April 2003.
5. "The SA Labour Market Through the 1990s" by Anthony Kosturjak, February 2003.
4. "The 2002/03 Commonwealth Budget" by Owen Covick, August 2002.
3. "An Assessment of the Impact of Gaming Machines on Small Regional Economies" by Michael O'Neil and Steve Whetton, May 2002.
2. "Timor Sea Natural Gas Development: Still in Embryo" by Andrew Symon, August 2001.
1. "The 2001/02 South Australian Budget" by Jim Hancock, August 2001.

Re-Thinking Social Policy: Place-Shaped As Well As People-Focussed

Overview

- Development of the concept of ***social exclusion*** has served the valuable purpose of broadening thinking about the requirements of good social policy.
  - The social exclusion perspective includes, but also goes beyond, thinking about social policy as concerned with reducing poverty and inequality or combating deprivation and disadvantage.

- In brief, social exclusion refers to individuals and families, or broader groups, becoming, in effect, "disengaged" from participation in several or all of the normal economic, interpersonal, cultural, civic and political activities and relationships available to a majority of people in a society of which they are part. It involves individuals and families experiencing a cumulative process of becoming disengaged from more and more dimensions of life and it affects ***both*** the quality of life, well-being and future prospects (life-chances) of individuals and families experiencing exclusion ***and*** the equity and social cohesion of society as a whole.
  - Policies and strategies aimed at reducing social *exclusion* are referred to as social *inclusion* policies and strategies, which are intended *inter alia* to: prevent (or at least reduce) the risks of exclusion faced by the most vulnerable; facilitate, as required, participation in employment and access to capabilities, opportunities, resources, rights and goods and services; and mobilise all relevant public sector and other agencies in overcoming exclusion.

- Social exclusion might sometimes result from explicit or implicit discrimination against, or stigmatisation of, individuals or families with particular characteristics – for example, disabilities, mental ill-health or in long-term unemployment – and can be exacerbated by anti-social behaviour on the part of some of those experiencing exclusion.
  - However, social exclusion predominantly results from people experiencing adverse conditions or events in their lives which can progressively lead to them becoming trapped in an expanding web of disadvantage.
  - Indeed, it most often involves people and families being ***included on adverse terms*** rather than them being literally excluded, or completely disengaged.

- Important characteristics of social exclusion include that:
  - it can only sensibly be defined *relative to* what is reasonably considered normal or acceptable in a particular society in a particular period of time;
  - it is essentially *involuntary* on the part of the people or families experiencing it;

  - it is *multi-dimensional* in character and is *relational* in nature;
  - it involves a *process* ("a state of progressive adverse change") more than an outcome (a "state of being");
  - it can become *intergenerationally transmitted* in families or groups; and
  - it sometimes is markedly *locationally concentrated*.

- From a policy perspective, it is helpful to distinguish between:
  - ***wide exclusion***, where people, families or groups experience exclusion on a single indicator and the required focus of social inclusion strategies is *early detection* and *early intervention*.
  - ***deep exclusion***, where social exclusion is multi-dimensional and entrenched and social inclusion strategies need to be *remedial* and *multi-factorial.*
  - ***concentrated exclusion***, where particular locations ("neighbourhoods") have a substantial population of deeply socially excluded people and families, and in order to be effective social inclusion strategies need to also be *locationally targeted*, including targeted at some of the *characteristics of locations* themselves.

- In the case of both deep and concentrated exclusion, to achieve social *inclusion* requires strategies more than policies or even programs.
  - To meet the challenges of combating deep exclusion, the required strategies include the provision of what are often termed "joined-up services to tackle joined-up problems", tailored to specific needs of individuals or families and providing intensive case management and they need to be accompanied by strategies to change negative perceptions about socially excluded people and families held by many in the wider community.

- There is no question that there are significant locationally-concentrated "pockets of disadvantage" in Australia and that, once they come into being, they tend to persist.
  - A significant number of localities have been identified as having at least twice the national average rate of unemployment, long-term unemployment, child maltreatment, disability support, psychiatric admissions, criminal convictions and imprisonment.

- Very importantly to the relevance and efficacy of policies targeting disadvantaged places as well as disadvantaged people, empirical evidence supports the intuition both that "poor places tend to attract and retain poor people" (e.g., because of the lower rents they will face by moving to and staying in poor places) and that "poor places tend to make people poor" (e.g., because of "contagion effects" where poor motivation and antisocial behaviour by some are learned and adopted by others).
  - As a result, good social policy needs to be place-shaped as well as people-focussed where there are locational concentrations of socially excluded people and families.

- It is not only the people and families living in disadvantaged neighbourhoods that are adversely affected by their social exclusion but, in fact, the entire communities within which the disadvantaged neighbourhoods exist.

- Best-practice approaches to combating locationally-concentrated social exclusion include not only improving the services, amenities and social infrastructure available to the socially excluded but also strengthening community-wide social cohesion through building the capacity of communities themselves to take a lead role in tackling social exclusion.
  - The role of governments at all levels should be to support community efforts – to work with, in and for communities, not to take control away from them.

- Current initiatives being implemented at national and State levels which have a "place as well as people focus" undoubtedly will increase the effectiveness of strategies to combat social exclusion.
  - However, it appears to us that governments and their agencies have not yet given communities the degree of ownership and control over the design and implementation of strategies that would increase the prospects of achieving maximal effectiveness.

- While there are general lessons to be drawn from elsewhere about what might work best by way of collaborative community initiatives to combat social exclusion, the relevant initiatives have often been narrowly focussed – for example, on economic engagement rather than social development more broadly – and their design has reflected the cultures of the particular societies in which they have been implemented.
  - Our future research agenda is to try to identify from what has worked elsewhere how community-led initiatives might work best in Australian context.

1. Introduction: Background and Objectives

... good social policy, helping poor people

A common adage, at least in the economics literature on social policy, suggests that good social policy involves helping poor people, *not* poor places. There are obvious ways in which this makes complete sense. Economic or community development policies aimed at raising the economic performance and/or social capital in particular regions or communities might reduce unemployment, increase incomes and enhance social capital *on average* while leaving many of those people and families most economically and socially disadvantaged little or no better off. Indeed, it will be more-or-less self-evident to most that if you do not selectively help the most economically and socially disadvantaged members of societies and communities, many are likely to remain disadvantaged whatever else you might achieve.

... if only people, not places are helped ...

However, in this paper we aim to make the case that the converse is also true, in a particular sense. That is, we aim to make the case that helping disadvantaged people and families without also helping the places in which they live (localities, neighbourhoods and communities) is often likely to prove to be poor social policy – policy of limited effectiveness, that is.[1] We mean this only in part in the most obvious sense – that if you do not also create job opportunities near to where they live, many of those who have become socially disadvantaged because they have become economically deprived, cannot be effectively helped out of their circumstances. We also mean it in the sense that economic and social disadvantage is often a condition jointly suffered by significant numbers of people and families living in a particular locality ***and*** that, realistically speaking, to help one or some to escape from disadvantage you have to address the problems that entrap them all in that locality. Moreover, it is not just the disadvantaged people of the particular locale who are affected: others who live nearby, and indeed in whole communities, often are adversely affected and will remain so to some degree if only people, not places are helped. We should emphasise that it is, nonetheless, the well-being of individuals and families, not of places, that are to be conceived as the objects of policy development. No sensible meaning can be attached to the wellbeing of a place *per se* and the wellbeing of a community can only meaningfully be defined as a summation of the wellbeing of its constituent individuals and families, taking into account that the wellbeing of some is affected by the behaviour or the wellbeing of others.

... similar to placed-based regional policy ...

We also intend to go further and argue that what is required for successful "place as well as people focussed" social policy is similar to what is nowadays called placed-based regional (economic) development policy. The place-based regional development policy approach recognises that regions themselves should be empowered to develop their own vision for their future economic development and assisted to play the leadership role in drawing on their own human, social, cultural and environmental assets, as well as their economic assets, to achieve their objectives. The role of governments is seen to be to work collaboratively *with, in* and *for* regions, not to do centrally-determined things to them.

We argue that, ideally, place-based social policy should be similarly conceptualised and implemented. Indeed, we argue that place-based social policy in this sense is appropriately to be seen as part of successful place-based regional development policy, even narrowly conceived as principally about economic development.[2] That is because those people who are economically and socially "excluded" are potentially valuable community and regional "assets" that are unutilised, or underutilised, limiting the capacity of communities and regions to reach their full potential. The use of the term "assets" may grate with many, for reasons with which we entirely agree: the economically and socially disadvantaged are first and last people who have a *right*, as a matter of social justice, to be helped to obtain the same social respect, personal dignity and economic, social, cultural and civic opportunities as all others and not be seen merely in instrumental terms. However, *also* seeing them as potential assets does serve to emphasise that they do also have an important potential "instrumental role" in helping to create what human societies ultimately value – vibrant social, cultural and civic life, and the economic outcomes that help to underpin them.

... outlining the argument

In what follows, we develop our arguments in three parts.

First, in sections 2 and 3, because we think it is an important way to think about social policy, and especially about the needs of relatively disadvantaged people, but has not been seen as such by some, we offer our interpretation of the concept of social exclusion – and of its converse (though not antonym), social inclusion.

Second, in section 4 we examine what policies are required in order to limit the risk of people becoming socially excluded and to promote greater social inclusion where exclusion has already occurred. It is in this connection, we argue, that social inclusion approaches to social policy have become regarded by some as consisting more of differences in sound than of substance compared with more traditional conceptualisations of social policy agendas. Our diagnosis includes a view that those charged with promoting and explaining what is involved in a social inclusion agenda have felt it necessary to explain the approach in such a simplified way as to inadvertently suggest that it does not add much value to more familiar approaches to social policy analysis and development. And, to us, it is the easy-to-adopt view that good social policy is not importantly about places that appears not to have been sufficiently challenged by proponents of a social inclusion approach.

... place as well as people focussed ...

In the third part of the paper, in section 5 we more fully explore the sense and contexts in which achieving social inclusion requires "place as well as people-focussed" social policies. To fully make the case requires that we explain how place-based approaches might work (and in some cases have worked) in practice. In this paper we offer only a tentative sketch outline. A follow-on paper will attempt to give placed-based social policy as much practical substance as place-based regional development policy now has. The separation of the two papers is deliberate, and not only to reduce the length of each paper: if we fail to make the conceptual

case for "place as well people-focussed" social policy sufficiently compelling – and we hope for feedback about this – the attempted development of a practical approach would serve no useful purpose.

In section 6 we offer a brief conclusion.

2. Social Policy and the Nature of Social Exclusion

... poverty, inequality, opportunity and access ...

For much of the 20th century history of the conceptual development and practical implementation of social policy, the concepts of poverty and inequality had a predominant influence. This is not to imply that there was a more-or-less mono-focus on income redistribution as the principal tool of social policy. For one thing, having a decent job has always been seen not only as necessary to having a decent income and all that that enables but also as important to people's self-esteem and social respect and dignity – as well as also helping to reduce the incidence of, for example, crime and other forms of anti-social behaviour. So policies focussed on (among other things) employment creation have been seen as integral to social as well as economic policy. But also more generally, and very importantly, equality of *opportunity* (rather than of incomes or even outcomes more broadly) has become adopted as the core objective of policies to achieve social justice. So, free or subsidised access to services obviously essential to creating equal opportunities – especially access to education and training and medical and hospital care – and to other goods or services that play a more supportive role – affordable accommodation and public transport, for example – have also been seen as integral to the social policy mix to help overcome disadvantage in accessing life's opportunities compared with others in society. The term social disadvantage – often, though not exclusively, associated with economic disadvantage[3] – became adopted to signal that the focus of social policy was on much more than poverty and inequality and to help make the connection with social justice in all of its dimensions as the overarching objective.

... social policy discourse and social exclusion ...

Beginning (principally in France) in the 1960s and 1970s, an important branch of social policy discourse has broadened, if not entirely displaced, the concept of social disadvantage into the concept of social exclusion. A seminal moment appears to have occurred with publication in 1974 of a book by then French Secretary of State for Social Action, René Lenoir, with the title – translated into English – "The excluded" (Les exclus).[4] He was particularly referring to those who were literally legally excluded from the French social insurance system – particularly the mentally and physically handicapped, aged invalids, drug addicts, delinquents, sole parents and the uninsured unemployed. In this specific context, the term social exclusion was being applied to a situation of what might be termed positive discrimination: the excluded he referred to were knowingly excluded.[5] However, the term was subsequently broadened to include disaffected youths and other socially isolated individuals and families following growing social problems in housing estates on the outskirts of large cities in France and subsequently emphasised the importance of

unemployment as a cause of the problems. The latter extension is important because it serves to emphasise what obviously appeared to be anti-social behaviour was not appropriately to be diagnosed as "self-exclusion" but, rather, to be seen as arising principally from the compound consequences of involuntary exclusion from employment. The subsequent development of social exclusion as providing the conceptual foundations for broad-based social policy development involved recognising that both the nature and the causes and consequences of "social" exclusion were, in fact, manifold. Correspondingly, it was recognised that policies for addressing social exclusion needed to be both broad-based and integrated.

... economic integration and social cohesion in the EU ...

That the emergence of social exclusion as the focus of social policy development occurred in France almost certainly reflects the importance the French attach to maintaining *social solidarity*: social inclusion of all in French society is central to sustaining that solidarity. The subsequent adoption by the European Union of social inclusion as an objective, notwithstanding that *economic* integration has been the central objective, reflects related, but somewhat different concerns. That is, social *cohesion* has been seen as a requirement for maintaining the stability of the Union: pursuing the objective of convergence of both social as well as economic outcomes across disparate member states is seen as necessary to sustain the attachment to the Union not only of member state governments but also of the people of the member states, most of whom are distant from and ambivalent towards it. Indeed, the European Union has a fund for distribution across member states which is explicitly called the Cohesion Fund. However, how member states develop and implement social inclusion policies is not subject to a Union-led directive: rather, member states voluntarily submit what amount to "Implementation Plans" against which Union-level cohesion funds are distributed and the performance of member states assessed. From one perspective relevant to this paper, this might be seen as a form of place-oriented social policy, although in practice the policies implemented by many member governments are directed, principally, at people not places within them.

The subsequent establishment by the Blair government in the United Kingdom of a Social Exclusion Unit might be said to reflect the fact that the concept of social exclusion as a basis for social policy had entered the mainstream in policy practice even where the French republican conception of social solidarity was not a driving force. Nonetheless, concerns about social unrest and antisocial behaviour were part of its focus, reflecting the fact that racial tensions and concentrations of people in either or both of depressed areas and low-income housing estates in which joblessness are significant issues put social *cohesion* at risk. Interestingly, by 2006, the then Labor government introduced increased emphasis on the failure of at least some individuals and families to "fulfil their potential and accept responsibilities most of us take for granted". Examples given especially included children in care, adults leading chaotic lives and problem families (Social Exclusion Task Force, 2006).

In effect, self-exclusion by some, through antisocial behaviour, was seen as a significant part of the challenge of achieving social inclusion.

The subsequent adoption of a social inclusion approach in Australia, initially with establishment of a Social Inclusion Unit by the South Australian Labor government in the early 2000s and then by the Australian Labor government later in the decade, clearly drew on the Blair government's approach and, arguably, drew Australian social policy analysts into the UK-style social exclusion framework rather than them creating a distinctly Australian framework. However, it would seem reasonable to say that the Australian approach initially was very largely issue-specific (e.g., the consequences of homelessness disability or metal ill-health) rather than comprehensive. While the "geography" of exclusion was acknowledged at the outset, in policy-practice, a place-based approach, addressing the different needs of different places with *locationally concentrated* disadvantage, has only more recently become a significant social inclusion strategy, though as yet restricted to trial geographical areas and giving only limited empowerment to local communities to shape the development and content of the initiatives. As we will explain in detail later, we consider the lack of comprehensiveness (though partly understandable), and more-so the limited empowerment of local communities to be significant weaknesses in the otherwise highly desirable adoption of social exclusion/inclusion as a conceptual and policy framework for social policy analysis in Australia.

Before fully explaining our view on those issues we, first, briefly explore the meaning attached to the concept of social exclusion, and second examine the policy implication for achieving social inclusion that have been advanced in the literature and in practice.

3. The Concept of Social Exclusion Further Explored

... depicting the central features of social exclusion ...

There is no single, settled definition of the concept of social exclusion in the literature and in some cases definitions offered amount mainly to a list of circumstances experienced by some or all of the people who are said to be excluded. It is, however, possible to offer a depiction of its central features that captures its essence. That is, social exclusion is characterised by situations in which people, families or groups are somehow shut-out of, or become remote or disengaged from, normal participation in some or all of the economic, social, cultural, civic and political activities and relationships available to a majority of people in a society of which they are part. It results in a loss of status, power, self-esteem and future expectations. It is important to note that the word social in the term social exclusion refers to society at large: the socially excluded are remote from some dimensions of the normal life, or normal activities, of the society in which they live. By contrast, reference to excluded people being disengaged from social participation refers more narrowly to a lack of interpersonal and intra-community engagement. Importantly too, disengagement from political participation refers not necessarily to a failure to vote or to belong to a political party but, rather

refers to not having a voice, not being heard, in political discourse and so lacking the power to influence decisions that affect them.

It is usually emphasised that:

- strictly speaking, social exclusion involves disengagement from more than one dimension of participation in the range of "normal" activities of people or groups in society (the socially excluded suffer multiple "disadvantages", using another language);
- the disengagement is ***not*** a voluntary act on the part of those "excluded";
- in many cases, the multiple disengagements arise through a cumulative process, with disengagement from one dimension of life leading on, usually progressively, to disengagement in others; and
- the key concerns about social exclusion include not only its impact on quality of life and well-being but also its impact on future prospects.

... some characteristics of social exclusion ...

There are numerous other characteristics of social exclusion that are important to recognise in obtaining a full appreciation of its nature and consequences. Particularly important characteristics include that:

(i) Social exclusion is necessarily a *relative* concept: whether it exists, and if so to what degree, can only sensibly be judged by reference to the norms and expectations of a particular society at a particular point in time.

(ii) It is inherent in the concept of social exclusion, and in its value as a basis for social policy analysis and development, that it is *multi-dimensional*: the fact that one form of exclusion becomes progressively combined with others is a distinctive feature of the social exclusion way of thinking.

(iii) Social exclusion is often as much a *process* ("a state of progressive adverse changes") as an outcome ("a state of being"): it most often involves economic, social, cultural, civic and/or political bonds progressively deteriorating usually through disassociation, marginalisation and atrophy, though sometimes through unintentional (or intentional) discrimination or even abandonment by other members of society.

(iv) Notwithstanding the concept being referred to as *social* exclusion, it is the deterioration or fracturing of *interpersonal* as well as *intra-community* relationships that is involved.

(v) *Persistence*, time-wise, is a defining characteristic of social exclusion: it is not only current circumstances but also likely future prospects that determine whether temporary disadvantage or entrenched exclusion is involved.

(vi) More so even than for poverty, social exclusion is particularly susceptible to being *intergenerationally transmitted*: among other things, low family incomes, family joblessness and unstable

> housing, together with learned attitudes and behaviours, relative neglect, low expectations or aspirations and/or lack of strong positive role models and social networks can lead to children becoming adults entrapped in the same disadvantages as their parents.

From these perspectives, the more familiar concept of *social disadvantage* as it has conventionally been used is too narrow – and in a sense too weak – to capture the essence of social exclusion: if it is intended as a synonym for social exclusion, it hides more than it reveals. The term *deprivation* as initially developed by Peter Townsend (1979, 1993) gets closer to the mark,[6] especially as it has more recently been used in the work of Amartya Sen (see especially Sen 2000[7]). He includes not only income deprivation but also capability deprivation as reasons why people or groups might be unable to live lives they have reason to value, where capability deprivation can be interpreted as involving, for example, inadequate education and training, or disability, leading to a lack of inclusion or occurring through atrophy of previously acquired capabilities as a result of sustained exclusion (for example through long-term unemployment or an episode of mental ill-health). However, viewed in this way, the notion of deprivation contributes to an understanding of some of the causes or consequences of social exclusion rather than to a complete understanding of the nature of social exclusion *per se*. Nonetheless, the capability dimension of deprivation helps to draw attention to the importance of, for example, education and training and health as enablers of full social *inclusion*.

... disengaged from full participation, outside, on the margin ...

Moreover, as with seeing social policy as largely about addressing the causes of poverty, seeing it as about disadvantage, deprivation or disempowerment has tended to lead to policy analysis that conceives of the problem as being in a sense "vertical". This is most obviously the case with analyses that identify the poor and socially disadvantaged as an "underclass" with pejorative connotations of people whose poverty or dysfunctional and anti-social behaviour leads to them being trapped at the bottom of the heap. By contrast, the conceptualisation of social exclusion most often articulates it in somewhat more horizontal terms, with the excluded being referred as, for example, remote or distant or disengaged from full participation in all dimension of the life of their society, or on the outside or on the margins. This is not invariably the case and the notion of an underclass has been transformed into that of an "outerclass" in some of the literature to help reduce the pejorative connotations. Nonetheless, seeing social exclusion in horizontal terms helps to create the perception of social inclusion being horizontal, too: assisting people to re-engage, or become engaged, more fully in the life of their society, to the extent that they want to do so.

There are a further six points worth emphasising about the concept of social exclusion before turning to consider its policy implications.

First, although it is often emphasised that social exclusion is more a process than a state of being, unlike with measures of poverty – insufficient income to purchase what are considered to be the minimum necessities of life – it is hard to attach a sensible meaning to "absolute social exclusion" – short of someone being deported from the society of which they are a citizen-member.[8] Even people who are distant from what is considered normal participation in every important dimension of life are not totally detached from the society of which they are a member.

Second, as Amartya Sen (2000) has particularly emphasised, what is referred to as *exclusion* sometimes, possibly often, is in fact *inclusion on adverse terms*. This is perhaps most obviously so for people with physical handicaps – not so much because they are unable to live fully normal lives but because society fails to take steps to provide them with opportunities to participate as much as they are potentially able (e.g., through lack of wheelchair access or lack of employment opportunities consistent with their physical capabilities). But it is also obviously the case that people who experience (even only episodic) mental ill-health face inclusion on adverse terms. So, too, do people provided with poor standards of education, or who lack access to decent levels of healthcare or training opportunities.

Third, although the determination or demonstration of causality is difficult in the social sciences, it is important to try to distinguish between *risk factors* (for example being unemployed or homeless, or having a low income or poor health) which signal vulnerability to becoming social excluded, and *triggers* which are events (such as becoming unemployed or homeless, or experiencing reduced income or an episode of ill-health) which have a direct causal effect by precipitating a process leading to people becoming socially excluded or experiencing a higher degree of exclusion. Both are important in their own way. When it comes to remediation for those already excluded, identifying causation and understanding the interdependence between causal factors are critical to the design of effective strategies, policies and programs for achieving social inclusion or at least reducing the degree of social exclusion. On the other hand, identifying risk factors can be most helpful in the design of preventive interventions, though there is the complication that the observed status of a person can sometimes be an outcome of social exclusion rather than a risk factor. For example, a person in poor health can be exhibiting a potential precursor to social exclusion or exhibiting a consequence (an outcome) of already being socially excluded. Likewise for unemployed people, or people with low levels of educational attainment and so on. Some characteristics of people – such as their ethnicity or gender or having a life-long disability – can obviously only be (potential) risk factors for, not outcomes, of, social exclusion but by far the majority of factors typically identified as being associated with social exclusion can be either risk factors or outcomes and the difference matters.

... important to distinguish in policy interventions risk factors and triggers ...

Fourth, vulnerability to and the causes and consequences of social exclusion can differ at different stages of life, such as childhood, youth, working age adult, and later life. Clearly, for example, the relevance to addressing social exclusion of people being or not being in the paid workforce, or being or not being in education or training, varies significantly across age-related categories. Some risk factors will be relatively distinct by age range – for example: for children, being in care; for teenagers, experiencing the stresses of transition to adulthood; for working age people, being unemployed; and for older age people, becoming increasingly less able to be self-reliant.

... macro-drivers and their influence on the social condition ...

Fifth, while much of the literature considers what might be the drivers and triggers for particular elements of social exclusion (for example, homelessness, poor educational attainment, poor health, inadequate resources and so on) there are also important contextual factors, referred to as ***macro-drivers***, which drive up or down the overall, society-wide, incidence of poverty, inequality and social exclusion. Bradshaw *et al* (2004) suggest that there are three major macro-drivers: (i) *demographic trends* (such as changes in: the age-structure of the population; family composition; household formation; and the level and composition of both in and out migration); (ii) changes in *labour market conditions* (in particular, changes in labour demand relative to supply, changes in the flexibility of labour markets and changes to the nature of work and to wages) and (iii) *social policy developments* (such as changes, favourable or unfavourable, in welfare benefit levels, expenditure levels on social services and the structure of the tax system). Of these three macro-drivers, only two are amenable to significant policy influence in the short-to-medium term (labour market conditions and social policy) and it is the state of labour demand relative to supply that is most highly variable and likely drives overall, society-wide social exclusion more than either of the other factors through its effects on employment and incomes.

Sixth, not everyone who does not participate in all aspects of the society within which they live is involuntarily excluded. Some people, or groups of people, choose not to participate fully in mainstream society and the activities associated with exercising rights to participate in all dimensions of it. For example, people who actively choose not to participate in paid employment cannot reasonably be said to be excluded. Likewise for those who choose some forms of alternative lifestyles. The boundary between voluntary self-exclusion and involuntary exclusion is not always clear-cut, however. For example, it is often said that people who engage in anti-social behaviour have excluded themselves from what is regarded as normal and acceptable participation in social (and likely economic) life. But their behaviours often are symptoms of wider and deeper forms of exclusion – lack of decent jobs, poor education and poor living conditions, for example. Indeed, as noted earlier, the evolution of the concept of social exclusion was influenced by trying to understand the causes of unrest and anti-social behaviour on the margins of major cities in France. At the very least, it seems safest to suppose that much anti-social and criminal behaviour is not purely pathological and that its

incidence is capable of being substantially reduced by appropriately designed social inclusion policies and strategies.

The last observation brings us conveniently to a point at which to switch from exploring the concept of social exclusion to beginning to explore its policy implications.

4. Tackling Social Exclusion and Enhancing Social Inclusion

The use of the concept of social exclusion as the basis for social policy development has not invariably been embraced, including at political level. At least two reasons appear to us to explain this – one conceptual, the other practical.

... continuing difficulty in defining social exclusion ...

At the conceptual level, the term social exclusion is vague – "spectacularly vague" in the words of Ruth Levitas (2004) – and its meaning is ambiguous and contested. To some, including Levitas in some of her writings, this has the advantage of giving the concept of social exclusion the flexibility to be applied in many contexts, even if at the cost of conceptual precision. However, the difficulty in defining social exclusion has a number of unfortunate consequences. For one thing, policy dialogue can become confused, incoherent even, because parties to the dialogue have somewhat different conceptions, in particular about causal processes. For another thing, the difficulty in defining social exclusion makes it difficult to know how to try to statistically measure the extent to which it exists. Combined with practical challenges of getting routine, objective measures of the social, cultural, civic and political participation dimensions of exclusion, the result has been that indicators of social exclusion have largely focussed on poverty and unemployment measures and a limited number of measures of deprivation (e.g., educational attainment and health status). This has led some to conclude that social exclusion is no more than a new name for entirely familiar problems.

... at a practical level ... more than "joined-up services ..."

At a more practical level, it has often been the case that, when asked to explain what the policy implications of a social exclusion perspective are, those involved have done little more than cite the need for "joined-up services to address joined-up problems" – an emphasis seemingly confirmed by the fact that most examples of the development of policies to reduce social exclusion have been primarily about joining-up (integrating and coordinating) services because they have been focussed on what might be termed "category-specific" issues, particularly mental health, disability and homelessness. Since a lack of integration and coordination of services is a ubiquitous problem also faced by people, families and communities who do not suffer from social exclusion in any meaningful sense, and since reducing social exclusion often involves considerably more than joining-up services, the significance of a social exclusion perspective on policy development can get lost in the translation.

Clearly, in order to know how to tackle social exclusion – how to increase social inclusion and with it enhance equity and social cohesion – it is necessary to gain an understanding of the *causes* of social exclusion and to identify which are amenable to corrective intervention of some sort(s). This involves steps towards operationalising the notion of social exclusion. A particularly useful way of approaching the question of causation was developed by Dirk-Jan Omtzigt (Omtzigt 2009) in a Working Paper prepared for the most recent review by the European Union of its Cohesion Policy and in what follows we borrow heavily from it.

4.1 Concerning the causes of social exclusion

Although there are many alternative ways of categorising the causes of social exclusion (which are overlapping by their very nature), Omtzigt suggested that it is fruitful in operationalising the concept of exclusion to distinguish between:

(i) who is doing the exclusion; and

(ii) what is excluding the excluded.

(i) who is doing the exclusion?

Some see social exclusion as stemming from *either* majorities in society more-or-less knowingly restricting the access of minorities to valuable resources (for example, good jobs, education, preferred residential locations, and so on) *or* from the excluded excluding themselves through perverse, anti-social and self-destructive behaviours, morals and values.[9]

There may be *something* in both to *some* extent in *some* circumstances – e.g., "self-protection" by a majority in a society against people or groups who are different and "self-destructive" behaviours by people once they have become marginalised in some way, leading to cumulative further disadvantage.

The predominant view, however, is that social exclusion is a largely unintended result of the way in which society's formal and informal institutions and systems are organised and operate – as a consequence limiting access to the opportunities, resources and powers required for full inclusion. Atkinson and Davoudi (2000) suggest that the sub-systems that can fail include:

... institutions and systems limiting access ...

- *democratic and legal systems,* which are intended to support civic and political participation and integration;
- *the labour market*, which is intended to support economic participation and integration;
- *the social welfare system*, which is intended to support social participation and integration; and
- *the family and community system,* which is intended to support interpersonal and intracommunity participation.

To this list we would also importantly add:

- *the education and training system and the health system,* which are among the most fundamental facilitators of fulfilling participation in all dimensions of life.

Social exclusion can occur if any one of the systems fails for at least some people or families or groups but most likely results from a progressive failure of more than one in a sort of *chain reaction* leading to *cumulative disadvantage*.

These sorts of *system failures* are most likely to *either* arise from components simply being inappropriate or inadequate to support culturally or otherwise different groups (e.g., Indigenous people, some recently arrived migrant groups, or people with physical or mental disabilities) *or*, equally profoundly, arise from structural changes in the economy or in the society which lead to some people becoming (increasingly) marginalised. Examples of the latter include:

... structural change in the economy and society can contribute to marginalisation ...

- changes in labour markets (e.g., due to globalisation, technological change and industrial restructuring) marginalising the least adaptable individuals and groups.
- expansion of the knowledge society and the social and economic roles of information technology, marginalising the technologically illiterate and those who lack the required knowledge and skills.
- socio-demographic changes (e.g., ageing of the population; evolutions in family structures and patterns; and increasing ethnic, religious and cultural diversity) which can weaken social networks and other supports traditionally available to vulnerable individuals and groups.
- geographic "bias" and polarisation which leave some areas (e.g., remote communities and older urban industrial regions) short of the financial, physical and other infrastructure and supports required for economic and social development.

In all these cases, some people are particularly locked-in (or locked out) because of the human capital they have invested in (which has given them skills that have become redundant), or physical capital they have acquired (such as a house which has fallen in value where they currently live) or social capital they have built-up (such as with family and friends in a particular location).

(ii) what is excluding the excluded?

This question focuses more on the individual, family or group than on their proximate circumstances or environment. Basically the causes are interdependent but it is helpful to separately identify them initially. They clearly include:

- *Lack of (or inadequate) assets or income:* a precondition for combating exclusion is that people have adequate resources, but it is when a lack of adequate resources is combined with other things

that cause the rupture in relations with others and society that it becomes central to social exclusion.

- *Lack of (or precarious) employment:* those who are workless or at risk of becoming workless are among those most vulnerable to becoming excluded as a result of loss of skills, loss of self-esteem, reduced interaction with their communities, lack of material resources and loss of freedom.
- *Lack of (or limited) access to the services which underpin life-chances and fulfilling participation:* most obviously, education and training services and health services are fundamental to people having the opportunity and capacity to find and hold on to decent jobs and earn adequate incomes and are the basis for full participation in other dimension of life, but access to them or the adequacy of them can be limited particularly by where people live – especially for people living outside urban and regional centres, but also sometimes for people who live in poor neighbourhoods within cities, particularly if transport systems are adequate.

... a 'lack of' contributing to exclusion ...

- *Lack of capabilities:* those who lack at least some of the capabilities necessary to basic social and economic functioning – lack the capacity to choose and live lives they have reason to value – are trapped into deprivation and out of adequate education and skills, decent jobs and adequate housing and out of social relations and civic engagement (for example).
- *Lack of recognition or respect:* sometimes exclusion results from an (often inadvertent) failure of people and public sector programs to recognise the challenges some people, families or groups face in participating fully in the life of the society in which they live (for example, the disabled, recent migrants or people with limited literacy) or stereotypical views are held about groups of people that lead to their exclusion through, for example stigmatisation, either because of the condition they are in or because of the behaviours of some suffering particular conditions (for example, the mentally ill, the long-term unemployed, the homeless and the illiterate).

Among other things to help to shape data collection on the degree of social exclusion in the UK, the theory-based (not data-driven) Bristol Social Exclusion Matrix (B-SEM) contains three domains and ten sub-domains representing various dimensions of personal life of potential importance in crediting and/or sustaining social exclusion: see Box 1 following.

The various dimensions (sub-domains) of social exclusion contained in the B-SEM matrix has been further broken down into individual “topics” which are risk factors and for which the availability of indicator data can be investigated. For example, for *material and economic resources*, risk factors include low income, means tested benefits, material deprivation, no savings, debts; for *economic participation*, risk factors include unemployment, carer, low skilled work; and for *health and well-being*, risk factors include having a limiting physical illness or poor mental health.

Box 1: Domains and Sub-Domains of Potential Exclusion

Resources:
Material/economic resources
Access to public and private sector services
Social resources

Participation:
Economic participation
Social participation
Culture, education and skills
Political and civic participation

Quality of Life:
Health and well-being
Living environment
Crime, harm and criminalisation

Source: Levitas *et al* (2007).

... domains, sub-domains and risk factors susceptible to data ...

Clearly, many of the elements that underlie the B-SEM matrix can be interpreted as both (or either of) a risk factor or an outcome, and it is important to be able to distinguish, for particular people, which is which. As noted earlier, poor health can be either a risk factor for, or an outcome of, social exclusion. Likewise for lack of educational attainment, unemployment and so on. On the other hand, some elements, such as ethnicity, or gender or having a life-long disability, obviously can only be risk factors, not outcomes.

Levitas *et al* (2007) suggest that some of the sub-domains are likely to be more important as risk factors and others to be effectively outcomes with little causal effect. Although it is not (yet) clear, empirically, which is which, intuition can help. However, the only thing about which there appears to be common agreement is that income, poverty and material deprivation act as both a risk factor and a driver for most other dimensions of social exclusion. Which dimensions can be demonstrated to be primarily risk factors and/or drivers and which are essentially outcomes has important implications for the design of public policy strategies, plans and programs.

4.2 What policies and strategies are likely to be effective in combating social exclusion and enhancing social inclusion?

As we previously observed, a significant problem in discussions about social exclusion, and about what policies are required to achieve social *inclusion*, is that the concept of social exclusion is vague, ambiguous and contested. It is relatively easy to specify a core group of policies to tackle poverty, inequality and unemployment, but much more difficult to say what more is needed when the focus is expanded to include all forms of lack of economic, social, cultural, civic and political participation. In fact, social exclusion is an example of what is sometimes referred to as a "radical category" (Lakoff 2002) which cannot be defined simply by a list of properties shared by all members of the category but instead has to be characterised by variations on a central "model". This is strongly

reflected in the fact that the literature on policies towards achieving social inclusion most often are issue or category-specific – for example, unemployment and social exclusion, poverty and social exclusion, disability and social exclusion, mental or physical ill-health and social exclusion, or housing and social exclusion. It is, relatedly, also strongly reflected in the fact that practical public sector policy development under the banner of social inclusion has been largely category-of-disadvantage specific, notably including policies (separately) for disability, mental ill health, homelessness, joblessness, children at risk and Indigenous Australians. Box 2 provides an extensive list of some category-specific triggers that the literature has suggested can give rise to social exclusion – though it should be noted that some of the language used is potentially stigmatising and now out of use.

... issue or category specific approach ...

Box 2: Sources of and/or Triggers for Social Exclusion Identified in the Literature	
• long-term or recently unemployed	• women, especially those in abusive relationships
• people employed in precarious and/or unskilled jobs, especially older workers or those unprotected by labour regulations	• refugees, immigrants
• low paid and poor	• racial, religious and ethnic minorities
• people mentally and/or physically handicapped and disabled	• the disenfranchised
• addicts	• beneficiaries of social assistance
• delinquents	• those in need but ineligible for social assistance
• prison inmates and people with criminal records	• residents of run-down housing or disreputable neighbourhoods
• single parents	• those with consumptions levels below subsistence (the hungry, the homeless)
• battered or sexually abused children – those who grew up in problem households	• those whose consumption, leisure or other practices are stigmatised or considered deviant (DoA, delinquency, dress)
• young people – those lacking work experience or qualifications	• the downwardly mobile
• child workers	• the socially isolated without friends or family.

Source: based on Silver (1994) pp. 548-549.

The vagueness and ambiguity is an unavoidable consequence of the (to us desirable) fact that the purpose of the development of the concept of social exclusion as a basis for social policy development has been to move the conceptions of social justice and the welfare state beyond the post World War II consensus that they were essentially about "insuring" people and families against predictable risks to their economic lives (social insurance, or, in Australia's case, a social safety net), subsequently expanded to include support to overcome particularly important potential sources of inequality of opportunity, particularly by promoting universal access to education and training and health services. The progressive development and broadening (internationally) of a rights agenda and a (related) shift in social policy further away from social insurance towards an emphasis on social cohesion have made a social

... as a basis for the development of social policy ...

inclusion agenda at the heart of social policy, even where it is not formally articulated as such.

Importantly, what are referred to as social inclusion policies are, in fact, *strategies* aimed at unwinding (or avoiding) *processes* that have resulted in (or have the potential to result in) people experiencing outcomes that involve multiple disadvantages.

... descriptions of exclusion and appropriate policy focus

One possibly helpful, though not universally supported, way of thinking about the desirable content of social inclusion policies and strategies was suggested in a speech in 2006 by David Miliband, the then UK Minister of Communities and Local Government, who distinguished between wide, deep and concentrated exclusion (Miliband 2006).[10]

Wide social exclusion refers to a situation in which a significant number of people or families are excluded or at risk of being excluded on a single indicator: that is, each individual's exclusion is as yet shallow. The principal requirements to avoid, or reduce, wide but shallow exclusion, are to ensure not only that individuals and families have access to appropriate and adequate public sector services and supports but also that service delivery has the flexibility, adaptability and responsiveness to meet their particular circumstances and needs when they differ from the norm. The focus desirably is on early intervention and prevention, including removing disincentives for people to help themselves, than on remediation.

Arguably the most important preventative measures include sustained economic growth which is inclusive of all regions; a good early childhood and general education system; a responsive further education and training system; a high quality healthcare system; and a sufficiently comprehensive and robust social safety net as insurance against predictable risks and which involves the least possible disincentives for people to re-engage economically and socially. An important requirement for effective early intervention involves recognising potential turning or transition points in people's lives when they are particularly vulnerable to slipping into exclusion, or into deeper exclusion. This is obviously the case when people become unemployed, especially when they have limited or redundant skills, but it also includes times when people first enter the labour market, or suffer periods of mental or physical ill-health, or leave some form of institutional or community care or, especially for migrants, are in the process of settling into a new social environment. The needs of some (such as recent immigrants or people experiencing mental ill-health) are more complex than those of others at transition points but as a broad generalisation it is more the quality and flexibility of circumstance-specific services and supports than whether different services are joined- up that is the critical issue while people's future prospects are at-risk.

Deep social exclusion refers to situations in which people or families are excluded – disengaged – in multiple, often overlapping dimensions of their lives as a result of cumulative or inherited disadvantages or mishaps: their exclusion is entrenched and challenging to reverse resulting in severe negative consequences for their quality of life, well-being and future life-chances (Levitas *et al*, 2007). In fact, there is a view among some that deep exclusion may often be irreversible and that resources to promote social objectives would be more effectively used by concentrating them on those who have not yet passed a point of "low probability of return". Self-evidently, a defining characteristic of people or families who live in a state of deep social exclusion is that, absent policy interventions, they have very poor future prospects. Evidence exists, however, that a current lack of future prospects is not irreversible and this has been important in persuading governments that devoting effort and resources to tackling deep exclusion will not involve setting themselves up to be seen as having failed. A particular risk with deep exclusion is that it can become intergenerationally transmitted, with children becoming entrapped in the same web of disadvantage as the parents. So strategies directed at the children of excluded families – especially jobless families – have become a particular focus of social inclusion policies, with the entry of children of disadvantaged families to school seen as a particularly important transition point.

The especially challenging characteristic of deep social exclusion is that it is multi-dimensional and has a variety of initial causes and of subsequent processes that lead to its progressive deepening. "Solutions" need to recognise both the causes and the subsequent processes, but what is required to socially re-engage the deeply excluded is not simply a reversal of their pathway into exclusion, nor necessarily a focus on the initial causes. Unemployment, and the relative poverty that goes with, it is clearly a substantial source of entrapment of people in social exclusion but, for those deeply excluded, treating getting them into employment as the first step to remediation may be mistaken, though there is debate about whether it is more efficacious to aim to move people into employment before or after addressing other barriers. Their lack of skills, or atrophy of skills they previously had, is likely to result in them entering precarious employment and other consequences of their prolonged experience of exclusion, such as a diminished work ethic, are likely to add to the insecurity of their employment. Tackling deep exclusion requires multi-faceted approaches which amount to a *strategy* more than a policy or even a program. Moreover, the strategies will often need to include elements that are directed at other than the excluded themselves – in particular, promotional activities to reduce stigmatisation of the excluded by increasing understanding ("literacy") in the wider community about the causes and consequences of social exclusion. This is important to mobilising public support for social inclusion strategies and to facilitating social re-engagement of the excluded as part of the remediation process. It is also important in helping to avoid the risk of a social inclusion agenda becoming seen as an exercise in political

... deep exclusion requires a consistent strategy ...

correctness or of it becoming seen as involving a "them and us" dichotomy.

It is in the case of deep social exclusion that what is commonly referred as the provision of "joined-up public sector services to tackle joined-up problems" is a key requirement, often also accompanied by joining-up with services that are commonly provided by NGOs. This involves not only whole of government(s) integration of different types of services but also service delivery packages tailored to the particular needs of particular people or families and the provision of single points of entry to access the required services aided by case managers. There are considerable challenges in breaking down traditional service delivery models and associated silo mentalities and in ensuring that coordination of services is flexible enough to respond to changing circumstances, including external factors beyond the influence of the social exclusion strategies themselves (such as, currently, the emergence of the patchwork economy with its implications for employment prospects and skills development needs for those already disengaged from the labour market).

... the challenge to break down traditional service models ...

While the causes of social exclusion are unquestionably primarily structural, due to factors largely beyond the control of those who become excluded, the experience of being socially excluded in some cases evidently can result in adverse changes in behaviours, attitudes, values and beliefs of the socially excluded which are often the source of stigmatisation by some in the wider community. These might include a diminished "work ethic"; reduced self confidence and self-esteem; diminished parental control of their children and lack of commitment to and of support their education and training; the emergence of what others see as anti-social behaviour that can escalate into criminal behaviour; and so on. This is not to imply that only (a subset of) people and families experiencing social exclusion have such attitudes and behaviours: many socially *included* people have low self-esteem and/or poor levels of personal responsibility and/or turn to crime. It is simply to say that, where there have been adverse changes in attitudes and behaviours among people who have been socially excluded, a challenging aspect of strategies for reducing deep exclusion is to tackle those issues *alongside* reconfiguring service delivery, making available job market programs or whatever else is needed.

Importantly, redressing social exclusion is not just a matter of assisting the excluded to become better included: helping them to build *resilience* is equally important so that they are able to cope with the occurrence or re-occurrence of problems in the future. Significant components of building resilience involve the formerly excluded being given on-going light-handed support and given "tools" to help them cope with situations that put them at risk. This and all other aspects of assisting people and families to restore social participation require a commitment by policy makers and shapers to providing consistent long-term support: short-term or intermittent interventions may be worse than useless because they can result in people losing whatever momentum was being achieved during periods when they were receiving support, seemingly confirming

... a commitment to consistent, long-term support best delivered locally ...

to those who have received support the hopelessness of the situation they are in.

As is reflected in priorities that have been adopted by social inclusion units everywhere, there are some obvious markers of the likelihood of affected people being in, or at great risk falling into deep exclusion. These especially include homelessness, suffering substantial physical or intellectual disabilities, experiencing severe and/or prolonged mental or physical ill-health, being Aboriginal (especially living in a remote community), or being a child living in a family or community already suffering from significant social disadvantage. Almost by definition, people serving prison terms are socially excluded, even those in relatively low security confinement. While their release is an important transition point at which the availability of support might make a difference, whether they have received (and accepted) support during their term of confinement is likely to affect whether transition support proves to be effective.

Concentrated social exclusion is a situation in which there is a high incidence of people and families experiencing social exclusion in a particular geographic location – in a particular neighbourhood or community. That there are geographic concentrations of social disadvantage is well understood, especially from studies which have looked at locational patterns of unemployment or (at least somewhat relatedly) poverty. At the time the UK's Social Exclusion Unit was established, then UK Prime Minister Tony Blair mentioned neighbourhood disadvantage on his list of four significant dimensions of social exclusion. This very likely reflects the fact that there are significant concentrations of council estates (public housing) throughout the UK and high levels of unemployment in areas where employment prospects have diminished because of industry restructuring. However, it is also the case that in her earliest speeches in 2008 as Minister responsible for the Australian government's newly created Social Inclusion Board, then Deputy Prime Minister Julia Gillard also specifically identified geographic concentrations of disadvantage as a key issue, referring to Tony Vinson's book (Vinson 2007), *Dropping off the edge*, as suggesting that "people growing up in Australia's poorest postcodes are seven times more likely to suffer from low incomes, long-term unemployment, early school leaving, physical and mental neglect" (Gillard 2008). In fact, Vinson's analysis found that 3 per cent of Australia's localities, identified by postcodes, accounted for a disproportionately large share of disadvantage on many counts. For example, compared to the average across all other localities, the 3 per cent most disadvantaged localities had at least twice the rate of unemployment, long-term unemployment, child maltreatment, disability support, psychiatric admissions, criminal convictions and imprisonment. He finds particularly damaging the consequences of:

... we can identify pockets of locational dis-advantage ...

- limited education;
- deficient labour market credentials;
- indifferent health and disabilities;

- low individual and family income; and
- engagement in crime.

Equally importantly, the *rank-order* of places identified by postcode on Vinson's disadvantage scale in Victoria and New South Wales had changed relatively little between snapshots taken in 1999, 2004 and 2007: once pockets of locationally-concentrated disadvantage come into being for whatever reason, they tend to persist.

More generally, the literature examining the consequences of living in a disadvantaged neighbourhood compared to living in a non-disadvantaged neighbourhood has found that they especially include: lower incomes and reduced job and educational prospects; poorer outcomes for young people, including educational and behavioural outcomes, labour market attachment and physical and mental health; and poorer physical and mental health among adults. However, it is important to recognise that establishing that there is an association (correlation) between living in a disadvantaged neighbourhood and experiencing poorer life-outcomes is not the same as establishing that living in a disadvantaged neighbourhood is the *cause* of the poorer outcomes. Why this is so, and what the policy implications of the existence of locational disadvantage might be, are taken up in the next section.

5. Locational Disadvantage and its Implications for Policies and Strategies

The focus on locationally-concentrated disadvantage – the idea that, at least for some, "place matters" – reflects an understanding that the locational (as well as institutional) context in which economic and social processes take place and services are delivered may have significant effects on outcomes for people and families within them over and above the effects of their own personal circumstances. There are many seemingly obvious reasons why living in a disadvantaged location might have particularly adverse consequences. For example, and importantly, there may be limited employment opportunities nearby, weaker informal networks through which to learn about potential employment opportunities and/or limited public transport infrastructure making it difficult to obtain or sustain paid employment where it is available. Additionally, the quality of housing and both open spaces and public places might be sub-standard and there also might be poorer quality, quantity and diversity of resources devoted to learning, recreational, social, educational, health and job training services. If there is stigma associated with living in particular locations, discrimination might result in poorer outcomes in many dimensions. And while people who live in disadvantaged areas sometimes have substantial "bonding" social capital (providing mutual support to one another within the locality), they are likely to have weak bridging social capital (linking them to networks and social connections beyond their location of residence). In fact, it has been suggested that the development of strong local social bonding can inhibit the development of bridging social capital.

... need to develop and strengthen bridging social capital ...

However, it is important to emphasise that the fact that there are observed differences in outcomes across different locations – locational *differences* – does not necessarily mean that there is a locational *effect*. The key question for the development of social inclusion strategies is whether the differences are essentially compositional – with people's opportunities, behaviour and well-being depending only on their own or their family's personal circumstances – or whether a geographic concentration of disadvantaged people, families or groups in a particular area creates *negative externalities* that have *additional* impacts on the opportunities, behaviour and well-being of some or all of the area's population. To put the point somewhat crudely and simplistically, what we need to understand is whether observed locational concentrations of disadvantaged people reflects the fact that "poor places *make* people poor" or whether "poor places *attract* poor people".

... addressing the negative externalities of poor places ...

There are some obvious reasons why poor places might attract and retain higher proportions of disadvantaged people – for example, lower cost accommodation will typically be available in poorer areas, people who are more motivated and acquire greater skills are likely to leave disadvantaged areas and people who fall into disadvantage may feel shame continuing to live in relatively advantaged areas. On the other hand, there are also obvious mechanisms through which living in disadvantaged places can compound the disadvantages people or families already have. For example, there may be "contagion" effects where poor motivations or anti-social behaviours by some are learned and adopted by others. There may also be lower quality educational, health or other services because of the difficulty in recruiting or retaining the best professional staff in disadvantaged areas. And the social environment (open spaces and public places) and social infrastructure (affordable housing and access to public transport) may be limited and/or of poor quality. Moreover, as noted earlier, networks linking disadvantaged people to more advantaged groups, and as a result providing access to critical information, or material support, may be weakened by the spatial separation of disadvantaged locations and/or the de-motivation of disadvantaged people within them.

A great deal of theoretical and empirical research has been devoted to attempting to carefully identify what are termed "neighbourhood effects" – the effects on people and families from living in disadvantaged places – separately from the effects of the personal circumstances of the people and families themselves who live in disadvantaged locations.[11] Because virtually all of the empirical literature involves studies in the USA or Europe, the degree of their transferability to Australian context is unclear. However, the research results do lend support to the suggestion that people and families with similar personal characteristics other than where they live are likely to have worse life-chances the more disadvantaged the area in which they live. While it is true, not surprisingly, that the effects of personal and family characteristics are generally estimated to be larger than the effects of locational characteristics, the locational effects are sometimes significant – though highly variable with respect to which outcomes for people and families

are assessed as being significantly influenced by neighbourhood effects. For example, a much studied initiative in the USA (the *Moving to Opportunity* experiment) provided housing vouchers to a randomised group of families living in particularly disadvantaged neighbourhoods, conditional on recipients using them to move to less disadvantaged areas. An experimental analysis[12] of the impacts of the initiative four to seven years after random assignment of the vouchers found that families offered the vouchers lived in safer neighbourhoods with lower poverty rates than those in the control group not offered vouchers. However:

- there were *no* overall effects of the intervention on adult economic self-sufficiency or physical health;
- there *were* substantial mental health benefits for adults and *female* youths; and
- there were beneficial effects for female youth on education, risky behaviour and physical health but these were offset by *adverse* effects for male youths.

The results and the experimental methods used have inevitably been subjected to criticism[13] but the results nonetheless serve to warn that neighbourhood effects (and their reduction) are likely to differ significantly for different groups, possibly even in direction and certainly in size.

Importantly, too, the adverse effects of geographic concentrations of socially excluded people and families are not limited to those who are socially excluded. There is a significant sense in which everyone living in an area – a broader community or society – within which there is a concentration of socially excluded people and families are adversely affected by that fact. Most obviously, there are what might be termed *proximity effects*. That is, the well-being of nearby residents who do not personally suffer significant disadvantage might be diminished by, for example, lower standards or availability of public sector and private sector services or impoverished amenities in or near disadvantaged neighbourhoods or a higher than usual incidence of antisocial behaviour or criminal activities in their communities. But there are potentially wider effects, too. The social, civic and economic vitality of communities within which there are significant geographic concentrations of socially excluded people is inevitably – and to some degree avoidably – diminished for *all* who live in the communities concerned. In fact, we would strongly emphasise that the society from which the socially excluded are significantly disengaged is first and foremost the society constituted by their local community.

... proximity leading to wider effects ...

Accordingly, policies and strategies directed towards promoting social inclusion are best conceived as being aimed, initially at least, at helping the excluded to become more fully engaged with the society and the economy constituted by their local community, broadly interpreted: their engagement with the national society and the national economy is mediated by their local engagement. The starting point for them becoming more socially included is being better able to engage with their

... helping to engage with society, the local community ...

local community, as well as immediate family and friends. And it is in the interests of all members of local communities that the socially excluded within them are assisted to become engaged in their community's social, economic, cultural, civic and political life.

The existence of geographic concentrations of socially disadvantaged people and families makes it more obvious that broader communities have a substantial interest in policies and strategies to reduce exclusion and more obvious that the policies and strategies need to include an element of geographic targeting – a place as well as people focus. It is to be emphasised, however, that the objective is to help disadvantaged people not disadvantaged places *per se*. Indeed, no sensible meaning can be attached to the well-being of a place other than in terms of the well-being of (all of) the people who live in it. What is literally place-*based* is where the strategy to address geographically concentrated exclusion is implemented; what is desirably place-*shaped* is the nature of the strategy employed – different for different places if it is to be maximally effective. But the objective always is to assist the people and families who are trapped in mutually reinforcing disadvantage and by doing so increase the well-being of everyone who lives in the community in which social exclusion is concentrated.

... strategy is to be "place shaped" ...

It is also to be emphasised that we are not in any way suggesting that the most effective way to tackle social exclusion is to devote all of the available resources to place-based strategies. There are likely to be many more people and families experiencing social exclusion who do not live where there are geographical concentrations than who do, and for some causes of or precursors to exclusion, such as inherited or acquired physical or mental disabilities or homelessness, there may be no causal connection with the places where the affected people live. We are, rather, suggesting that place-focussed and place-shaped strategies should be a substantial part of a wider *mix* of strategies designed to reduce social exclusion wherever it exists.

The key question concerns what place-shaped strategies should consist of to ensure they are maximally effective. Locationally targeted policy interventions need to include all that is required to reduce the social exclusion of people and families wherever they live – improved access to high quality education and health services, skills training and sustainable job creation initiatives and/or support for social participation, for example. They also especially need to include initiatives aimed at improving the social environment and social infrastructure in and around disadvantaged neighbourhoods – open spaces and public places, public transport services and affordable housing, for example. But more than this, they need to include initiatives that are aimed both at creating employment opportunities and at building and strengthening social networks and social cohesion more broadly across entire communities within which disadvantaged neighbourhoods exist.

... need to strengthen the capacity of communities ...

These broader requirements for place as well as people focussed social inclusion strategies have been strongly emphasised in Australian context in the work of Tony Vinson referred to earlier (Vinson 2007) and also more specifically in Vinson (2009) which offers a briefer, more focussed summary. He particularly stresses the fact that unless the *social climate* of disadvantaged places is changed, there is a high risk that the provision of better services and improvements to social infrastructure designed to combat exclusion will be "absorbed without lasting effects". In order to be effective, service provision improvements and infrastructure investments need to be accompanied by initiatives which strengthen the communities within which disadvantaged neighbourhoods exist. Here strengthening communities, building social cohesion, means strengthening the capacities of communities to be self-managing and problem-solving so that they are capable of combining to pursue and achieve collective goals. Vinson suggests that this particularly requires that mutual trust is built and that there becomes a willingness and commitment to tackle problems that diminish the community's well-being. Belonging to local interest groups and attending local events are part of the architecture that builds mutual trust and commitment. The trick, of course, is to initiate the processes that lead to the creation of the architecture and participation in it.

The importance of place-focussed initiatives which go beyond simply providing improved, joined-up service delivery and enhanced social infrastructure has been recognised in relatively recent initiatives adopted by both the Australian government and State governments, guided by a social inclusion approach to social policy. Among the earliest of these initiatives at national level was the establishment through COAG of a *National Partnership Agreement on Remote Service Delivery* under which the Australian and State governments agreed to jointly develop local implementation plans in partnership with the communities to guide public sector initiatives in 29 priority remote Indigenous communities.

Moreover, particularly significantly, under the umbrella of the Australian government's $3 billion over 6 years package *Building Australia's Future Workforce,* initiated in the 2011-12 Budget, a *Better Futures, Local Solutions* (BFLS) program has been established with measures aiming to "improve the circumstances of poor people suffering high levels of disadvantage" by supporting them to:

- strengthen family capacity to participate in education and training;
- prepare them to be ready for and to gain employment; and
- increase their earning capacity.

That is, the program is particularly focussed on education and training, although its broader purpose is to also increase *social* participation.

The initiative is, at least initially, being delivered in 10 priority communities (Local Government Areas) with particularly high concentrations of deeply excluded people and families. The ten priority locations are receiving a new range of services to boost economic and social participation and reduce geographically-concentrated entrenched disadvantage. The locations are the Local Government Areas of Bankstown, Shellharbour and Wyong in New South Wales, Hume and Shepparton in Victoria, Logan and Rockhampton in Queensland, Kwinana in Western Australia, Playford in South Australia and Burnie in Tasmania. Among other things, the initiatives are intended to encourage and facilitate innovative local solutions as well as providing additional assistance to and imposing extra responsibilities on, particularly vulnerable people and families. The implementation of the initiative is said to be guided by five key elements the Australian Social Inclusion Board stated should under pin location-based initiatives (Australian Social Inclusion Board, 2010), namely:

... a trial to facilitate innovative local solutions ...

- a clear connection between economic and social policy and programs at a local level;
- a framework for providing integration of effort across governments;
- a level of devolution that allows significant and meaningful local involvement in determining issues and solutions;
- capacity development at both the local level and in government, without which greater community engagement or devolution of responsibility will be impossible; and
- funding, measurement and accountability mechanisms that are designed to support the long term, whole-of-government and community aims for an initiative, rather than attempting to build an initiative around unsuitable measurement and accountability. In part this means accountability and reporting requirements will be kept in proportion to funding levels and this balance will be subject to funding agreement negotiations.

... encourage meaningful local involvement ...

An important part of the BFLS initiative is that it includes a (modest) component that is not just place-based but also place-shaped, but limited to the ten priority Local Government Areas. $38.2 million over the period 2011-2015 has been provided for “Community Innovation through Collaboration”, which has two components:

1) A *Local Solutions Fund* ($25 million over 2011-2015) to provide funding for “innovative and creative solutions” to increase social and economic inclusion in the ten priority communities (LGA areas). Local communities are being empowered to improve workforce participation by fostering bottom-up identification of needs in their area and enabling community-based initiatives to fill gaps and provide needed services. There are two components to the $25 million funding: (i) $15 million to be spread evenly over the ten priority areas for projects proposed locally through a competitive process, with a Local Advisory Group in each area to prioritise the applications and make recommendations to the

Minister; and (ii) $10 million, not necessarily spread evenly across areas, for highly effective Local Solutions Fund projects with a strong evidence base to be implemented in the selected LGAs more broadly, with the projects to be identified and proposed to the Minister for approval by the National Place-Based Advisory Group in consultation with the Local Advisory Groups and from other relevant sources.

2) *New Community Positions* ($7.2 million over 2011-2015) to enable, in each priority location, community organisations experienced in delivering local level community initiatives to employ a *Community Action Leader* whose roles will include helping the communities to identify and develop appropriate projects to submit to the Local Advisory Groups and supporting the Advisory Groups to prioritise and select projects for recommendation to the Minister.

... linking regional development through "place shaped" initiatives ...

The *Better Futures, Local Solutions* initiatives are not the only place-based initiatives being promoted by the Australian government. For example, in social service delivery at local level, an earlier trial of Centrelink Case Coordination services is to be extended to 44 Centrelink sites; and, in economic development at a regional level, 55 Regional Development Australia Committees comprised of local leaders from the business, local government and community sectors have been developing bottom-up "local solutions for local problems" and proposing regional projects to be (part) funded through the Australian government's Regional Development Fund. However, the *Better Futures, Local Solutions* initiative is the one most immediately directed at reducing social exclusion.

As an example of place-based initiatives at State level, in South Australia, following referrals of issues by the then Premier, the Social Inclusion Board promoted several place-focussed initiatives. Although there are others which have elements of community engagement, the two principal initiatives are the Innovative Community Action Networks (ICANs) and the Building Family Opportunities (BFO) initiatives. Both reflect an understanding of the importance of communities and families being given the opportunity to articulate and promote their own needs and both give the development of social and human capital a central place. This human capital emphasis and the importance of empowering local communities to influence how services are delivered has been taken up and acted on by two particularly pertinent mainstream service delivery agencies. Through the Department for Education and Child Development (DECD) and the Department of Further Education, Employment, Science and Technology (DFEEST), some of the services that matter to most people and families − early childhood development, education and training – are being reshaped to reflect what communities say they need and what will work best for them. Local funding is provided by DFEEST to provide region specific, place-based training that is designed to meet the needs of local employers and respond to local labour market demands. These placed focussed initiatives have helped to

begin refocussing the way other public sector agencies think about their service delivery roles to include a recognition that the outcomes they are "responsible" for need to be understood as being ultimately about enhancing people's life-chances and that they need to engage with other agencies to ensure their attainment. Unfortunately, however, the few programs that have a place-shaped focus are, as yet, exceptions to the general run of design and implementation of social policy and service delivery that consists principally of narrowly focussed programs that do not recognise the multi-dimensional complexity of the problems that many people are families face and that "place" needs to shape policy even when its principal focus is "people". New initiatives often turn out to be short-term whereas tackling complex problems requires long-term commitment by governments and predictability for people and families.

... greater need for diversity in range of experimental models ...

For the place-focussed initiatives that *are* now being pursued at both Commonwealth and State level, a significant benefit of engaging communities at least to some degree in shaping them (differently in different locations) is that they permit experimentation and a degree of "risk-taking" that traditional bureaucratic models of service delivery often do not. For this and other reasons, they serve not only as *pilot programs* within their own policy spaces but also as *demonstration projects* of what can be achieved by thinking outside conventional models of service delivery that have wider applicability. One arguable weakness of the way experimentation appears to be being conducted is that for each type of initiative (especially for *Better Futures, Local Solutions* nationally) essentially the same experimental model is being trialled in the selected communities rather than say, two or three different experimental models being run in parallel. The best that can be hoped for from essentially single-model trials or pilots is to learn how that Model's design parameters can be adjusted to improve its effectiveness. The question of whether there might be a different, more effective, underlying model would go unanswered until, if ever, a different model is tested. Parallel rather than sequential testing of models would seem to be a preferable approach, though it would require a larger number of test sites, a sufficiently wide and deep pool of practitioners to draw on and (likely) a larger up-front commitment of additional financial resources. This point, of course, applies to all areas of policy and service delivery, not just to social inclusion initiatives.

It is too early to be able to formally assess whether the existing initiatives have been effective in reducing social exclusion among their targeted places and client groups and, importantly, what the effect sizes are, or are likely to prove to be, but are especially important since evaluations of UK initiatives have suggested mixed results. This is particularly the case with evaluations of the *New Deal for Communities* Program (see Lawless, 2011) and the *Neighbourhood Renewal Fund* (York Consulting, 2008 and DCLG, 2010): only brief summaries are given here to highlight critical findings.

The New Deal for Communities (NDC) program, a component of the UK government's National Strategy for Neighbourhood Renewal, involved 39 NDC partnerships in 39 problem areas with, on average, 9,800 people. Total funding was about £50 million for the 10 years 2001-2010 to each of the 39 areas. To ensure that they were community-led, the Partnership Boards were required to include a number of Community Representatives (local residents) as well as representatives from the local business sector, the voluntary and community sector and statutory authorities (e.g., Police, the local council etc). Each NDC was expected to achieve positive change in relation to six outcomes: three were intended to improve outcomes for 'places' (crime; local community; and housing and physical environment) and three intended to improve outcomes for people (education; health; and worklessness).

... evaluation of UK programs ...

The evaluation of the NDC program used a 2002 baseline across all 39 NDCs and involved principally a random sample household survey design. Both the baseline and the final evaluation included comparator areas for each of the 39 NDC areas to enable a counterfactual to be created (i.e., an assessment of what was likely to have happened in the 39 areas if the initiative had not gone ahead) and six core indicators were assessed for each of the six primary objectives, providing a total of 36 indicators.

... some key results ...

The key results were that only 11 of the 36 indicators showed statistically significant changes in outcomes compared to changes in the comparator areas, ranging from +9 percentage points change (for a lawlessness and dereliction index) to -3 percentage points change (for general health). Six of the statistically significant changes were place-change indicators and all were positive. Of the five statistically significant people-change indicators, only two were positive (especially mental health but also taking part in education and training) and the other three negative (a general health indicator and two educational attainment indicators). Importantly, perhaps, none of the six worklessness sub-indicators showed statistically significant change across the NDC areas relative to the comparator areas.

... outcomes in relation to characteristics of place and people ...

The overall conclusions of the evaluation were that the changes in outcomes were modest, at best – they certainly did not indicate transformational change in either the areas' characteristics or outcomes for people in comparison to similarly deprived areas that did not receive targeted funding. However, although the changes in comparative outcomes are small, they suggest that it is easier to achieve positive changes in outcomes in relation to the characteristics of places than it is in relation to the characteristics of people: it is relatively easy to develop initiatives that help people to feel more positive about the area in which they live (e.g., through having more police on patrol, making environmental improvements, and introducing neighbourhood management) but challenging to break through the barriers causing poor outcomes for people, although much depends on the design of initiatives. For example, the types of initiatives used to try to get workless people into jobs were mainly training programs, mentoring schemes and

information, advice and counselling, which can help to move people along the trajectory towards a job but not (quickly, at least) to move them into a job.

Finally, Lawless (2011) expressed doubts about whether funding levels for the NDC program were sufficient to have had much of an impact on outcomes anyway because NDC funding is small relative to mainstream service-delivery funding flowing into the targeted areas − although he acknowledges that place-focused funding can be a useful add-on because it can be used flexibly and can, in principle at least, introduce some degree of community empowerment in the design of initiatives. What Lawless does not appear to have considered is whether an opportunity was lost to leverage changes in the ways in which mainstream programs were designed and delivered in the areas that received NDC funding. This *is* a criticism made in the evaluation of the Neighbourhood Renewal Fund against its intended outcomes to which we now briefly turn.

The Neighbourhood Renewal Fund (NRF), the principal component of the National Strategy for Neighbourhood Renewal (NSNR), assisted the 88 most deprived local government authorities in England (according to an Index of Multiple Deprivations), in collaboration with their Local Strategic Partnership (LSP),[14] to improve services and narrow the gap between deprived areas and others. At the time of the York Consulting (2008) mid-term evaluation covering the period 2001-2006, a total of £1.875 billion had been allocated to eligible LSPs between 2001-02 and 2005-06 and a further £525 million had been made available for 2006-07 and 2007-08. The funds made available to each of the 88 local authorities[15] were, in effect, a block grant that could be spent in any way that would tackle deprivation in the most deprived neighbourhoods. It was particularly intended to contribute towards improvement of mainstream services and in other deprivation-related UK government targets. It was also intended to contribute to ensuring mainstream resources take full account of the needs of the poorest areas, which, as the evaluation observes could be achieved by, for example:

- re-allocating mainstream resources – changing spending patterns to target the most deprived areas;
- focusing policy on poorer areas;
- reshaping services to reflect local needs;
- joining-up services, programs and targets – through inter-departmental action and multi-agency delivery; and
- learning good practice from pilot projects.

The mid-term evaluation covered the years 2003 to 2006. By that stage, hard, attributable evidence of outcomes and the impact of the NRF was not able to be provided and the evaluation relied substantially on qualitative data, including information from and perceptions of LSP coordinators, strategic stakeholders and intervention managers involved in planning, use and delivery of NRF initiatives, though there was some quantitative data available, including monitoring data, statements of use,

project information collected by the Department of Communities and Local Government, and performance information and evaluations from LSPs.

A few of the more important conclusions of the mid-term evaluation were that:

- Over the period covered by the evaluation, the highest proportion of initiatives implemented were for crime and community safety and for education (about 19 to 20 per cent for each), followed by health (15-16 per cent) and worklessness (12-13 per cent).[16]
- Initially at least, and persistently in the case of some LSPs, the LSPs often took an intervention-driven, rather than strategic approach to planning and allocation of their NRF funding, resulting in a large number of discrete, and often disparate, interventions being supported, limiting the effectiveness of the use of funds.
- While stakeholders valued having a separate and unhypothecated pool of funding because it gave them flexibility to address needs in a creative way, there was a strong view that, especially in the context of the size of mainstream services budgets, the small scale and size of NRF funding meant that the impact of NRF funding was unlikely to be significant.
- Despite it having been an intended outcome, there was only limited evidence of re-aligning and re-allocation of mainstream budgets as a result of the NRF. Clearly, had there been more success in what is sometimes referred to as "bending the mainstream spend", concerns about the limited size of NRF funding would have been at least somewhat obviated.
- Contrary to the results of the New Deal for Communities program, the NRF evaluators considered that there was more evidence that the NRF had improved outcomes for individuals than that it had improved outcomes for places. While differences between the feasible rigorousness of the evaluations of the NDC and the NRF might go some way to explaining the difference in conclusions, it is also the case that by far the largest proportion of NRF funded initiatives were people-focussed (education, health and employment), with only crime and community safety as a place-focussed objective having had a substantial proportion of interventions devoted to it.

... evidence in support of improved outcomes for individuals ...

The Final Evaluation of the NRF program, covering the period 2006-2008, was undertaken as part of an evaluation of the National Strategy for Neighbourhood Renewal as a whole (see Department of Communities and Local Government 2010). By the time of this evaluation more solid outcomes and impacts data was available and there were signs in the results that the areas receiving NRF support had learned from the Interim Report's conclusions, at least to some degree.

The conclusions of most importance compared to the Interim Report and compared to the conclusions of the NDC evaluation included that:

- Contrary to results of the NDC evaluation, there was evidence in the NRF evaluations of a wider range of statistically significant positive outcomes for people-focused initiatives, albeit that they were modest.
  - Importantly this included improvements in educational attainment which had had worse outcomes compared to compator areas in the NDC evaluation. It also included improvements in getting workless people into jobs, the comparative outcomes for which were not statistically significant in NDC analysis. For worklessness, across all NRF areas, an estimated additional 70,000 previously workless people had been moved into jobs, although this constituted only a 3-4 per cent reduction in worklessness across 18 years of NRF funding.
  - Health outcomes were the worst of all variables (an outcome for people) and outcomes for crime and for the local environment (outcomes for places) the highest in the NRF evaluation, supporting the NDC conclusion that the local benefits of place-focused intervention are often more apparent (visible).

... evidence from the full evaluation ...

- Contrary to the conclusions of the mid-term evaluation of the NRF program, the final evaluation suggests that since that earlier evaluation, there was evidence that the NSNR overall had acted as a catalyst for the adoption of new modes of service delivery by mainstream service providers.
  - However, the extent to which it happened varied significantly across the target domains.
  - Moreover, the greatest impact on "bending the mainstream spend" was in relation to the place-focussed objectives of reduced crime and improved local environment rather than in critical people-focussed objectives such as education, health and employment.

There clearly are lessons to be learned or at least pondered on, in the development of place-focussed social inclusion initiatives in Australia. To us, there are four messages that particularly stand out:

... lessons for Australia ...

1) Perhaps most importantly, ultimately the effectiveness of "place as well as people focussed" strategies and their invariably modest funding depends significantly on whether they can leverage changes to the allocation and alignment of mainstream funding and service-delivery. It is not just a matter of getting improvements in service delivery, including getting services better joined-up, important as that might be: how they are joined-up and delivered needs to be able to differ across communities according to the different needs and priorities of different communities. Only a **significant degree of community "empowerment"** is likely to achieve that. It is not obvious to us that the Better Futures, Local Solutions program can achieve the desirable degree and nature of bending the mainstream spend.

2) Place-focussed programs that are initiative-driven are likely to be (much) less effective than those which are **strategy-driven**. In the context of the Better Futures, Local Solutions program, this is most obviously the risk (but may not be the only one) for the $15 million to be spread evenly across the 10 priority LGAs from the Local Solutions Fund – more so than for the $10 million which is to be committed to support highly-effective, evidence-supported initiatives to be implemented in selected LGAs more broadly, although even that component may not achieve an integrated set of initiatives. The dollar amounts involved are small, and the risks are program risks rather than systemic risks from the perspective of an auditor, but that might be the source of the problem: small pots of money, especially in large communities, inevitably end-up being spent on disparate initiatives rather than forming the basis for a (community-led) systemic change even if communities have access to expert professionals who can both support the development of initiatives and challenge communities' views when necessary.

... (cont) possible lessons for Australia ...

3) While it may be somewhat easier to improve outcomes for disadvantaged *places* than for disadvantaged *people,* to obtain the spillover benefits of actually improving outcomes for places requires adequately resourced and well-targeted place-focussed initiatives. It is yet to be seen whether the Better Futures, Local Solutions program has a significant impact on place-characteristics of the 10 priority areas in which it is being trialled.

4) Most obviously, though worth stating, whether place-focussed or not, initiatives intended to achieve particular outcomes need to be well-tailored to deliver the desired outcomes. This was made particularly clear in the evaluation of the New Deal for Communities program in the UK in relation to moving workless people into jobs. As previously indicated, the initiatives chosen by NDC Partnerships were predominantly the relatively easy things to do – for example, provide advice, job training and mentoring – which can put people on a trajectory towards securing a job but might not achieve the intended final outcome of actually getting many of them into a job. The risk that relatively easy to do (and easy to see) initiatives will be implemented are likely be greater with community-led processes, at least initially while experience and insight is being acquired, than with processes led by expert professionals. But, again, this is a reason to devote substantial resources to providing expert advice and support to community-led processes, not for leaving communities disempowered. In fact, meeting the political imperative to be seen to be achieving "outcomes" might introduce a systemic bias towards doing the easy things to do quickly.

All of these points help to emphasise the importance of establishing new initiatives within a process that enables and requires both individual program components and the program as a whole to be subjected to continuous evaluation using a framework that has a well-developed theory of change (program logic model) and will enable a *counterfactual* impact analysis to be undertaken at various points in the evolution of the initiatives. At this stage in their evolution, at best only formative evaluations for individual components will be possible but nonetheless valuable. It will be highly desirable, too, that the results of the impact analyses be publicly available to enable their validity to be tested and for lessons to be widely learned.

... important to establish a framework for full evaluation ...

Even in the understandable absence of the Better Futures, Local Solutions program evaluation results, however, there are some reasons for thinking the current initiatives may fall short of best-practice designs. In particular, they appear to be rather more place-*located* than place-*shaped* and largely top-down in design and implementation: the scope for local participation and influence is limited and it is occurring largely on terms set by central government agencies. Moreover, the current initiatives appear to be focussed on particular issues faced by people experiencing social exclusion in the targeted communities – especially employment skills and training among those of post-school age and increasing effective participation in and the relevance and quality of education for people of school age: there appears to be an implicit assumption that other dimensions of what is required to achieve social inclusion among disadvantaged people or families – such as social, civic and cultural re-engagement and finding a political voice – will take care of themselves, whereas a more holistic approach is arguably necessary and certainly desirable.

... could work more closely with established community centres ...

Despite the weaknesses that we believe exist in the current place focussed initiatives, they seem likely to achieve more effective outcomes than applying only policies and strategies that are place-blind. However, they (at least as yet) lack the boldness of vision and design suggested in Tony Vinson's writings on addressing locationally-concentrated social exclusion and do not appear to adopt lessons from initiatives elsewhere to address place-based needs which have involved not just community engagement but also strong community leadership.

Principal among the conclusions drawn by Tony Vinson from his analyses was that there was a need to build the capacities of communities themselves to pursue and achieve collective goals, a view reflected in the Australian Social Inclusion Board's report *Governance Models for Location Based Initiatives* (2010). This especially includes not only place-focussed but also place-*designed* strategies, within which public sector agencies work with, in and for communities in ways driven by communities own visions, goals and knowledge of their own circumstances. Communities need to be given permission to develop their own strategies and through them to begin to shape or reshape public sector service delivery and infrastructure provision to meet the different needs of their different communities in different ways. Strategies of

... economic development, regional development ... now social development at a community level ...

these sorts are being applied to promoting *economic* development at *regional* level nationwide through 55 Regional Development Australia (RDA) Committees comprised of people who are leaders in the local business sector, local voluntary and community organisations and the local government sector and also leaders in the regional communities more broadly, working in partnership with the Australian, State and local governments. There would seem to be no reason why such bottom-up, place-shaped approaches could not also be more robustly applied to assisting the *social* development at *community* level where those communities confront the high costs of locationally-concentrated social disadvantage. Such an approach would be more closely aligned with what Vinson appears to have been promoting and what is being adopted on their own initiative in some places in Australia[17] and overseas than how place-*focussed* social inclusion strategies are currently being pursued by governments.

Obviously there is a wide spectrum of potential approaches to development and implementation of place-based social inclusion strategies and initiatives. At one end of the spectrum is the now largely rejected old "one size fits all" model of centralised program design and delivery with limited consultation with local communities which, as a result, would have little engagement and voice and no empowerment in relation to design and delivery of social inclusion programs. At the other end of the spectrum is a model involving decisions about design and implementation of social inclusion programs fully devolved to community-led organisations with block grant funding for communities to use as they think best meets their local needs and preferences, subject to mutually agreed goals for outcomes for both places and people, between central governments and the community-led organisations: communities would be responsible and accountable for successful progress against the goals. Most if not all mainstream services would continue to be funded and provided by central governments but how they are shaped and delivered would reflect communities assessments of what will work best for them and hence likely to be different in at least some different communities. As it is sometimes put, central government would work with, for and in communities, not do things to them that do not reflect local preferences.

The Better Futures, Local Solutions model appears to be closer to the centralised design and implementation end of the spectrum although it clearly has some elements of community engagement and empowerment. The model that Vinson appears to have supported is much closer to the fully devolved, community empowered, end of the spectrum. Our prior is that the Vinson model is likely to be the more effective of the two, drawing on some experience with community-driven models – though mainly for economic rather than social development. But in the end, drawing together evidence on what models or initiatives have been demonstrated to have worked most effectively is needed to inform good decisions about the characteristics and design of place-based strategies and initiatives.

Before turning to a brief discussion of evidence from models implemented in the UK and the USA and what our future research agenda is anticipated by us to consist of, we offer a few general observations about place-based social inclusion strategies should be made.

... several additional considerations ...

First, *only* in places where there are geographic concentrations of socially excluded people would/should there be a place as well as people focussed approach to reducing social inclusion, including because in other areas there would be few or no spillover benefits from targeting places as well as people and expenditure on places in them would be of low or no effectiveness and hence a waste of limited resources to promote social inclusion. Place-shaped initiatives would appropriately only be a part of a mix of approaches to reducing social exclusion, and probably only a modest part because there are relatively few areas with geographically concentrated, socially excluded people and families and it has been demonstrated that within those areas, the benefit of improved outcomes for people can outweigh the benefits of improved places.

Second, there are some important requirements pertinent to applying *any* form of social inclusion approach, including the timing of interventions (they need to be implemented early enough to avoid intractable problems developing), the nature of interventions (they need to be strongly evidence supported to ensure they will be effective) and the quality of professionals engaged in social inclusion initiatives (they need to be high quality, experienced professionals able and willing to engage with the most excluded people and families). Achieving these requirements may be at least as important as developing and implementing place-focussed initiatives alongside people-focussed strategies and initiatives.

To begin to examine how place-based initiatives have worked elsewhere, since we have earlier discussed the nature and outcomes of some models of place-focussed initiatives in the UK, we limit discussion here to one in the USA and one in Victoria. A brief snapshot of other models applied in Australia and elsewhere is provided in the Australian Social Inclusion Board's report on governance arrangements referred to earlier (Australian Social Inclusion Board, 2010).

Although they were targeted at economic and environmental development, a number of what were called Collaborative *Regional* Initiatives implemented in California have features that would usefully inform Collaborative *Community* Initiatives to tackle location-specific social issues. A comparative review of four such initiatives in the mid-2000s (Innes and Rongerude 2006) suggested that the most important ingredients in shaping the success – the effectiveness – of collaborative strategies especially included the following.

... importance of a "theory of change" ...

(1) The single most important element in the successful implementation of collaborative initiatives is the "theory of change" that underpins the strategy pursued – that is, the identification of what actions and activities are most likely to result

in the behavioural changes necessary to achieve the outcomes intended to be achieved by the initiative.

(2) The leadership style of initiatives is also a key factor. There needs to be a principal leader or group of leaders *but who work with others* to decide what to do and how. The "others" need to be hands-on individuals, deeply engaged in the missions/objectives of their own organisations, who provide inspiration, create opportunities for joint action and encourage others to become leaders in their own right. The strength of the collaborative leadership comes from an ability to work with others to develop shared visions, strategies *and actions*.

... features of regional initiatives ...

(3) The "regional or community fit" is an important requirement too. The initiative needs to be tailored to the dynamics and culture of its community. It needs to fill a gap left by existing institutions but also to draw on the strengths and practices of the community while helping/trying to compensate for its deficiencies.

(4) Making use of research is a crucial factor providing reliable information about the nature of problems and possible solutions and also very importantly, generating "indicator" reports that enable the progress of the initiative towards meeting its objectives to be assessed. Distributing analytical report cards is helpful to winning and sustaining engagement.

(5) Ensuring that the initiative has a network structure composed of *loosely linked* autonomous participants is important to its success. It is important that there should not be an attempt to force participants to follow a single leader or push a single vision: the independence and diversity of participants is vital. Ultimately, the networks need to be created through collaborative activities and dialogue and to be held together by the social capital built through the process: information and learning flow through them.

Reflecting those lessons, Innes and Rongerude (2006) subtitled their paper assessing success factors in the California initiatives "Civic Entrepreneurs Work to Fill the Governance Gap". This firmly puts the emphasis on the need for community engagement not just to be about participation but, in fact, about community leadership and design of collaborative initiatives. The role of governments – local as well as state and national – is to support community initiatives, not to control them, something governments and their agencies find it easier to say than to do.

In Australian context, the challenges to governments in attempting to empower communities to shape their own futures are illustrated in analyses of the Victorian government's Community Capacity Building Initiative. In a formal review of it for the Department of Planning and Community Development, West and Raysmith (2007) concluded that it had not reached its full potential principally because of a breakdown between vision and implementation. Mowbray (2011), in an analysis which includes an examination and interpretation of the West and Raysmith report, concluded that local action was, in fact, highly constrained. Indeed, drawing on literature about community based

initiatives elsewhere, Mowbray suggests that initiatives presented as being designed to be inclusive and to empower community engagement most often turn out to be "contained and controlled" by agencies of central governments.

Inevitably, initiatives designed to empower local communities have to address the question of the role of local governments. The West and Raysmith (2007) analysis of the Victorian initiative points to one source of implementation deficiency arising from local governments not adequately connecting Community Plans with the Council Plans that they have a statutory obligation to produce. Part of the problem appears to be that, as presently required, Council Plans are essentially managerial devices whereas community plans were not, and it is challenging to integrate the two. The broader international literature confirms this problem and attributes it either to a lack of understanding by local governments of their intended roles or a resistance by them to the local "power sharing" inherent in community empowerment or, most likely, something of both. This is likely to be a particularly acute problem in relation to community-led social inclusion initiatives given local governments' limited established competence in addressing such complex social policy issues. In the UK, the Cameron government's new, evolving *Big Society* approach (see Cameron (2010) and HM Government (2010)) appears to recognise the significance of the issue of connecting local government and to attempt to address it, though it is yet to be seen whether it has more success than previous approaches to community empowerment in the UK and elsewhere.[18]

... the challenge to empower communities and connect local government ...

It seems to us incontrovertible that there is a need for broader and more extensive research into what has worked, and what has not, and (in both events) why, in what we have termed collaborative community initiatives in tackling social issues. Based on the conceptual foundations developed in this paper, it is our intention to contribute to that research in a follow-up paper which will particularly look at case studies of community-led initiatives specifically targeted at locationally-concentrated disadvantage. This is not to say that we think that there should not yet be further spread of initiatives designed to include *strong* community participation – preferably community ownership: the case for doing so in some way is clear compared to the piecemeal approaches to social policy which currently predominate, bar a few notable exceptions, with long term commitment to initiatives an important requirement too.

... further research focussing on community-led initiatives ...

6. Conclusions

In this paper, we have argued that, appropriately understood, the concept of social exclusion has distinct advantages over the concepts of poverty, deprivation and disadvantage as the basis for the development of social policy. In essence, this is because analysis based on an understanding of social exclusion emphasises that what the excluded are distant or disengaged from can include not only economic and interpersonal social

participation but also, for example, the cultural, civic and political dimensions of human interaction in the societies within which they live: involuntary disengagement from any of those dimensions of life leads to people and families experiencing lower levels of well-being than are the norm within their society. So while the meaning of social exclusion is inevitably very broad and its implications for social policy not able to be specified with precision, it has the distinct virtue of insisting that social disadvantage be interpreted as multi-factoral and that, while reducing disadvantage might most often initially involve helping people and families to build or rebuild their economic and social engagement, the goals being sought are much broader than that and require policies and strategies which recognise the full breadth.

... re-engaging people and families into the broader, local community ...

Our particular concern has ultimately been to consider the issue of locationally-concentrated social exclusion. There is no doubt that there are significant locationally-concentrated "pockets of disadvantage" in Australia and, importantly, that they tend to persist once they come into existence – often as a cumulative consequence of significant economic and socio-demographic changes in particular locations. Moreover, it is not only the people and families actually experiencing social exclusion in those locations who are adversely affected by it. The society from which they are disengaged is to be principally understood as that constituted by the local community within which they live. The socially excluded are disengaged from their national society principally as a consequence of being disengaged from their proximate local society and other members of that local society who are not personally excluded in any meaningful sense are adversely affected by the presence of a group of people and families who are experiencing social exclusion. The economic, social, cultural civic and political vitality of the whole community is diminished as a result.

... place-shaped and people-focussed ...

Empirical evidence as well as intuition suggests that there is validity in the proposition that, for a variety of reasons "poor places tend to attract and retain poor people" and that addressing the personal circumstances of people and families experiencing social exclusion is of the greatest importance in enabling their social inclusion. Nonetheless, evidence also supports the intuition that "poor places also contribute to making or keeping people poor" and, correspondingly, that social inclusion policies that do not include strategies that are place-shaped as well as people-focussed in places with significant concentrations of disadvantage are insufficiently targeted. In disadvantaged places, policy interventions need to include those targeted at reducing wide and deep exclusion wherever excluded people and families live but also to include interventions aimed at improving the local social infrastructure and environment *and* strategies aimed at building social cohesion across the entire community within which concentrated pockets of disadvantage exist.

Social inclusion strategies being promoted by both the national and state governments already include some elements that are locationally-focussed to some degree. However, in our view, they fall short of what would appear to be more nearly best-practice approaches in tackling locational or neighbourhood effects of social exclusion – for the socially excluded and for the wider communities in which the neighbourhoods exist. A review of evaluations of some place-shaped initiatives in the UK and Australia provide important insights. Evaluations of a group of so-called Collaborative Regional Initiatives initiated and implemented in California, principally by non-government actors, points to the critical success factor in the initiatives having been "civic entrepreneurs filling the governance gap". There has been increasing emphasis in Australian thinking on the roles of social and civic entrepreneurs. A focus in that literature on how community leadership might best promote social inclusion in general and in communities with pockets of concentrated disadvantage in particular would be an important precursor to the development of more effective public sector social inclusion strategies – strategies in which governments play a supporting, not controlling, role.

... the next step ...

The next steps in our analysis of policies and strategies to address locationally-concentrated disadvantage is planned to consist of reviewing a more extensive range of case studies of community-led initiatives of potential relevance to social policy and developing from them a full picture of what might constitute best (or at least better) practice in Australian context. This is not to say that we consider existing social inclusion initiatives with a place as well as people focus to be likely to prove to be altogether ineffective: we do not and we consider that much will be to learned from them if methodologically sound formative and impact evaluations of them are undertaken from time-to-time. But we do believe that there should be a wider use of place as well as people focussed social policy initiatives where they are relevant (i.e., where there are geographic contraction of people and families) and that the next generation of initiatives need to be more strongly community-led – place-*designed* and implemented.

References

Atkinson, R and S Davoudi (2006), "The concept of social exclusion in the European Union: context, development and possibilities", *Journal of Common Market Studies*, vol. 38, no. 3, September.

Australian Social Inclusion Board (2010), *Governance Models for Location-Based Initiatives*, Canberra: Australian Social Inclusion Board.

Barca Report (2009), Barca A, *An Agenda for Reformed Cohesion Policy*, Brussels: European Commission, DG Regio (at www.ec.europa.eu/regional_policy/archive/policy/future/barca_en.htm)

Beland, D (2007), "The social exclusion discourse: ideas and policy change", *Policy and Politics*, 35(1): 123-139.

Bradshaw, J *et al* (2004), *The drivers of social exclusion: A review of the literature for the Social Exclusion Unit in the Breaking the Cycle series,* London: Social Exclusion Unit/Office of the Deputy Prime Minister.

Buck, N (2001), "Identifying Neighbourhood Effects on Social Exclusion", *Urban Studies*, 38(12): pp. 2251-2275.

Cameron, David (2010), *The Big Society,* Speech 19 July (www.number10.gov.uk/news/speeches-and-transcripts/2010/07/big-society-speech-53572)

Clampet-Lunquist, S and D S Massey (2008), "Neighbourhood Effects on Economic Self-Sufficiency: A Reconsideration of the Moving to Opportunity Experiment", *American Journal of Sociology*, 114(1): 107-143.

Department of Communities and Local Government UK (2010), *Evaluation of the National Strategy for Neighbourhood Renewal: Final Report*, London: DCLG.

Gillard, Julia (2008), *Speech to the ACOSS National Conference*, April (accessible via www.mediacentre.dewr.gov.au)

HM Government (2010), *Local Growth: realising every place's potential*, London: The Stationary Office (available at www.official-documents.gov.uk/)

Innes, Judith and Jane Rongerude (2006), "Collaborative Regional Initiatives: Civic Entrepreneurs Work to Fill the Governance Gap", *Working Paper 2006-04*, Institute of Urban and Regional Development, University of California at Berkeley.

Klanfer, Jean (1965), *L'Exclusion Sociale: Etude de la marginalité dans les societies occidentals*, Paris: Bureau de reserches sociales.

Kling, J R, J B Liebman and L F Klein (2007), "Experimental Analysis of Neighbourhood Effects", *Econometrica,* 75(1): 83-119.

Lackoff, G (2002, *Moral politics: what makes conservative know what liberals don't*, Chicago: University of Chicago Press.

Lawless, Paul (2011), "Understanding the scale and nature of outcome change in area-regeneration programmes: evidence from the New Deal for Communities programme in England", *Environment and Planning C: Government and Policy*, 29(3), 520-532.

Lenoir, René (1974), *Les exclus: un Français sur dix*, Paris: Editions du Seuil.

Levitas, Ruth *et al* (2007), *The Multi-dimensional Analysis of Social Exclusion*, London: Cabinet Office Social Exclusion Taskforce.

Levitas, Ruth (2004), "Let's hear it for Humpty: social exclusion, the third way and cultural capital", *Cultural Trends*, 13(2).

Ludwig, J, J B Liebman, J R Kling, G J Duncan, L F Katz, R C Kessler and L Sanbonmatsu (2008), "What Can We Learn about Neighbourhood Effects for the Moving to Opportunity Experiment?", *American Journal of Sociology*, 114(1): 114-188.

Miliband, David (2006), "Social exclusion: The next steps forward", London: Office of the Deputy Prime Minister (at www.cabinetoffice.gov.uk/media/83096/miliband_speech291105.pdf)

Mowbray, Martin (2011), "What became of the Local State? Neo-liberalism, community development and local government", *Community Development Journal*, 46(S1): 1132-1153.

Omtzigt, D (2009), "Survey on Social Inclusion: Theory and Policy", Working Paper for the preparation of the Barea Report (*An Agenda for a Reformed Cohesion Policy*, European Commission 2009), accessed at www.ec.europa.eu/regional_policy/archive/policy/future/barca_en.htm

Orr, L, J D Fein, R Jacob, E Beecrofts, L Sanbonmatsu, L F Katz, J B Leibman and J R Kling (2003), *Moving to Opportunity Interim Impacts Evaluation*, Washington DC: US Department of Housing and Urban Development.

Rose, Geoffrey (1993), *The Strategy of Preventive Medicine*, Oxford: Oxford University Press.

Sampson, R J (2008), "Neighbourhood Effects and Experiments Meet Social Structure", *American Journal of Sociology*, 114(1): 189-231.

Sampson, R J, J D Dorenoff and T Gannon-Rowley (2002), "Assessing 'Neighbourhood Effects': Social Processes and New Directions in Research ", *Annual Review of Sociology*, 27: 443-78.

Sen, Amartya (2000), "Social exclusion: concept, application and scrutiny", *Social Paper No. 1*, Manila: Asian Development Bank.

Silver, Hillary (1994), "Social Exclusion and Social Solidarity: Three Paradigms", *International Labour Review*, 133(5-6): 531-78.

Smith, Adam (1776), *An Inquiry into the Nature and Causes of the Wealth of Nations* (republished, edited by RH Campbell and AS Skinner), Oxford: Clarendon Press, 1976.

Social Exclusion Task Force (2006), *Reaching out: An action plan on social exclusion*, London: Cabinet Office.

Townsend, Peter (1993), *The International Analysis of Poverty*, New York: Harvester Wheatsheaf.

_______________ (1979), *Poverty in the United Kingdom*, Harmondsworth: Penguin Books.

Vinson, Tony (2007), *Dropping off the edge: The distribution of disadvantage in Australia*, Richmond, Victoria: Jesuit Social Services and Catholic Social Services Australia.

_______________ (2009), *Markedly Socially Disadvantaged Regions in Australia: Their Nature and Possible Remedies*, *Social Inclusion Report No. 2*, Canberra: Department of Education, Employment and Workplace Relations.

Walsh, Cliff (1999), "Structural Adjustment: A Mainly Regional Perspective" in *Structural Adjustment: Exploring the Issues,* Canberra: Productivity Commission.

_______________ (1998), "What is Good Social Policy?", in *A Social Policy Framework for the 21st Century*, Discussion Paper No. 11, North Australia Research Unit, Darwin (RSPAS, ANU).

West, S and H Raysmith (2007), *Planning Together: Lessons from Local Government Community Planning in Victoria*. Final Report of the Local Government and Community Planning Project, Department of Planning and Community Development, Government of Victoria (at www.dvc.vic.gov.au).

Yorke Consulting (2008), *Impacts and Outcomes of the Neighbourhood Renewal Fund*, York Consulting (prepared for the now disbanded Department of Communities and Local Government, UK, the report is available at www.yorkconsulting.co.uk/uploads/78_Impacts_Neighbourhood_Renewal_Fund.pdf

End Notes

[1] The theoretical case for this argument has been particularly strongly articulated in the epidemiologic literature. See especially Rose (1993), whose seminal work argued that to understand the causes of differences in the incidence of particular types of ill-health between different areas you have focus on whole-of-population factors, not the factors causing that type of ill-health at the individual level.

[2] One of us, more than a decade ago, advanced the argument that, in an increasingly globalised world, good regional policy was becoming *increasingly* important to good social policy, if not totally synonymous with it (see Cliff Walsh, 1998, 1999). However, the argument was based more on how globalisation was limiting the policy-effectiveness of national governments than, as we intend to argue has always been the case, that good social policy should always be "place as well as people" focussed.

[3] As we will have reason to acknowledge at several points in our analysis, social disadvantage, broadly interpreted, can be suffered by people who would not be regarded as particularly economically disadvantaged. The stereotypical case might be that of a wealthy person with a severe physical disability in a society in which disabled people suffer discrimination in one form or another. The advent of mental ill-health might also lead to personally and socially disadvantageous social disengagement of otherwise well-off people.

[4] As the references indicate, the full title (Renoir 1974) included the suggestion that those excluded consisted of one in ten members of the French population.

[5] As early as 1965 there had been a book published by Jean Klanfer (Klanfer 1965) with the title (translated into English) *Social Exclusion: The study of marginality in western societies*. However, social exclusion in Klanfer's analysis was conceived as being, in effect, self-inflicted – arising from irresponsible behaviour by the excluded. In the even earlier neo-Marxist writings of Max Weber, though he did not use the term, social exclusion was characterised as the result of powerful elites promoting their own interests at the expense of others: that is, the exclusion of some was the more-or-less intentional result of the behaviour of the elites. The adoption of the concept of social exclusion as a core feature of social policy analysis and development, by contrast, has largely emphasised its involuntary nature on the part of the excluded and the largely unintended (or unknowing) consequences of the behaviour of members of the wider society. It is this conception that was triggered by Lenoir's later (1974) analysis.

[6] In his 1979 book, Townsend in effect redefines poverty to include other, though related, forms of deprivation:

> "individuals, families and groups can be said to be in poverty when they lack the resources to obtain the types of diet, participate in the activities and have the living conditions and amenities which are customary, or at least are widely encouraged and approved, in the societies to which they belong. Their resources are so seriously below those commanded by the average individual or family that they are, in effect, excluded from ordinary living patterns, customs and activities." (Townsend, 1979, p. 32)

In his later 1993 book, he augments his conceptualisation by suggesting that relative *poverty* concerns income and other resources directly available to people, while relative *deprivation* concerns broader conditions of life (physical, environmental and social circumstances) – the "darker side of the entire lifestyle of people" (Townsend, 1993, p. 82).

[7] Sen (2000) specifically targeted his discussion on the usefulness of the concept of social exclusion. In doing so, he not only links it to his development of the concept of deprivation but also discusses the ways in which a composite of a broad range of forms of participation (economic, social and civic, in particular) have historically been identified as important to living a complete, fulfilling life. He even notes that the founder of the science of economics, Adam Smith, in his book *An Inquiry into the Nature and Causes of the Wealth of Nations* (1776) refers to the ability to appear in public without shame as a necessary condition for full economic as well as social participation.

[8] While it is tempting to say that death is an event in which people become involuntarily totally excluded, it is a normal, unavoidable, endpoint for all members of every society. There is no sense that makes sense in which death can be called absolute social exclusion and while policy decisions might be able to reduce risks of premature death they cannot prevent it eventually happening.

[9] See the discussion in endnote 4 earlier concerning the interpretations of what we now refer to as social exclusion by Klanfer (referring to exclusion as resulting from irresponsible behaviour) and by Weber (referring to exclusion of some as the more-or-less intentional result of the promotion by elites of their own interests).

[10] Ruth Levitas *et al* (2007) suggest that since a defining characteristic of social exclusion is that it is multidimensional, disaggregating it into wide *vs.* deep is not theoretically supported and that geographical concentration is an observation of the distribution of exclusion rather than a defining feature of it. We, nonetheless, find it helpful for policy purposes to adopt the classification, even if at the cost of conceptual imprecision.

[11] See, for example, Buck (2001), Sampson *et al* (2002), Orr *et al* (2003), King *et al* (2007) and contributions to a Symposium on a US experimental relocation initiative in the *American Journal of Sociology*, Clampet-Lundquist and Massey (2008), Ludwig *et al* (2008) and Sampson (2008).

[12] See Kling *et al* (2007) and Ludwig *et al* (2008).

[13] See especially the papers in the special issue of the *American Journal of Sociology* referenced in endnote 8 above.

[14] Local Strategic Partnerships exist in nearly all local authority areas in England bringing together representatives from local statutory bodies and from the voluntary, community and private sectors. They generally aim to ensure resources are better located at a local level by encouraging collaborative working and community involvement and to breakdown silo mentality in public sector agencies.

[15] The number subsequently fell to 85, with the deletion of five areas and the addition of two.

[16] NB these are percentages of the total *number* of evaluations, not of the value of them all.

[17] Vinson (2004) especially mentions an initiative in Mildura.

[18] Strictly speaking, the Big Society initiative applies only to England since Scotland and Wales have devolved authority over most relevant issues.