

Chapter IV

Deprivation, vulnerability and exclusion

The need for a new approach

The critique of conventional monetary-based measurement using poverty lines suggests some imperatives with regard to approach and method.

It is not enough to define and aggregate “poverty” in the abstract, as if it were a commodity measurable in dollars and cents. What is essential is to progress from an abstract focus on the incidence of poverty to an empathetic understanding of the lived experience of poverty. To do this, it is necessary to identify people who are in poverty.

It is also necessary to recognize the multiple and distinct dimensions in which people—both those above and those below any stipulated poverty line—experience deficits in well-being, whether or not they can be quantified in monetary terms. Conventional basic needs are critical, but do not exhaust the necessary areas of concern.

Furthermore, it is essential to move away from approaches dominated by a focus on outcomes to those where monitoring the outcomes is just the starting point for an exploration of the structures and dynamic processes that produce them. In other words, diagnoses of the problems are needed, not just snapshots of outcomes.

Investigation of these social dynamics using the individual as the essential unit of study is not sufficient, and often leads to a serious misinterpretation. It is necessary to go beyond—indeed to replace—such an individual-based view and to recognize the relational and group affinities and affiliations of individuals and then rise to the challenge of devising a workable conceptualization of group identity.

The use of the poverty line inevitably leads to the simplistic division of the population into two mutually exclusive segments: those below the poverty line (BPL households); and those above (APL households). This ignores diversities and differentiation and thereby introduces distortions marring policy intervention and collective action.

The poverty-line approach limits the field of vision to individuals and households below the prescribed poverty line, ignoring the fact that there is a large share of the population above the poverty line who are highly vulnerable to poverty. Many households enter and exit poverty as defined by a poverty line as their circumstances and fortunes fluctuate, such fluctuations being a hallmark of deprivation. This calls for a dynamic analysis that investigates vulnerability, household socio-economic mobility, and movement of households into and out of specific states of deprivation.

Taken together, these observations constitute an effective critique of the conventional dollar-a-day poverty-line approach—whether as a tool for conceptualization, definition or monitoring of poverty, or for instrumentalizing targeted interventions, impact assessment and priority-setting—and underscore the value of more universal approaches to human and social development. However, the case to be made for more universal approaches cannot limit itself to a rejection of the narrow monetary-based approach; nor is it sufficient to identify an alternative universalist paradigm. It is imperative to go further and develop alternative conceptual perspectives and corresponding strategies encompassing alternative forms of policy intervention and collective action.

Where does this exercise in creative destruction lead: which is the way ahead?

Thinking constructively, an analytical framework suitable for a social analysis of deprivation must be broad and flexible enough to absorb considerable diversities across economic structures, development pathways and experiences, and sociocultural specificities. As such, the approach is understandably—and unavoidably—eclectic, synthetic and unorthodox. This having been said, the approach followed does at the same time need to possess certain features. Ideally, in the recognition of deprivation, it should: be aware that while measurability can be a virtue, it is neither necessary for, nor a guarantee of, relevance and meaning; be sensitive to absolute and relative deprivations and disadvantages as well as to inequality in both the developing and the rich countries and be able to recognize the relevance of groups as units of social analysis; explore multifaceted well-being and human development in a holistic manner; conceptualize the issue in a dynamic framework that encompasses questions of mobility; investigate outcomes as well as the structural factors, the process and the causal mechanisms that generate them; incorporate participatory perspectives into the theoretical approach and avoid targeting; and embrace the universality of rights and needs, uncompromised by calls for pragmatic expediency or resource constraints which serve as excuses for continued exclusion.

The need for combining these desirable features enjoins the adoption of a broad approach rather than a single-concept strategy. These considerations provide the rationale for moving from a narrowly defined monetary-based concept of poverty to a broader analytical framework grounded in the concept of social exclusion. This approach, if adopted, would be free of the weaknesses identified in the poverty-line approach, while also incorporating many of the desirable features mentioned above. Nevertheless, such an approach would still be scrutinized for its ability to provide a better understanding of the nature of the problem.

Alternative points of entry

In response to the inherent weaknesses of the monetary approach, several alternatives were spawned. In this regard, Morris D. Morris (1982) prefaced his presentation of the Physical Quality of Life Index with an explicit critique of the aggregated gross national product (GNP) or money-metric approach; Amartya Sen launched his capability approach and the human development index with a powerful critique to the effect that the basic needs approach was trapped in commodity space; Robert Chambers (1997) argued for a participatory approach to poverty.

While these approaches provide alternative points of entry for developing a framework for a social analysis of deprivation, they all have features that tend to significantly limit their usefulness for this purpose. The human development approach, whether it utilizes the human development index or the earlier Physical Quality of Life Index, is explicitly outcome-based and focuses on a set of chosen indicators. This inevitably leads to the use of methods of cross-sectional and comparative statistics in evaluating alternative situations, without any emphasis on the societal structures, dynamics, processes and policies that generate these outcomes. Further, there are usually large group averages hiding inequalities.

The participatory approach, in contrast, does provide an understanding of the multidimensional background of deprivation, especially its subjective dimensions, but loses analytical power at higher levels of aggregation. There are nonetheless significant arguments to be made in support of this approach, some of which are identified in the discussion below.

Social exclusion: a new approach to poverty analysis

The grim realities that underlie and concretize the concept of social exclusion are ubiquitous and global. Virtually no country, rich or poor, “traditional” or “modern”, can credibly claim to be unaffected by them. They seem to be woven into the fabric of societies, embedded in the system, with deep roots which lead to their continuous reproduction.

The various manifestations of social exclusion can be categorized within four dimensions. The first pertains to endowments and the ownership of and access to assets; exclusion from those forms the basis of other forms of exclusion. Not enough attention has been paid, however, to the structural inequalities and exclusions embedded in the initial conditions from which processes originate and which also set the relational parameters. This oversight might be attributed partially to the fact that, under the conventional paradigm, asset ownership structures are ignored when considering policy options. This reluctance has to be overcome if meaningful alternatives are to be developed, not just *ex post facto* Band-Aid interventions.

The second dimension covers processes generating productive, or primary, entitlements secured by individuals, households and groups through their engagement in the economy on the basis of their control over productive endowments. It is essential not to reduce this to an enumeration of alternative “livelihoods”, but instead to analyse the structure and dynamics of these activities within the context of wider policy parameters that causally govern the outcomes for individuals, households and groups and at the local level.

The third dimension is that of social provisioning, covering claims and access to the necessary range of basic needs and social services at appropriate levels and with quality assurance; this is the area where the most commonly discussed forms of social exclusion are located, for example, those related to nutrition, education, health, housing and so on. More widely, this area covers the various aspects of the secondary process of entitlement generation, highlighting transfers, subsidization and other forms of social provisioning and claims.

The fourth and final dimension is that of full and equal citizenship; this puts the spotlight on the institutional framework for ensuring political and socio-economic rights, on issues of identity-based discrimination, and on democratic participation in local and wider decision-making political structures and processes.

There are multiple feedback loops among these four dimensions. Yet, some dimensions dominate others in terms of causation. For instance, while incomes generate savings and investments that increase the original stock of household endowments, it is the total level of the latter that primarily governs the level of savings and investment possible in the first place. Likewise, while incomes form the basis for meeting household basic needs, there are often important supplements from the State through various forms of subsidized social provisioning and income transfers addressing gaps in meeting basic needs. The fourth dimension influences the manner of functioning of all others.

A distinction has been made between passive and active exclusion: the latter occurs when there is a wilful act leading to exclusion; the former is deemed to occur in the absence of such an act, through the workings of larger economic processes or the system as a whole (Sen, 2000).

Social exclusion has remained a regularly contested concept. Some analysts have seen little value in the notion of social exclusion, decrying its limited theoretical or researchable content (Oyen, 1997). Others have pointed out that it perhaps reflects the attempt to address the old agenda of poverty, albeit with reduced power and precision (Townsend, 2002; Levitas, 2000).

However, through its focus on the non-material dimensions of deprivation, and through incorporating subjective and experiential perspectives, the social exclusion approach expands the final outcomes that signal development objectives. Dimensions of self-esteem, dignity and recognition of mutual social acceptability enter the expanded societal frame.

The social exclusion concept encompasses processes, social relations, causality and dynamics in analysing outcomes, while taking into account initial conditions such as asset ownership. It also extends the analytical focus beyond just individuals to social groups. Thus, the social inclusion approach can effectively complement other poverty reduction strategies.

Social exclusion: ubiquitous presence, multiple forms

Forms of social exclusion can be defined in terms of the final outcomes of the development process. Here, the focus is generally on the elements of basic needs, or a wider set of elements that include non-material dimensions of well-being. They could also be defined in terms of the features of the structures, processes and policies that generated these final outcomes; this would link up with the various instrumental elements of causal processes: exclusion from employment, from credit, from access to land, etc. The concept of social exclusion could also be applied to social constituencies that have been excluded on account of relatively immutable attributes of their identity, implying the existence of discrimination.

The following sections present selected illustrations of poverty and social exclusion, with a wide range of examples drawn from various regions, countries and social groups. The diversity of these examples highlights the pervasiveness of poverty and social exclusion—in developed as well as developing countries and among people of all ages and ethnic groups.

Regional diversity in its manifestations

In Africa, social exclusion is mostly seen as a direct consequence of poverty, and they both stem from discrimination on the basis of race, ethnicity and gender, inequality, unbalanced rural/urban development, unequal distribution of assets or unequal access to services. Persistent conflicts and instability, often resulting from long-term exclusion, impede poverty reduction efforts. Close to 12.7 million people were internally displaced on the continent in 2007, including 1.6 million additional in that year alone.

Besides protracted conflict situations, the prevalence of HIV/AIDS is a major obstacle to inclusion and poverty eradication in Africa. Children who have lost their parents to AIDS often become street children relying on begging and petty crime in order to survive; with little chance of going to school, they will continue to suffer from exclusion and poverty as adults.

In Latin America and the Caribbean, social exclusion often denotes a specific problem, such as the existence of an underclass or the long-term unemployed. It is often seen as a major concern in the context of high inequality, as well as ethnic and racial discrimination. Both indigenous people and Afro-descendants are the poorest in the region. In Colombia, the poverty rate for ethnic and racial minorities is 1.6 times higher than that for the rest of the

population, and in Paraguay, it is 7.9 times higher. The gap between indigenous and non-indigenous populations is especially persistent. Such disparities are reflected in educational attainment. For instance, in Brazil, in the early 1990s, illiteracy rates for the black population were more than double those of the white population (Hopenhayn, 2008). The causes of discrimination in Latin America relate mostly to being poor, old or uneducated or belonging to an ethnic minority. Recent data indicate that only 34 per cent of indigenous children attend secondary school as compared with 48 per cent in the general population (Economic Commission for Latin America and the Caribbean, 2008).

In Asia and the Pacific, the region with the highest number of older persons in the world, income security, employment, health, nutrition and social services for older persons are of major concern. Migrant workers, facing exploitation, abuse and discrimination, experience significant exclusion. Prolonged migration has been found to cause the break-up of families and violent behaviour and delinquency in the children left behind (Economic and Social Commission for Asia and the Pacific, 2008a).

In Western Asia, conflict and displacement intensify exclusion, with minorities being at a greater risk of displacement. There are close to 7 million refugees and 3.5 million internally displaced people in the region. Many migrant workers in the region lack the status of citizens and are thus excluded from the poverty eradication programmes.

In respect of exclusion, the focus of developed countries is on marginalized groups. This is especially warranted considering that some of these groups are affected by exclusion and poverty more than others. For instance, in the Organization for Economic Cooperation and Development (OECD) member countries in 2005, children and young adults had poverty rates that were about 25 per cent above the population average, while those rates had been respectively close to and below that average 20 years ago (Organization for Economic Cooperation and Development, 2008a). Consequently, focusing on reducing child poverty is considered a very important component of overall efforts to combat poverty in Europe and prevent intergenerational transmission of poverty.

Everywhere, a key feature of social exclusion is the relative powerlessness of those excluded. The ability of a person living in poverty to improve his or her material and non-material well-being depends on the socio-political structure of the society he or she lives in. It further depends on the institutions fostering economic opportunity and local democracy. Regrettably, divisions in a society diminish the possibilities of accessing economic and political opportunities. Another dimension is the individual and collective agency of people living in poverty.

As noted by Narayan, Pritchett and Kapoor (2009, pp. 115-116):

For the most marginalized people, their collective agency in organization, representation, voice, and identity is critical in overcoming social

discrimination that leads to economic, social, and political exclusion and inequality. Without this collective capacity to negotiate, control, and bargain, individual initiative on its own may not be sufficient.

Individual and collective agency can improve access to new economic opportunities or lead to greater mobility through the practice of democracy.

Local democracy is especially important in overcoming poverty, although it may function as a zero-sum game where some poor people gain while others lose. Sometimes, local democracies become corrupt and are exploited by the elites, with the possibility of exclusion and corruption being more likely in more socially stratified societies. The negative effects of corruption were measured in Uttar Pradesh, India, where a unit increase in corruption decreased the probability of moving out of poverty by 10 per cent and negated the positive effects of increasing landownership and reducing illiteracy (*ibid.*).

Social schisms beneath the averages: disparities in life expectancy

Life expectancy is a fundamental indicator of both well-being and poverty. Globally, life expectancy increased from 46 years in 1955 to 66 years in 2005. Among more developed regions, it increased by 10 years over the same period, from 66 to 76 years. In less developed regions, it increased by 23 years to 64 years, while in the least developed countries, the increase was only 18 years, from 36 to 54 (United Nations, 2009a).

Notwithstanding the continuing improvement of overall life expectancy among the wealthiest countries, significant inequalities are persistent and widening.

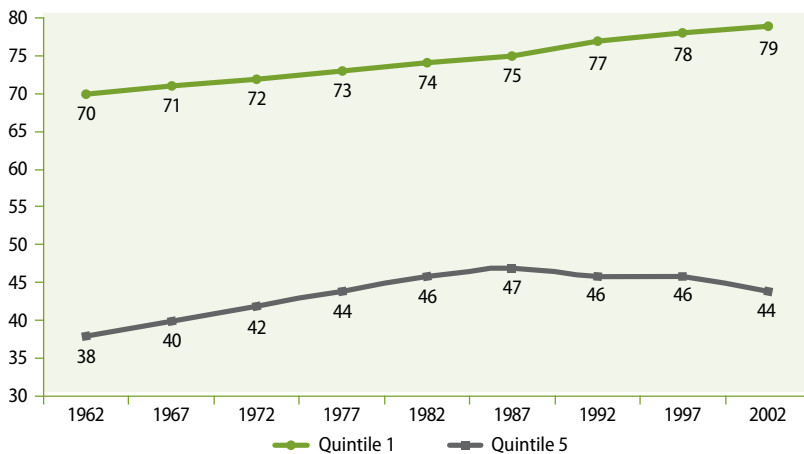
In the United States of America, between 1980 and 2000, the gap in life expectancy between members of different socio-economic groups widened as a result of larger gains in life expectancy for those in higher socio-economic groups relative to those in more deprived groups (Singh and Siahpush, 2006). The gap in life expectancy between the most and least deprived deciles grew from less than 3 years in 1980-1982 to 4.5 years in 1998-2000. Life expectancy at birth varies significantly by race in the United States; white Americans are expected to live about five years longer than black Americans on average (United States Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Health Statistics, 2009). The gap is wider for men, and wider when economic disparities intersect with race. In Montgomery County, an affluent white community near Washington, D.C., life expectancy is 80 years. In Washington, D.C., itself, a less well-off, predominantly African American community, male life expectancy is 63 years—similar to that for India and the Philippines (Commission on Social Determinants of Health, 2008).

In Australia, the Aboriginal and Torres Strait Islander (indigenous) population has a life expectancy of about 17 years less than that of the Australian population as a whole (Australian Bureau of Statistics, 2004). The main contributors to the gap were found to be non-communicable diseases and conditions such as cardiovascular, respiratory and genito-urinary disease and diabetes, which highlights the importance of inclusive access for all segments of society to primary health programmes designed to address prevention, early diagnosis and treatment.

Recent research reveals that inequality in life expectancies among countries is also increasing (see figure IV.1). After having declined between 1962 and 1987, health inequality among countries began to increase, and by 2002 had reached the same levels as in 1967. As of 2002, life expectancy among the countries with the poorest survival prospects had returned to the 1977 level of 44 years on average (McGillivray, Dutta and Markova, 2009). Many of the countries with the shortest overall life expectancy are in sub-Saharan Africa and they have been hard hit by the HIV/AIDS epidemic. Other factors that have contributed to poor survival outcomes in sub-Saharan Africa include armed conflict, economic stagnation and infectious diseases such as malaria and tuberculosis.

Years of life are among the most basic indicators of well-being. Large, and often growing, gaps in life expectancy among and within countries indicate that large segments of the population are not sharing equally in the benefits of economic growth, that more attention must be given to the most marginalized individuals in terms of health and well-being, and that the social determinants of health outcomes should be given more attention in policy formulation.

Figure IV.1
Inequality in life expectancy has been increasing, 1962-2002



Source: McGillivray, Dutta and Markova (2009).

Identity, exclusion and poverty

The social exclusion approach is especially valuable since it enables an acknowledgement and analysis of the dimension of identity. Within this dimension, a distinction can be made between features of identity deriving from attributes that, in principle, could be temporary, and those aspects of identity that are inherited and remain relatively immutable through life. Examples of the former are the status of migrants and refugees, and the categories of youth. In these cases, the disadvantages of social exclusion that are attached to these categories are suffered by individuals as long as they continue to be associated with them; on the other hand, it is entirely possible—and a plausible explanation—that such individuals will acquire the mobility that enables them to leave their disadvantages behind.

In contrast, there is only very limited mobility, and often none, out of domains where the elements of identity, such as gender, race, ethnicity, indigeneity, caste and disability, are immutable. Here, socially constructed disadvantages attach to individuals virtually from birth and stigmatize them throughout their lives. These forms of identity-based exclusion typically characterize individuals constituted as social groups. Such exclusion expresses itself explicitly in the form of social prejudice and discrimination and is not often dispelled by a higher economic status achieved by the individual or the group affected. It becomes an overarching factor which tends to perpetuate the material poverty and low socio-economic status of such excluded marginalized groups.

Such discrimination is not a phenomenon unique to poor countries; regrettably, it is all too ubiquitous in every society, rich or poor, as is confirmed by the selected illustrations that follow. The crucial policy significance of this aspect of social exclusion lies in the fact that rather than melt away with the elimination of poverty, it actually tends to undermine the effectiveness of efforts at poverty reduction in the first place. Another important insight produced by the social exclusion approach in this regard concerns the salience of social norms and behaviour, since much of the social exclusion of this type arises not from governmental failures but from societal fractures. This underlines the need not just for good public policies, but for new social norms conducive to better social integration.

Ethnicity and poverty: the cases of Native Americans in the United States of America and Roma in Europe

Ethnicity is one of the immutable components of identity. Ethnic minorities often find themselves marginalized by the mainstream societies they live in. For example, indigenous peoples in many developed countries disproportionately suffer from exclusion and poverty. They live shorter and less healthy lives, are more likely to be unemployed, and earn less than the general population. Rates of poverty, substance abuse, suicide and incarceration are also higher than those for non-indigenous people.

Native Americans¹ in the United States suffer poverty at a rate three times higher than that of the non-Hispanic white population. The situation of Native Americans who live on reservations is particularly dire (box IV.1).

The situation of Roma in Europe clearly illustrates the fact that discrimination and racism are linked to poverty. Roma are discriminated against in educational and health-care systems and in their access to labour markets and social services. The situation of Roma within new member States of the European Union (EU) remains a cause of special concern, given the evidence of racism and discrimination in employment, education and health-care provision, the failure of criminal justice systems in cases involving Roma, and the incidence of acts of violence perpetrated against Roma (European Commission, Directorate-General for Employment and Social Affairs, 2004). While only 6 per cent of EU citizens would feel uncomfortable having a person with

Box IV.1

The Oglala Sioux people on the Pine Ridge Reservation

The Pine Ridge Reservation in South Dakota is one of the poorest places in the United States. The Pine Ridge Reservation, home to the Oglala Sioux people, is characterized by both deep poverty and a high degree of vulnerability to poverty. More than half the population live below the poverty line and nearly one third live below half the poverty line, five times the national average (United States Census Bureau, 2000).

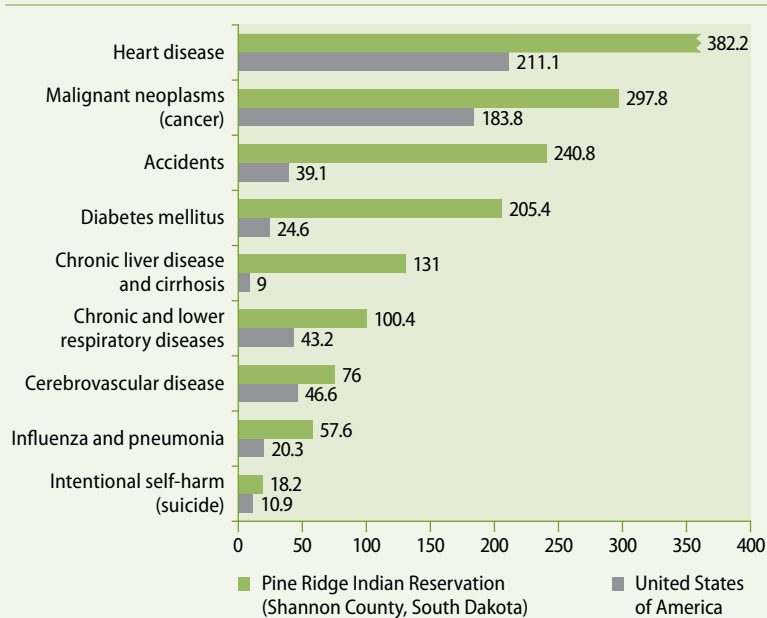
The Reservation's weak ties to the market economy are reflected in an unemployment rate of nearly 30 per cent, about five times the national average. Wage employment is limited and insecure: only about half of all households had wage income in 2004, and of those households about 25 per cent had not had wage income in the previous year (Pickering and Mizushima, 2007). The majority of those employed are in education, health and social services (40 per cent) and public administration (18 per cent).

Half of the households engage in home-based enterprises; however, the limited access to financial services is a barrier to entrepreneurship. As there are no banks on the Reservation, residents must travel between 40 and 180 miles (round trip) to meet their banking needs (Mushinski and Pickering, 2007). Lakota Funds, a community development organization on the Reservation, offers small loans to tribe members ranging from \$200 to \$200,000.³ While Lakota Funds has contributed to many success stories, it estimates an unmet need for small business capital at over \$10,000,000.

The extreme poverty on the Pine Ridge Reservation is reflected in the poor health of the population, which exacerbates and perpetuates poverty. The mortality rate in Shannon County, which lies entirely within the Reservation, is more than double the rate for the United States. The infant mortality rate is almost twice that of the State and national averages. At 13.55 deaths per 1,000 live births, the infant mortality rate is higher than in some countries in less developed regions such as Viet Nam (12.93 per 1,000), Mauritius (12.8 per 1,000) and Uruguay (12.4 per 1,000). Rates of death from accidents, diabetes and chronic liver disease and cirrhosis are several times higher than the national average (see figure). Poor living conditions contribute to ill health on the reservation. Clean water, health services and electricity are not consistently available (Mushinski and Pickering, 2007; United States Census Bureau, 2000). Complete plumbing and kitchen facilities are lacking in 12 per cent and 8.6 per cent of housing units, respectively. These figures are considerably higher than the national average (United States Census Bureau, 2000).

1 Native Americans referred to in census data are people who self-identified as American Indian or Native Alaskan only in the 2000 United States Census.

Major causes of death, Shannon County, South Dakota, and the United States of America



Source: South Dakota Vital Statistics (2007).

A recent longitudinal study on health and poverty on the Reservation found that health problems place a significant demand on the limited resources of households (Pickering and Mizushima, 2007). The Lakota people interviewed for the study described ill health as a tremendous burden, and about 1 in 5 reported personal or family health conditions as a reason why a job had ended. Access to health care is very limited, resulting in extensive use of unpaid family care, which limits opportunities for wage employment. Only 7 per cent of households report having health insurance. The study also found that Indian Health Services, a severely underfunded federal agency, is the only source of health care for 90 per cent of the Reservation's population.

^a See www.lakotafunds.org.

a different ethnic origin as a neighbour, 24 per cent of them would feel uncomfortable having a Roma as a neighbour.

It is sometimes noted that, while racism and discrimination directed towards ethnic minority groups in Europe is widely seen as offensive and unacceptable, racism towards the Roma is often seen as justified. The media as well as local and national politicians fuel the prejudices of the population at large.

Roma face wide-ranging and mutually reinforcing inequalities. They have shorter life expectancy, experience poorer health, and are less likely to receive health care than the population at large. Children have a lower educational

attainment and are highly unlikely to enrol in secondary schools owing to discrimination and abuse from fellow students and teachers alike. Disaffected Roma youth are more likely to suffer from substance abuse and have higher rates of suicide and criminalization at a young age.

Insecure accommodation remains a severe problem, with continuing cycles of eviction associated with homelessness among caravan-dwelling Roma, some of whom do not have access to the due process needed to challenge the evictions. To avoid evictions, Roma families often find accommodation in the most neglected areas, facing, in consequence, not only environmental disadvantages but also hostility from neighbours.

Gender and poverty: multiple and multiplied discriminations

Women experience structural exclusion in societies that perceive them as inferior and subordinate to men. In developing and developed countries alike, a disproportionate number of women experience relative poverty. Social exclusion of women in some societies is related to several factors, including their marital, health or employment status. The unequal possession of power and ownership of resources result in a greater risk of poverty among women.

Women are overrepresented among people living in poverty and suffer from exclusion from basic education, landownership and employment. It has been argued, however, that although anti-poverty policies focusing on women are often seen as attaining development objectives, they may not be very effective in tackling gender-related issues because the subjugation of women is not caused by poverty alone. That is why equality issues should be considered in development programming (Jackson, 1996).

Social exclusion of women is linked to the cultural perceptions of their role and potential contribution to society. The social exclusion perspective compels us to look beyond gender gaps in education and health. Voice and participation are vital and the cultural perceptions of women that keep them in subordinate status need to be challenged. Creating the conditions that allow women to demand change and influence priorities of State institutions is vital if gender equality and the empowerment of women are to be advanced.

Gender identities leading to specific outcomes need to be examined as well. For instance, in many South Asian countries, there is a high mortality among girls, who are subject to aggressive neglect, not to mention foeticide and infanticide. To understand the causes of this phenomenon, a comprehensive analysis of gender identities and relations over the life course is required, exploring forms of marriage exchange and the gendered hierarchies within belief systems (Jackson, 2002).

It is often argued that the best way to address women's poverty is to improve women's citizenship status. Since they lack political and economic resources, it is more difficult for women than for men to overcome poverty. For

example, it has been noted that the call in India for citizenship for women should entail a shift in focus: rather than a concentration on women as poor people, there should be a study of the processes that relegate women to a secondary place in Indian society.

In South Asia, social exclusion issues often relate also to ethnicity and caste. The Hindu caste system in India and Nepal, as well as caste-like identities in Pakistan, “exclude lowest caste groups from ownership of land and key productive assets and assign them to various forms of labour and services which are considered to be menial, degrading and dirty” (Kabeer, 2006b, p. 9). There are major differences in respect of poverty by caste and ethnic group. For instance, per capita household consumption in the highest castes is 42 per cent larger than in a Dalit household (a Dalit is a member of the lowest caste). In India, 54 per cent of children among the Dalits were underweight as compared with 44 per cent in the rest of the population. The infant mortality rate was 83 per 1,000 live births compared with 68 per 1,000 live births for the rest of the population. In addition, under-five child mortality was 119 per 1,000 live births, compared with 92 per 1,000 live births for the rest of the population (*ibid.*, also see box IV.2).

Moreover, in India, people living in poverty in urban areas are often trapped in patron-client relations with a broker (*mastaan*) who manages shelter and key services and charges for water, electricity and protection. Those patrons also manage the links to jobs for migrants and the urban poor (Mosse, 2007). Such oppressive social relations perpetuate poverty and exclusion.

Box IV.2

Dalit women: exclusion and violence

Dalit women in India are at the bottom of India's caste, class and gender social structure and their situation constitutes an extreme case of *active exclusion*. They suffer from endemic gender and caste discrimination, violence and exploitation. Pervasive violence against Dalit women in India is the core result of gender-based inequalities enforced and intensified by the caste system. Despite constitutional guarantees of non-discrimination on the basis of caste and gender as well as a series of laws aimed at protecting Dalits, discrimination, exploitation and violence continue. The societal acceptance of discrimination directed against caste, class, community and family is at the root of the persistence of the problem.

A study examining the forms and manifestations of violence against Dalit women in India revealed that they endure violence in the community and in the family, from state and non-state actors. Forms of violence include physical assault, verbal abuse, sexual harassment and assault, rape, sexual exploitation, forced prostitution, kidnapping and abduction, forced incarceration and medical negligence regarding female foeticide and infanticide, child sexual abuse and domestic violence from family members.

Exploitation built into the caste system often relates to economic resources, including land, wages and payment for services. Violence is especially pronounced when Dalit women try to assert their right to own or utilize resources or protest against forced labour or challenge working conditions; for example, Dalit women provoked violence when they asserted their right to access housing and services (Irudayam, Mangubhai and Lee, 2006).

Migrants and migration: aspirations and exclusions

Migration, social exclusion and the impact on poverty and inequality

For some poor people, migration can be a practical strategy for escaping poverty. However, migrants in the industrialized world face compounded forms of discrimination in the labour market, and in access to housing and services. Migrants from ethnic minorities face even greater disadvantages. Many migrants have no or very restricted work permits, making them highly dependent on employers and causing them to live in constant fear of losing their jobs and/or being deported. Their qualifications often go unrecognized. Undocumented migrants are especially affected by social exclusion and discrimination, as they have no access to any social services. They suffer from acute civil disenfranchisement combined with legal disempowerment. Such exclusions undermine migrants' capacity to escape poverty through migration, implying the weakening of potential positive gains for the migrants themselves, for their families at home, and for their communities and countries of origin.

Voluntary migration, both international and internal, allows migrants to save and, in many cases, to remit part of their earnings home. Existing evidence suggests that remittances contribute to household welfare. They are often used for the consumption of basic subsistence goods, including food, but they have also been found to encourage investments in education, health and other productive spending (Ghosh, 2006; United Nations, 2005b). Because they tend to be counter-cyclical, remittances can protect families from income shocks during economic crises and help migrant households spread income risks. In general, households with migrants have a higher propensity than non-migrant households to save and invest.

Remittances often alleviate the hardship of poverty, but they rarely allow for significant accumulation or foster upward economic mobility. For internal, seasonal and temporary migrants in particular, migration is simply a coping strategy for combating extreme economic vulnerability and does not constitute a consistent way out of poverty. At the aggregate level, the existing evidence suggests that the impact of migration and remittances on poverty reduction is positive but generally small in magnitude (Acosta and others, 2007; Ghosh, 2006).

However, migration does not necessarily reduce income inequalities across households or regions. While some studies suggest that highly skilled and richer migrants are less likely to remit than unskilled migrants, the amount remitted increases with earnings.² Most of the existing evidence indicates that transfers by internal migrants, who generally come from poorer households than those of international migrants, tend to reduce income inequalities, while international remittances tend to increase them (King and Vullnetari, 2003;

2 For a summary of the findings on the impact of remittances on urban rural disparities, see Jones (1998). For findings on their impact on inequalities among households, see Taylor, Mora and Adams (2005) and Black, Natali and Skinner (2006).

McKenzie and Rapoport, 2007; Adams, Cuecuecha and Page, 2008). Thus, the overall effect of migration on inequality depends on the composition of migrant flows and on the propensity of each group to remit.

Most evidence on the relationship between migration and poverty, however, is based on one single snapshot of the migrant population. There are few longitudinal studies of the dynamics between migration and poverty, from the time of the departure of migrants to that of their eventual return. Descriptive studies of migrants' journeys suggest that migrants probably endure frequent spells of poverty along the way. The costs of migrating, that is to say, the funds (and goods) that go with migrants when they leave, and that go to them from their origin countries or regions afterwards, are rarely taken into account when assessing the impact of migration and remittances on those left behind.

Central to the outcomes of migration are the actions of a variety of political, economic and social institutions that determine the extent to which migrants can integrate successfully in the region or country of destination. For international migrants, key in this regard are government policies and the social and economic conditions in the host society.

Policies determine the status of migrants in the host society, their human and labour rights, whether they are entitled to social protection, whether discriminatory practices are sanctioned, whether they can maintain their cultural traditions and practice their religion, etc. As labour migration policies are becoming increasingly selective both in developed countries and in the main receiving countries of the developing world (favouring highly skilled migrants), migrants with low skills have very limited legal access to labour markets: most are allowed in only as temporary or seasonal workers. Currently, temporary programmes are far too narrow to meet the domestic demand for migrant labour and to then create space for a continued flow of irregular entries, stays and employment. In general, these policies fluctuate with economic conditions, becoming less receptive during economic downturns.

In the EU labour market, foreigners face limitations in taking on self-employment and are barred from certain jobs, including most public sector jobs. Regarding employment security, few foreigners can expect the forms of protection enjoyed by national workers if they lose their job: only selected groups of long-term migrants in European countries have access to unemployment benefits (Taran and others, 2009). In some countries, work and residence permits are combined, so that losing a job means losing the right to reside in the country. As educational credentials and skills acquired abroad, particularly in developing countries, are rarely recognized, migrants often fill jobs for which they are overqualified. In 10 countries studied by OECD, for instance, nearly 50 per cent of all skilled foreigners were found to be unemployed, non-active or confined to jobs for which they were overqualified³ (Organization

3 Where they do exist, concerted placement and adaptation policies have shown positive results. In Canada, where the Immigrant Settlement and Adaptation Program (ISAP) assists

for Economic Cooperation and Development, 2008b). Similarly, unemployment levels are higher among migrants than among natives in most developed countries. For OECD, the gap between migrant and native unemployment exceeds 10 percentage points in Finland, the Czech Republic, the Netherlands, Norway and Switzerland. In Austria, Belgium, the Netherlands and Switzerland, the proportion of migrants among the unemployed is twice their proportion in the active population (Organization for Economic Cooperation and Development, 2007).

The granting of nationality is the most important policy measure for the social integration of international migrants, as it ensures full membership in the country of residence; however, it is not a sufficient condition for social inclusion. In many receiving countries, individuals of migrant origin—regardless of their citizenship status—endure more deficits in well-being and exclusions than do natives of comparable educational level in the form of unemployment or underemployment, insecure income, denial of rights at work, discrimination, inadequate social protection, lack of social mobility, etc. (Stalker, 2000; International Organization for Migration 2008; Taran and others, 2009). In Spain, for instance, more than 50 per cent of foreign-born workers had temporary work contracts in 2006, as compared with 25 per cent of the native population (Organization for Economic Cooperation and Development, 2007).

Similarly, the situation of internal migrants, whose status is not influenced by citizenship laws, is often not comparable to that of non-migrants.⁴ In the urban areas of many developing countries, for instance, internal migrants are poorer and more often employed in unskilled manual jobs than urban natives of similar educational levels (Roig and Singelmann, 2009).

Where they exist, such well-being deficits have long-lasting effects. In Europe, most research has found that children of immigrant parents (the so-called second generation) have an educational attainment that is below that of native children of comparable family background and are more often unemployed.⁵ However, results differ by country and by group, with some groups of immigrant children systematically underachieving and a few doing as well as natives. Historically, these differences have been attributed to differences in social capital, values and skills and to residential segregation.

migrants in searching for jobs and provides job-specific training and job placement, up to 75 per cent of immigrants with a university degree were working in jobs that required more than a high school diploma in 2005 (Migration News, 2005).

- 4 Internal migrants usually enjoy the same political and social rights as non-migrants, but there are some who do not. Most notable are those in China affected by its household registration (*hukou*) system, according to whose rules individuals wishing to change their place of residence must obtain approval from the authorities. Those who move without registering have no access to public services, including health, education or housing, at subsidized prices.
- 5 For a summary of research on the second generation in Europe, see Crul and Vermeulen (2003) and Organization for Economic Cooperation and Development (2008a).

Social networks affect opportunities and perceptions. In certain contexts, migrants and their children may perceive that the paths to social mobility available to them are limited, and that such paths as do exist do not require educational credentials. Inherited cultural values influence such perceptions, as well as the social and economic contexts that migrants and their children find themselves in. Because of discrimination, education may actually be a less valuable asset for some groups.

Discrimination plays an important role in maintaining segmentation in the labour market and contributes to the relegation of certain groups to certain sectors of the labour force. The pressures of higher unemployment rates among immigrants and their children make them less prone to unionize, especially in sectors with precarious and non-standard forms of employment.

Finally, residential segregation is the outcome of a natural tendency for spatial concentration of ethnic or national communities after arrival but also of discrimination in the housing markets and, sometimes, of deliberate housing policies. For migrants, spatial clustering can be beneficial initially, as it can give rise to successful ethnic enclave economies. However, in the long term, spatial segregation, often into isolated and substandard residential areas, prevents the contact and interaction that facilitate familiarity, mutual understanding and upward social mobility.

Patterns of mobility and settlement have been quickly evolving. Improved travel and communication systems permit more frequent mobility (the terms “circular migration” and “repeat migration” are often used) and the maintenance and expansion of transnational networks. The fact that migrants increasingly maintain multiple social and economic ties that transcend borders and sometimes keep dual citizenship—from the home and host countries—can be beneficial not just to migrants but also to the home and host countries. However, the emergence of these patterns is often a consequence of restrictions to settlement in the host country and of policy approaches based on economic and social exclusion, which leave migrants no choice but to move between societies that reject them (Pecoud, 2006, p. 63). All in all, these evolving patterns pose new challenges and bring new imperatives for integration.

International migrants and the current economic crisis

Between 2000 and 2008, several countries with booming economies eased restrictions to legal immigration and expanded immigrants’ rights. Spain’s 2005 extraordinary regularization process, for instance, granted work permits to some 650,000 previously undocumented foreign workers (Arango and Jachimowicz, 2005). For the first time, the programme was designed by consensus among employer organizations, unions and immigrant organizations. In 2004, the United Kingdom of Great Britain and Northern Ireland started to grant immediate access to the labour market to nationals from the new member States of the EU, thereby regularizing the situation of more than half a million Eastern Europeans (Migration Policy Institute, 2008).

The current economic downturn has made many destination countries less open to the welcoming of migrants, with some of those countries expressing remorse over earlier policies and adapting them to economic circumstances. In 2008, Spain announced a voluntary return programme which would give unemployed legal resident migrants compensation for leaving Spain and agreeing not to return for three years. Spain, the United Kingdom, Australia and other developed countries have announced that they will issue few new immigrant visas in 2009.

In general, migrant workers are hardest hit during economic downturns both because of their characteristics—they are, on average, younger and more recent entrants to the labour market, have less work experience in the host country and hold less stable contracts—and because the sectors in which they are employed—construction, manufacturing, hospitality services—suffer early and heavy job losses during recessions. Existing evidence suggests that the current downturn is no exception: between 2000 and 2007, the unemployment rate of non-EU nationals in the European Union was, on average, five percentage points above that of nationals. In the third quarter of 2008, the gap in unemployment rates had increased to eight percentage points (European Commission, 2009). In the United States, the unemployment rate rose from 4.3 per cent in the third quarter of 2007 to 6.3 per cent in the third quarter of 2008 among Mexican immigrants, and from 4.5 to 7.0 per cent among other Central American immigrants, while it increased from 4.8 to 5.3 per cent among all workers (Kochhar, 2008).

As a result, remittance flows to developing countries are likely to decline. The World Bank (2009f) projects a decline of 5-8 per cent in the volume of remittances between 2008 and 2009. According to the Bank, remittances from developing countries such as South Africa, Malaysia and India as well as from the Russian Federation are especially vulnerable to the crisis.

In many cases, the visa status of migrants ties them to a specific employer. Returning to the home country is the only alternative to performing undocumented work if they lose their job. However, few migrants return home during economic downturns, since the financial cost of returning is high and they may face bleaker economic prospects in their country of origin. In addition, there is no guarantee that they would be able to return to the host country if the economic circumstances at home were not tolerable.⁶ The loss of employment is likely to have more devastating effects among less skilled foreign workers, given that many of them are not eligible for benefits. In the United States, for instance, the 1996 welfare reform law ended federal fund-

6 In Western Europe, migrants originating in new Eastern European member States have so far been the most responsive to the economic crisis (*New York Times*, 2009; Papademetriou, Sumption and Somerville, 2009). Eastern Europeans require no visa to work in other countries of the EU and they face no barriers to returning to the host country in the future.

ing for benefits to immigrants who had been in the country for less than five years; in most states, migrants who lose their jobs have very limited public support. Spain, the United Kingdom and other European countries do not allow access to unemployment or social security benefits to certain categories of migrants or to those coming from certain countries.⁷ Unless they can rely on the support of family members or return home, they are at high risk of falling into poverty. The knowledge that many migrants cannot afford to go without employment can also make them more vulnerable to exploitation by employers.

The severity of the current economic crisis is quite unique; thus, the significance of historical comparisons might be limited. Nonetheless, historical evidence from the United States suggests that changes in the volume of legal migration flows following recessions, starting with the Great Depression of 1929, appear to be mostly the result of policy changes rather than a response to the economic conditions (Papademetriou and Terrazas, 2009). In contrast, estimates of irregular migration flows in recent years show a strong correlation with economic conditions. Such evidence also indicates that stricter enforcement of immigration laws to curb irregular migration has often forced undocumented migrants into increasingly informal and precarious employment situations and has further isolated them from the host society.

Exclusion's many other forms

Social exclusion is endemic and assumes many other forms. Four major spheres where social exclusion prevails demand special emphasis. The first encompasses the hidden world of disability. Persons with disabilities have been said to constitute approximately one tenth of the world's population, and based on more inclusive definitions, they could very well represent a significantly higher proportion. The world of disability is a socially constructed domain of exclusion and reflects persisting societal bias. A second sphere, steadily widening its contours, is that of ageing, with older persons all too often being relegated to invisibility—and with distressing consequences as age and disability begin to overlap, as they inexorably do in later life. The third sphere is that of statelessness, where communities of displaced persons, often already marked for social exclusion, are expelled from their homes and barred from the security of citizenship. The fourth sphere is that of sexuality, where cultural biases exclude and oppress. Regrettably, further reflection could extend this list.

⁷ For more specific information on access to services and other migration-related policies, see the International Labour Organization good practices on labour migration database (<http://www.ilo.org/dyn/migpractice/migmain.home>), and Labour migration policy index: phase II, report prepared for the Business Advisory Board to the International Organization for Migration (Oxford, Oxford Analytica, 1 October 2008).

Conclusion

The concept of social exclusion contributes to an understanding of the nature of poverty and helps identify the causes of poverty that may have been otherwise neglected. It also encourages deeper thinking on the subject of social policies for reducing poverty. When society is viewed through the lens of social exclusion, the processes imposing deprivation that form part of the fabric of that society can be isolated.

Fighting exclusion and fostering social cohesion are a prerequisite for poverty reduction and constitute a no less important priority. The value of the social exclusion approach lies in its focus on the social relations that engender deprivation. Such processes include some groups and exclude others, and have economic and political, social and cultural dimensions. Social inclusion is a question of rights—both individual and group rights.

Not only is neglecting social exclusion unethical, but the consequences of such neglect may range from petty crime to open conflict. A social exclusion perspective posits that the collective good or the needs of individuals will not be fulfilled if matters are left to private initiative alone: purposeful action is needed. Social exclusion involves issues of inequality, respect and recognition, and social policy may itself be an exclusionary mechanism. The root causes of exclusion and its consequences are varied and complex, and causative factors range from specific features of social structures to the growth of single parenthood and the break-up of traditional family structures.

Governments alone cannot eliminate exclusion, which is often the reality lived by those who experience poverty: people themselves may have to reclaim their place in society. While the responsibility for fighting exclusion lies with entities at different levels of society, including grass-roots organizations and non-governmental actors, it may be argued that the imposition of collective solutions, such as universal access to education, would eliminate the need to target those who are excluded. There is in any case an urgent need to look at processes and relations and cultural transformation of norms and expectations, which reveal that, ultimately, there are many ways to describe exclusion.