



URB-AL · RED 10 "Struggle against urban poverty"

"PRACTICAR"

"DIAGNÓSTICO"

ABOUT THE "NEW POOR" PHENOMENON

PAPER

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Comune di Roma





Foto: Sebastião Salgado

The following partners are fully-fledged members of the PRACTICAR project (*Laboratorio de prácticas para el fortalecimiento de las políticas públicas locales de lucha contra la nueva pobreza urbana - Practical laboratory for the enhancement of public policies to fight against urban poverty*). They are divided into: Latin America (a), European Union (b) and "associated" members (c).

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- a.5. Municipalidad de San Joaquín (Santiago, Chile)
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A.3. Roma (Italia)

A.4. San Paolo (Brasile)

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B.2. Aserrí, Cantone di (Costa Rica)

B.3. Pergamino (Argentina)

B.4. Prato, Provincia di (Italia)

B.5. Rioja (San Martín, Perú)

B.6. San Joaquín (Santiago, Chile)

B.7. San Martín, General (Buenos Aires, Argentina)

B.8. Vaasa (Finlandia)

B.9. Valladolid (Spagna)



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INTRODUCTION

The Opening Conference of Network 10 – fight against urban poverty – of URB-AL Programme (São Paulo, April 2003), and the meetings organized within the thematic axis "Public policy management in cities", were focused on the one side on the knowledge acquired on the so-called "**new poverty**" phenomenon in Latin America, and, on the other, on the deficiency of public policies – both national and local – in favour of the "new poor", as well as the lack of in-depth studies on the matter and new specific tools to combat it.

The outcome was the recognition of a first set of common issues that, at their turn, resulted in the establishment of the "**PRACTICAR**" Project (*Laboratorio de prácticas para el fortalecimiento de las políticas públicas locales de lucha contra la nueva pobreza urbana - Practical laboratory for the enhancement of public policies to fight against urban poverty*) focused on getting a better knowledge of the phenomenon of "new poverty", on exchanging field experiences, recognizing possible "best practices" and disseminate them, laying the technical and methodological foundations for the development of a process that would implement local public policies to combat urban poverty, and would contribute to turn financial support for the new poor into development-oriented investments.

The above-mentioned "best practices" will be disseminated and the innovative tools will be processed starting from the recognition of local issues and common priorities concerning the phenomenon of the new poor, and from the exchange of experiences between partners, joint-action of institutions, consultations with local socio-economic stakeholders and the participation of the people involved.

The "**diagnóstico**" on the phenomenon of the new poor in partner cities is a first step of a process where "partners" will share and jointly analyze the issues. After 18 months, they will draft, publish and disseminate the "**Guidelines for the implementation of tools and best practices to fight against new urban poverty**".

The "diagnóstico" was established according to the guidelines drawn within the project by the "Practicar" coordinating city and with the participation of the project "Coordinación técnica".

For "Practicar" partners, the establishment of the "diagnóstico" was an occasion to involve additional entities interested in developing experiences and studies on new poverty such as: universities, chambers of commerce, services and departments of the public sector working in the socio-economic field, trade unions, associations, NGOs, etc.

This "**report**" provides a summary of the contributions resulting from the above-mentioned "diagnóstico" of the various "Practicar" members on the phenomenon of the "new poor"; particularly, it highlights some aspects, such as:

- a. the concepts of urban poverty and "new poverty" to which reference is made by "partner" cities¹;
- b. some characteristics and size of new poverty phenomenon and the profile assigned to the "new poor" by partner cities;

¹ The FLASCO (Facultad Latinoamericana para Ciencias Sociales – Latin America University of Social Sciences) definition of **new poor** was taken as a reference while drafting this proposal within the PRACTICAR project. New poor means: "someone belonging to the "formal" sector – wage workers and employees – who became poor because of the economic crisis and deterioration of the purchase power of his/her wage or because of unemployment".

- c. the facts and figures, if any, of "new poverty", possible methods and tools detected (and/or recognize) by partner cities in order to track and measure the new poverty trends;
- d. the perception of the poverty situation by inhabitants, if applicable, detected through adequate surveys;
- e. the debate on new poverty in cities, and, if applicable, the policies and tools implemented to fight against "new poverty".

Furthermore, this report will provide some observations, comments and suggestions resulting from the "diagnóstico", as well as some "problematic" aspects to be investigated thoroughly during the project.

Appendix 1 consists of the "guidelines" to implement the "Diagnóstico".

It is worthwhile mentioning that the "Diagnóstico" section under "Documents" on the web site of the PRACTICAR project (www.practicar.roma.it) lists all the original "diagnostics" drafted by "partners" with the huge data base and indicators provided for each city (demography, labour market, urban economy and poverty) according to "Ficha A" attached to the above-mentioned "Guidelines".



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1. FOREWORD AND REFERENCE FRAMEWORK

The general objective of the *Practicar* project is to help improving the quality of local public policies to fight against new urban poverty, through the training of human resources in local institutions and through the set up and dissemination of new tools and best practices to combat "new urban poverty".

The specific target of PRACTICAR is:

- To design and disseminate innovative tools and best practices to strengthen local public policies to fight against urban "new poverty" and enhance the implementation ability of Latin-American and European local communities;
- To lay the technical and methodological foundations to implement a process to carry out local public policies to fight against new urban poverty, that may be transferred to other European and Latin-American cities, and help turning public expenses for the assistance of the new poor into development investments. These best practices and innovative tools will be based on in-depth analysis of the phenomenon of the new poor, on the exchange of experiences between partners, on the joint work of institutions, on the consultations with local socio-economic stakeholders and the participation of the people involved.

Within the fight against new poverty (the subject matter of this project), **there is no consolidated experience and formula**; those which probably exist are some good experiences whose success may be strictly dependant from specificity of the situation and the ability and commitment of the people involved.

To take advantage of the **richness of territorial and socio-economic variety** in terms of ideas and experiences and to fully achieve the project objectives, it is also important to count on different-size local communities, such as the "PRACTICAR" partner cities.

Each "partner" is committed to bring its own know-how on the local situations and carried-out experiences, since the networking of know-how and experiences will make up the base asset each partner can collect information from in order to **jointly define new tools** to combat new urban poverty.

As to "associated" members, their technical experience will help drafting the documents to evaluate and define quantitative and qualitative indicators, transfer diagnostics and participation planning methodologies.

The reasons behind the partners' commitment to *Practicar*, rely on the certainty that the set up of new links between local communities may be to the benefit of everybody, may enhance the exchange of experience and knowledge based upon the analysis of information and best practices. However, partners will not neglect the importance of being aware of the difficulties faced while implementing actions which are listed on the relative analysis and evaluation activities.

The main **preliminary remarks**, which represent the foundations of the *Practicar* project, are as follows:

- a. The number of the so-called "**new poor**" has been increasing over the last few years because of the increase of the unemployment and underemployment rates, the revenue and/or purchase power reduction, due to the increase of insecure and on-call works and works without welfare protection;
- b. In general, they belong to middle-class households;
- c. In general, given their level of education, training, working experience and access to social networks, the "new poor" have good possibilities of improving their situation, in case of an upturn in economic activities;

- d. However, either the "*new poor*" succeed in getting out of the situation in which they live, or they seriously risk to plunge into fatalism and isolation, thus increasing the number of persisting poor people;
- e. There's a serious **lack of "new poor"-oriented policies** and the dimension of the phenomenon of new poverty urges the implementation specific public policies to fight against it. Such policies should be possibly featured by the transformation of welfare-type public expenses into development investments;
- f. The implementation of a process to strengthen local public policies to fight against new urban poverty: 1) may be feasible if the local community is endowed with sensitive and skilled technicians and decision-makers who can ensure the quality of actions, and 2) may be effective if innovative best practices and tools to fight against this phenomenon are developed and disseminated.



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2. SOME REMARKS ON URBAN POVERTY AND "NEW POVERTY"

2.0. Introduction

Some remarks and suggestions about urban poverty and "*new poverty*" that may be useful to the purposes of the debate about "new poverty" are listed in the following.

Particularly, we insist on:

- The concept of "Poverty" given by URB-AL Network 10
- Some remarks on *new poverty* in Latin America drafted by Caritas de América Latina y Caribe (2004)
- The concept of "Poverty" and "new poverty" as given by ADESO (associated member of the Practicar project)

2.1. The concept of Poverty of Network 10

(Par. 1.4 of the "Documento de Base" de la Red 10, "Lucha contra la Pobreza Urbana", del Programa URB-AL - "Basic Document" of Network 10, "Fight against Urban Poverty", of URB-AL Programme)

«Of all the concepts of urban poverty and social exclusion taken into consideration, no one can be applied to the various levels of economic and social development and the different policies and geographical areas included in the URB-AL Programme, made of 33 (thirty three) European and Latin American countries.

However, to understand urban poverty one cannot but acknowledge its multi-dimensional phenomena.

The factor of income is far from being the only aspect to be recognized to scale the phases/degrees of poverty.

Beyond absolute or relative insufficient income, one must take into account that job and wage/earnings play an important role, but the same is true for the access to public health and educational services, the access to an adequate amount of drinking water, the removal of waste waters (sewage) and the collection of solid waste (municipal refuse collection), food safety, the access to urban public services (public transport, cultural services, recreation areas, among others) on an equal-treatment basis and without race or gender discrimination, among others.

Social exclusion is the result of the failure or deficiency in supplying a sustainable quantity and quality of the above services to the whole population – added to the lack of access to various other services.

Unlike poverty, which is based on objective criteria – income, housing, lack of assistance concerning basic needs, etc..., **exclusion** implies subjective aspects, like a sense of denial, the failure of community and social relationships, and the withdrawal from socialization networks, the breaking off of solidarity and reciprocity mechanisms.

Social exclusion is far from being only a state of deficiency, rather, it is a path, a way through insufficient income and lack of resources added to other almost constant drawbacks.

It is a process of estrangement from socialisation engendered by various breaking offs, such as social devaluation resulting from the loss of a social status or drastic reduction of opportunities.

The more human beings hang on this environment, the more the social disconnectedness/disaffiliation in terms of sociality and link with human feelings is consolidated, and the less opportunities of re-socialization are created.

Urban poverty added to social exclusion is the exact opposite of the exercise of citizens' rights.»

2.2. Some remarks on *New Poverty* in Latin America

(Source: Cáritas de América Latina y El Caribe, 2004)

«Over the last 20 years, almost 91 million people became poor: on aggregate, 226 million individuals live with less than 2 dollars per day in Latin America. The increase of poverty in the marginal sectors of the population was matched to a new process: the disappearance of the middle class. "The novelty is that in Latin America the nature of this phenomenon (poverty) has changed. The "*nuevos pobres*", made of those groups that were pushed away from their economic and social positions, have been added to the traditional poverty sectors" said the Chairman of Banco Interamericano de Desarrollo (BID), Enrique Iglesias, during a recent assembly.

According to the Comisión Económica para América Latina (CEPAL) – ECLA Economic Commission for Latin America, one of the commissions of the United Nations - over the last 6 years, in the region, twenty three million Latin Americans have stopped being members of the middle class and became poor. Middle class has been disappearing from social maps in most Latin American countries and had a real slump in the Southern Cone that, until the early 90's had a high percentage of population belonging to middle class.

"The most remarkable phenomenon of the last few years is that of the *new poor*, people who were not poor until some years ago, or whose parents were not poor. They belonged to the middle class and dropped on the social ladder" says Bernardo Kliksberg, coordinator of the BID social development area. "Because of this circumstance, Latin America became the region with the highest level of inequality in the World. While in Switzerland the middle class accounts for 60% of population, in various Latin American countries it is less than 20%" he explained.

For example, in Argentina the population suffered from a strong deterioration of quality of life: the poverty rate doubled between 1999 and 2003, shifting from 19.7% to 41.5%, while the destitution rate almost

increased fourfold, passing from 4.8% to 18.6% mostly as a result of the late 2001 crisis, according to Kliksberg of the Banco Interamericano de Desarrollo. "Almost seven million people, 20% of Argentines, have stopped belonging to the middle class and have become poor, in the last few years" he stated. As a result, many people decided to emigrate, while others started doing jobs that were considered as "humiliating", he added.

A humiliation that results in a remarkable number of physicians doing door-to-door selling or former-traders who paint homes, professors working as night-waiters, architects driving cabs. Doing under-skilled jobs, multi-employment and long term unemployment have become normal in Latin America where employment has become one of the most appreciated society goods.

In 2003, the average Latin American unemployment rate reached its peak and attained 10.7%. In many countries it accounted for more than 20% of the population.

The evaporation of Latin American middle class resulted in an increasing unequal society: "There is a huge difference between the richest and the social group placed immediately below.", suggested Enrique Ganuza, chief economist at the United Nations Development Programme in Latin America and the Caribbean (UNDP).

"Quality of life of Middle-class people also dropped because of State transformation, for example, the privatisation of basic service management", stated Juan Carlos Feres, head of the social statistics unit of CEPAL».

2.3. The concept of "Poverty" and "New poverty".

(ADESO, Asociación para el Desarrollo Social, La Plata – Buenos Aires, Argentina, "associated" member of PRACTICAR Project).

«The phenomenon of poverty has a **multi-dimensional character** that cannot be assigned an abstract definition; it should rather be located in time and space, and in principle, it is associated with the idea of hardship, absence, deficiency and difficulty that the population segments experiment while accessing the necessary goods and services of a decorous life. This phenomenon shows differences and dualities that, on the one side, and strikes some individuals within a society, but not everybody, and, on the other side, it exists and involves all the countries Worldwide with different and varying degrees.

«The universality of this phenomenon and its impact on World population involves the need to appreciate how it can strike the different countries and to find mechanisms and measuring tools to define the phenomenon itself. Much the same way, not only the phenomenon needs to be determined, but

also is it necessary to understand strategies and policies that countries need to implement to combat this phenomenon.

«In Argentina, which belongs to one of the continental blocks – Latin America – which were severely stricken by this phenomenon, the field of poverty has become increasingly complex. A new social profile that includes not only "historical" or "structural" poor people - that is those who are historically deprived of the possibility to access subsistence goods and services - needs to be defined but also the so-called "**new poor**" who come from the "middle" layer of the population who became poor because of various and different socio-economic and political causes, like the democratic crisis caused by alternate democratic and military governments since the 30's, foreign debt, unemployment, the growing process of de-industrialisation and the reduction of jobs, the situations that reached their peaks in the 80's, and that intensified and resulted in a structural crisis in 2001.

«While identifying these two typologies of poverty categories, the "**new poor**" (pauperised) show not only social and demographic differences but also forms of social relations and integrations that are different from the "historical" or structural poor.

«This resulted in a debate on the different methodological tools to provide objective, powerful and continual evaluation of poverty and of its size.

«In spite of that, the differential and coexisting acknowledgement of different typologies of poverty within the same territory, become an obstacle when policies and strategies to fight against poverty have to be defined. Solutions tend to be similar everywhere, response is not organized or adequately planned, nor is it qualitatively adjusted to requirements. States are inclined to provide continuity to the implementation of welfare programmes that, undoubtedly, must be implemented to tackle emergencies but that cannot become the only choice».



Foto: Sebastião Salgado

3. REMARKS AND CONCLUSIONS

3.0. INTRODUCTION

The "Diagnóstico" gave birth to a rich and wide offer of contributions by the partners of the Proyecto "PRACTICAR" on the fight against urban poverty and "new poverty" in terms of information and data, but also ideas, methodological approaches, experiences, perceptions, possible solutions to probable problems.

Additionally, the "Diagnóstico" was an occasion to highlight (and/or confirm) that the knowledge of the phenomenon of "new poor" is still at its initial phase, and that the fight against the phenomenon of "new poor" is still unexplored, under many points of view.

On the other hand, considering these and other deficiencies, the "*Practicar*" project aims exactly at **the joint analysis and dissemination** of new tools and "best practices" to fight against new urban poverty.

Moreover, the "diagnóstico" was a first and very important step to which the project partners worked hard to lay the grounds for the development of this **process** of comparison and joint analysis during the 18 months of the project.

The "Guidelines" for the implementation of the "diagnóstico" – and particularly the *Notas metodológicas*, Chap. 4 – had already highlighted that the particular field of intervention, concerning **the new poor**, could result in many difficulties also for the implementation of the diagnóstico itself.

The "Guidelines" urged *Practicar* project partners to catch the opportunity of the diagnóstico to involve the highest number of bodies which developed experiences or studies on this subject: universities, chambers of commerce, offices and departments of the public sector working in socio-economic fields, trade-unions, associations, NGOs, etc.

The "Guidelines" considered the **involvement of a "red local" (local network)** of bodies operating at local level that could coincide with the "Comité Local" of the Practicar project as the best way to be followed for the implementation of the diagnóstico and of its contents as a result of a **wide participation and consultation** activity.

Given all the above, we can say that the diagnóstico highlighted a series of aspects and critical points, in addition to a wide and rich provision of contributions. Practicar partners should think, debate and study the details of these issues, for example on the occasion of the next "transnational meeting" that will be held in Rome, and/or on the occasion of "Local Meetings".

In the following we will linger on some of the **problematical aspects**. A positive solution to them could give great momentum to the development of the fight against "new poverty" as one of the various problems that a "social" handling of public services should help solving.

3.1. DEFINITION OF "NEW POVERTY" AND ITS SIZE

If we consider the assumption that "new poverty" (as well as the "old" one) has a "multidimensional" character, then its definition can give a decisive contribution to the definition of the forms to measure it and the definition and adoption of the policies to overcome it.

The first difficulty of any government (national, regional or local) that intends to reduce poverty (new or old poverty), is that of reaching a wide consensus on how to define and measure the phenomenon, which are the dimensions to be taken into account, the increase of the dimensions included in the concept of new poverty.

What does poverty mean?: not being able to purchase primary need goods like food, clothes, housing or medical care? Or, to be below a certain level of revenue or life style in relation to the other members of the community or region or country? Where is the "threshold" that marks the difference between poor and non poor? And, which is the criteria to follow while updating poverty thresholds?

These questions give rise to controversies not only among insiders but also scholars, researchers and politicians. Yet, without these definitions it is not possible to create indicators, set targets, measure progresses or assess the effectiveness of policies.

For example, poverty "thresholds" create confusion. The US adopted an "absolute" threshold – defined as the possibility to purchase a certain amount of goods and services. On the other side, there are those that adopted a "relative poverty" threshold, like European Union countries. These thresholds correspond to a fixed percentage of the average national revenue and that, by definition, may vary in time and space.

For example, with regards to the definition of new poverty, **CEPAD**, *Centro para la Participación y el Desarrollo Humano Sostenible* (associated member of the Practicar project - Santa Cruz, Bolivia), questions a series of interesting aspects and issues to be discussed further, like:

- Is it really necessary to define clearly and specifically what **it should be meant by "new poverty"**?
- Is it right to use essentially **primary information** (and not secondary-source information) about the phenomenon of new poverty?

ADESO (Asociación para el Desarrollo Social, La Plata – Buenos Aires, Argentina), an associated member, acknowledges the **multi-dimensional** character of poverty, "that cannot be defined in abstract terms, but should be located in time and space and associated with the concept of hardship, lack, absence, difficulties that some population layers have while accessing to goods and services that are necessary for a "decorous" life. »

«The universality of the phenomenon and its impact on the world population obliges us to analyse the different degrees to which the phenomenon appears in various countries and define the mechanisms and tools to measure it. At the same time, it is not enough to become aware of the phenomenon; it is necessary to make strategies and policies implemented in every country explicit.»

3.2. DEFINITIONS OF HOW TO "MEASURE" NEW POVERTY AND THE "POLICIES" TO OVERCOME THE PHENOMENON OF NEW POVERTY

As to the aspects connected with the "measurement" of new poverty, it is necessary, for example, that once defined the phenomenon and the indicators, each of the members of *PRACTICAR* undertakes to set up and develop (or let develop) a local level statistical capability, which would be able to carry out "pertinent" and reliable statistical analyses to help local decision makers (but also regional and national ones) to monitor the actions implemented, their progress and results. From these grounds, it should then be possible to set the possible policy adjustments on action plans and tools.

As to the aspects connected with the implementation of "policies", an interesting contribution is given by one "associate" member: **ADESO** (Asociación para el Desarrollo Social, La Plata – Buenos Aires, Argentina). In its "diagnostico"² it provides a *Estrategia de Desarrollo Social Integrado y Focalizado*, that prevents the implementation of isolated actions to solve the problems linked to the fight against poverty.

As to the aspects connected with the technical criteria to be applied to analyse and measure the phenomenon of the "new poor", as well as to analyse institutional experiences (policies, measures, projects) oriented to the implementation of strategies to fight against urban "new poverty", it is interesting to share the proposal brought forward by the Government of the Town of **Buenos Aires** (See also the paragraph "Diagnostico" in "**Documents**" on the web site of the *Practicar* Project).

3.3. DIMENSIONS AND INDICATORS SET OUT BY BUENOS AIRES TO ANALYZE AND MEASURE THE PHENOMENON OF THE "NEW POOR" (see also Appendix 1).

² See also the paragraph "Diagnostico" in "Documents" on the web site of the Practicar Project.

Buenos Aires thinks that it is important to launch an in-depth **debate** on how to carry on with a **process** that should lead us to «**viajar**» instead of «**andar a la deriva**», and would succeed in keeping ideological and conceptual postulates consistent with the implementation of transforming "practices" in the field of public policies.

In the light of the experience made in 2004 with the "*Metodologías y Herramientas para la creación de observatorios de inclusión social*"³ project (Network 10 of URB-AL), the town of Buenos Aires has preliminarily **proposed** some **dimensions** and some **indicators** to analyse and measure the phenomenon of "new poverty" such as:

- employment and salary;
- income;
- access to the services of education, drinkable water, solid and liquid waste collection and removal;
- food security;
- quality housing;
- public security;
- access to public transport, cultural services, recreational areas, etc;
- absence of race or gender discrimination;
- integration with inhabited territory;
- political participation in relation with the distribution of power within society;
- sense of integration: where? How? Linked to the concept of social justice, equality, guaranteed rights;
- social and community links, socialization networks, solidarity and reciprocity mechanisms (linked to social conscience, critical ability, critical analysis, common feeling).

Furthermore, the town of Buenos Aires has **proposed** some **criteria** to recognize other **social and economic indicators**, such as those connected with:

- inequality as to the possibility lose employment, according to the cultural capital or educational level (destinies);
- work on call/multi-employment;
- distribution and dispersion of income (regressive income distribution /concentration of wealth);
- income difference between social categories and inside the same socio-professional category;
- access to public services (health, education, housing, safety) and drop of accessibility with time;
- expenditure and asset inequality (saving);

³ See also the paragraph "Diagnostico" in "Documents" on the web site of the Practicar Project at (www.practicar.roma.it) el "*Informe de Situación Social de la Ciudad de Buenos Aires*", 2004 (Programa URB-AL, Red 10)

- new inequalities as to the indebtedness, access to the financial system;
- lack of social mobility.

Crossing: geographical, gender inequality between generations.

Last, Buenos Aires has **proposed** to consider some subjective and quality-related aspects, such as:

- sense of "fall" from a social position;
- reduction of opportunities – sense of a "truncated" path of social mobility;
- rise in the sense of insecurity;
- social devaluation;
- isolation – fragility of the social burden – loss of the social identification feeling – fatalism – individualism – search for opportunities;
- silent feeling of malaise, crisis of self-representation ; etc.

3.4. RELATIONSHIP BETWEEN THE FIGHT AGAINST "POVERTY" AND "NEW POVERTY"

The definition of "new poverty" could help finding an acceptable solution to the fact that the phenomenon of the "new poor" is not felt as a "priority" even by some of the Practicar partners and that, on the contrary, an action in favour of the "new poor" and policies to combat "new" poverty are somehow considered as factors that contribute to policies to fight against "usual" poor.

The definition of "new poverty" could also help giving a more precise "substance" to those experiences that, while defining actions, practices and best practices, really help in the fight against new poverty according to accepted standards.

In this framework, we may quote some examples of suggestions given by some Practicar members in their "diagnósticos":

- **Bogotá** (Colombia). The target of the "Development Plan" of the capital district is the fight against poverty and exclusion: "When resources are scarce, concentrating efforts on the poorer is considered as a choice of elementary justice by the Administration of Bogotá"
- **CEPAD**: "Is it necessary to define "why" and "to what extent" it is a **priority** to give answers to the new poor – that are also hardly definable – according to CEPAD - when no adequate response is provided to "old" poverty?"
- **San Martín** (Buenos Aires, Argentina): "The social crisis that has stricken San Martín is so critical, long and hard that almost every effort and resource have been concentrated to soothe structural poverty, the one the strikes most, the one

that hurts most, the one that kills most ("*duele, lastima, mata*")".

The above-mentioned aspects set one of the priorities of the "Practicar" project: all the Project members should find a **joint solution** to the prejudicial initial "knotty problems". Particularly those concerning:

- The definition of new poverty (what do we mean by "new poor") and, mostly
- their position within the strategies to fight against poverty ("if and how" the fight against new poverty can be seen as an alternative to the fight against "usual" poverty and/or in contrast with the UN "Millennium Development Goals").

3.5. BRIEF REMARKS: DISCUSSION CLUES FOR THE 1ST TRANS-MUNICIPAL MEETING

The new poor: main features

The analysis of the surveys sent by the partner cities has showed that the onset of the phenomenon relating to the new poverties is felt both in large and in small towns, although with different features, in line with the ongoing demographic and socio-economic trends in the different urban realities. These diversities point to the fact that the definition of "new poor" is very much related to the peculiarity of the reference society that considers as new the poverty that is "different" compared the one it is usually confronted with. Only a few cities succeeded in defining the profile of the new poor, by identifying, within every urban structure, the most vulnerable population brackets:

- o in Rome the elderly, monopersonal and monoparental families with women householders and atypical workers;
- o in Bogotá new population brackets coming from the middle class;
- o in Buenos Aires children, youngsters and the elderly;
- o in Ate the active population with informal jobs;
- o in Asserì people with a low school-attendance rate, involved in agro-pastoral activities or in low-productivity micro-enterprises;
- o in Pergamino are mainly youngsters and women often coming from the middle-class;
- o in Prato the retired old people and monoparental families;
- o in Rioja the low educational level, particularly in rural areas (where 70% of population attended primary school only) is considered as a factor of potential exclusion;
- o in San Martin skilled workers, public servants with low wages or engineers over 40, traders and self-employed workers;

- in Vaasa, long-term unemployed are mostly vulnerable to alcohol and drug abuse-related problems, besides being easily victims of depression;
- in Valladolid monoparental families with women householders, non-skilled youngsters and unemployed persons over 45.

This shows that the factors favouring the new poverty phenomenon are the following:

- Those generating exclusion from their social framework (Buenos Aires, Rome and Prato);
- The emergence in big cities as Rome and Bogotá of atypical or informal work;
- The low professional skills in Latin-American cities;
- The ageing of population in the Italian cities (Rome and Prato) and in Buenos Aires;
- The destructurement of marital relation favouring women householders with dependant children (Rome,);
- The decrease in families' purchasing power (Bogotá);
- The expensive rental and real estate value (Roma).

Additionally, in some of the situations taken into consideration, it emerges that one of the characteristics of the new poor is that of hiding the exclusion factors (San Martin) or to be passive beneficiaries of programmes against poverty (Pergamino) (the experience of Sant'Egidio in Rome). If on the one side this contributes to making it particularly difficult to identify and appraise these population brackets, on the other side it is a signal indicating the need to adopt specific policies to fight and solve the new forms of poverty.

The need to relate this phenomenon of the new poverties to the socio-demographic and economic transformations of the different frameworks entails the difficulty to identify eventual typologies of the "new poor" to address for "good" policies and practices.

More useful, but above all, more within the reach of social researcher, seems to be a mapping of those conditions offering a favourable environment to the pauperisation of layers of population different from the usual ones.

In this sense, and with a view to a better analytical correctness, it is suitable distinguishing at least between big cities (the places of services, finance and post-industrial work) and small towns (where there are still strong rural roots or where industry has not been replaced yet by the financial market).

The new poor: size*1. Variables interacting in the definition of the "new poverty" phenomenon within large-medium cities*

Economic aspects	Demographic aspects	Social aspects
1) Labour market with high unemployment rates; 2) Decrease in the buying power of medium brackets of population; 3) Predominant share of atypical and informal work; 4) Price increase in the real estate market; 5) General increase of consumer prices.	1) Strong presence of one-member families, in particular with old people over 65; 2) High percentage of monoparental families, generally with the mother as a single parent; 3) Persistence of pockets of population with a low level of education; 4) Persistence of migration flows towards the city.	1) Feelings of "fall" of one's social status; 2) Loss of the constraint of social identification: increase in the cases of individualism and opportunism; 3) Emerging of a certain feeling of inertia. Mistrust towards the selection options due to a rooted fatalism; 4) Self-perception of being fully involved in the "new poor" phenomenon.

The source of data and statistics presented is the surveys of single cities.

Economic aspects

1) The data relating to Bogotá is quite impressive, since it shifted from 4.9% of unemployment in 1994 to 16.9% in 2003, with a peak exceeding 20% (September 2000).

2) The erosion of the buying power mostly involves the middle-class, that is mainly based on fixed wages deriving from the public administration and the services sector. Between 1997 and 2003 family revenues in the city of Bogotá decreased by nearly 38%.

3) In the 1992 – 2003 period, the number of "informal" workers in Bogotá increased by over 420 thousand units, compared to a total increase of population amounting to 587 thousand units: this is one of the very few statistics available to assess something that is not measurable: off-the-books work and undeclared employment.

Informal and atypical work present for workers huge risks of expulsion from the labour market or, at least, of a periodical interruption of one's activity.

Those who, although not definitively, are not receiving any income, live on the poverty thresholds and more frequently need to resort to an "informal" economic support (by either relatives or friends): 4.6% of the families living in the Lazio region benefited from it. Additionally, it is almost entirely excluded for them the possibility to plan their existence in the long and medium term.

4) The real estate market influences income distribution, savings management, and the more general social stratification. Demand-supply dynamics within large cities are influenced by factors relating to a double level, namely "micro" and "macro". In the first case, we are referring to price differentiation in the rental and purchase of a house according to the district where it is located, with subsequent consequences on the value of the estate; the "macro" level is made up, on the contrary, of macro-economic variables (interest rates, equity market and bond market, the presence of urban areas' rehabilitation plans).

5) When considering the monthly average spending indexes, it is possible to assess that the main increases are shown among the weakest classes of population. Far from meaning a higher economic availability, this datum shows how the purchase of the same basket of commodities (with higher prices) entails an increased expenditure, with higher difficulties for low-income families. All this when an indebtedness develops due to (and not only to) the purchase of real estate and durable goods, but also to the purchase of consumer goods.

Demographic aspects

1) Recent statistics show that 40.5% of the Roman families are made up of one member only: in more than one out of three cases, it is an old person. In Valladolid, family households made up of one-member only almost doubled in the 1991 – 2001 decade (from 10,800 to 20,068 units).

2) Within the urban framework, there is a widespread increase of family households made up of mothers and sons: 9.7% of the Roman families show these features, whereas in Bogotá this percentage reaches 33.7%. This trend can be explained in consideration of the increase of informal unions, which are not regularised by either a religious or civil marriage. The decrease in the marriage rate (or, in any case, the postponement of marriage age) and the parallel increase in the divorce rates contribute to the clear breaking in family typicality. This does not mean that the families made up of one parent only, often dealing with both work and care activity, expose themselves to social marginality.

3) Statistics on employment show that those individuals whose education is limited to compulsory schooling are generally destined to non-specialist working activities (unskilled labour in services or in industrial production), with subsequent low wages. The weakest parts of population are represented by those with no educational qualifications, as it is presently surveyed.

It is often not substantiated by data the idea that the illiteracy rate is progressive decreasing, thanks to the support of state literacy programmes. The city of Bogotá, for instance, saw an increase in its share of illiterate people from 1.9 to 2.2% during the 1997 – 2003 period. The reason is ...

4) ...the migration flow that led to the Colombian city, as in many other South American cities, flows of population coming from the countryside, with low schooling rates. Similar dynamics led to an outstanding increase of 100 thousand individuals per year in the city of San Paolo.

Social aspects

1) Devaluation of one's role within the society;

2 and 3) Silent feeling of malaise, due to the persuasion of a progressive and relentless decline of one's social position. This is added to a crisis of representativeness, a lack of confidence towards institutions and a disengagement towards the forms of civic solidarity in favour of an individualist behaviour;

4) The "Encuesta de Calidad de Vida" (Survey on the Quality of Life) organised by the Bogotá administration in 2003 fully showed the unrest of the population: only 7.1% rated their living conditions as "very good" and 54.65% considered them as "good".

57% stated to earn the money needed to meet their basic needs, whereas 30% complained for not being able even to satisfy the latter with their income (this percentage reached 46% in the poorest districts).

46.6% of Bogotá inhabitants considered themselves as poor.

2.Variables interacting in the definition of "new poverty" in small towns

Economic aspects	Demographic aspects	Social aspects
1) Prevalence of agricultural labour 2) Irrational exploitation of the territory 3) Strong unemployment and spreading of "informal" labour.	4) Generalised increase of population due to the migration flows ... 5) ... with subsequent social and cultural unbalance 6) Family structure still related to the rural world	1) Decrease in the qualification of all social classes and non-substitution with the new accesses in the labour market.

Economic aspects

1) Within the Aserrí canton, out of 19,473 people involved in the production process, 45.4% only (namely about 8,844 units) are involved within the agricultural sector. 13.3% work within the trade

sector, and 12.8% in the building sector. The percentage of freelancers and engineers accounts to 20% only.

- 2) In consideration of the prevalence of the primary sector, it should be underlined the overexploitation of natural resources: depletion of the wood heritage, deepening of annual monocultures (generally cereals), and pollution of ground water.
- 3) The spreading of improvised and unprotected activities is related to the crisis of agricultural production: nearly 74% of Ate population literally reinvented themselves as hairdressers, restaurateurs, and street vendors...
33% of San Martín population have work problems, considering the whole number of unemployed, (19%), occasional and irregular workers.

Demographic aspects

- 1) The city of Ate, in the Lima district (Peru), saw a huge growth starting from the '80s. The same phenomenon is visible in Roja: in 1993 the population amounted to 18,600 inhabitants, whereas in 2004 it exceeded 31,000.
- 2) The town, although small in size, acts in these cases as an agglomeration of farmers and unemployed coming from the rural hinterland. These people, far from being integrated within the urban fabric, degenerate it by increasing the groups of marginalized people and causing real social contradictions difficult to solve: at the beginning of the 21st century, a half of the Rioja population were born elsewhere.
- 3) There is a persistence in the typology of the enlarged family, typical of rural societies, where the primary need was represented by the availability of people to work in the fields. Still today in the Canton of Aserri (Costa Rica) there is a minimum of three children per household, but this often exceeds six. The first pregnancy takes place, on average, at the age of 18. The population becomes adult rather early, but at the same time it becomes old soon: the percentage of active people over 60 accounts for 4.5% only, and this percentage is not surprising if we think of men worn out by the hard work in the fields and women committed in the difficult task of taking care of their families.

Social aspects

- 1) Adhesion to social welfare plans (where existing) allows a socio-demographic analysis of poverty in several small towns: social vulnerability is not only related to farmers (that are inevitably crushed by a food market that takes place almost only at a global level), but also to skilled workers, employees in the Public Administration, traders and self-employed workers (that are present, although in limited percentages).
The future for new generations is not looking any better: the access to a lifeless and deregulated labour market causes high levels of unemployment (young people looking for their first job) and suggests a working profile made up of one's wits and irregular activities.

It is in small centres that the difficulty, in the labour framework, of the passing on from generation to generation increases, and the risk of hereditariness of poverty grows: namely, it is where it is not possible to extend the phase of education as an *escamotage* to delay the officialisation of one's unemployment, according to the example of western countries, and where, above all, the ownership of a plot of land, in past times, represented the certainty of provisions for the whole family.

APPENDIX 1

**SOME SUMMARY REMARKS MADE BY THE
DIAGNÓSTICO ABOUT THE PHENOMENON OF THE
NEW POOR CARRIED OUT ON MEMBER CITIES**

INTRODUCTION

The "diagnóstico" on the phenomenon of the new poor

The target of the "diagnóstico" was to collect information and experiences in partner cities of Latin America and Europe as to the fight against "new poverty".

Essentially, the following aspects were taken into consideration:

- a. Indicators and summary information on cities and local governments;
- b. The dimensions and characteristics of the phenomenon of "new poverty" in "partner" cities;
- c. How and how much the phenomenon of the "new poor" is felt by local communities within the larger phenomenon of "poverty";
- d. The institutional experiences – policies, interventions, projects – aimed at implementing the strategies to fight against "new poverty". And, the initiatives started in the community by local representatives, private representatives of the non-profit sector, etc.
- e. The level of sensitisation and skill of local decision-makers and technicians as to the phenomenon of the "new poor";
- f. All other information and data considered as useful to the development of the "Practicar" project;

In the following we summarize some of the outcomes of the "diagnóstico"; particularly, it tried to find out:

- Figures and tools used to measure "urban poverty" in partner cities;
- The profile of "new poor";
- The inhabitants' perception of poverty;
- The tools used to follow the phenomenon trend;
- The standards and indicators used to analyse and measure the phenomenon of "new poverty";
- The policies adopted by cities in favour of the "new poor";
- Actions and tools used for the "new poor".

Furthermore, we tried to grasp any other indication brought by the "diagnóstico", that could be interesting to get understanding of the phenomenon.

For an easy reading, the summary sheets on the "diagnóstico" are listed in alphabetical order according to the city name and according to a break down into **two groups** considering the number of inhabitants.

The first group includes cities with more than one million inhabitants.

The second group comprises the following cities:

The "Diagnóstico" area in the "**Documents**" section on the web site of the Practicar Project at (www.practicar.roma.it) contains the complete information and suggestions, data and summary indicators (demography, labour market, urban economy and level of poverty) supplied by the "partner" cities on the basis of indications reported "ficha A" enclosed to the Guidelines for the Diagnóstico (See also [Appendix 1](#)).

A.1. BOGOTÁ (Colombia)

Santafé de Bogotá, capital of the Republic of Colombia, in 1993 (last national census) had 5,440,663 inhabitants; in 2003, inhabitants were estimated at 6.9 million (almost 16% of the overall population of the country) and in 2010, this figure is expected to rise to 7.8 million.

Under the political-administrative profile, the city is divided into 20 "Localidades" and four of them (Kennedy, Ciudad Bolívar, Engativá y Suba) exceed 700 thousand inhabitants.

Urban poverty: figures and tools to measure it

In the early 90's, 2,149,652 people were "poor"; in 2003 the figure rose to 2,845,004. This means that in little more than a decade the number of people living in a condition of poverty in Bogotá increased by almost 700 thousand units (the corresponding percentage increase passed from 39.5% to 41.2%, given the increase of residents).

The most critical period was between 1997 and 1999 when the number of poor people increased by 363 thousand people, as a consequence of the initial phase of economic recession. Later, poverty has not diminished but it increased little by little until 2003.

Only in one Localidad of the district of Bogotá, Ciudad Bolívar, the number of poor increased and passed from 249 thousand to 426 thousand people, in the 13-year-period (1990-2003).

As to the unemployment rate, we notice that the years between 1993 and 2003 show a very strong relation between the increase in the unemployment rate and the increase in poverty rate.

The profile of the "new poor"

According to Bogotá, it is not easy to define precisely the difference between "new" poor and "usual" poor.

Likewise, according to Bogotá, it is clear that the strong increase of poverty in the town can only be mostly composed of "new poor".

Therefore, we can notice that in the 90's, not only the unemployment rate increased, but also the bad quality of jobs did increase in Bogotá: "informal" jobs increased, salaries were reduced, under-employment and works on contract increased.

In 2000, the city of Bogotá showed the highest percentage of informal jobs: 57 out of 100 workers. At present, despite a slight decrease, the percentage is still very high.

In 2003, underemployment in Bogotá was equal to 33.4% of workers (source: "*Encuesta Continua de Hogares para la Ciudad*").

Moreover, between 1997 and 2003, family incomes decreased by 38%.

That almost happened among **middle layer** of the population.

This trend resulted in an increase in poverty incidence; those who were already poor, became "poorer" and new layers of population became poor, and were defined as the "**new poor**".

As to the composition of total expenditure, between 1997 and 2003, the average expense rate diminished; Bogotá inhabitants cut off the average expense for health, clothing, housing in favour of food and education expenses.

Inhabitants' perception of poverty

The "*Encuesta de Calidad de Vida de Bogotá*", carried out in 2003 helped finding out how Bogotá citizens perceived their living conditions.

Bogotá esteems that the citizens' perception is an important factor to define the policies to fight against poverty.

In 2003, 7.1% of Bogotá families considered living in very good conditions, 54.0% in good conditions, while 3.0% considered living in bad conditions and 34.5% in fair conditions ("regulares").

Bogotá citizens feel worried about the lack of "money" that causes tension to 35% of families, followed by health problems (24%), family problems (14%) and working problems (10%).

As to income, 30% of the citizens think they are not able to cover minimum expenses. This percentage increases if we move from one "Localidad" to another: for example, in Ciudad Bolívar, one of the "localidades" of Bogotá with the higher incidence of poverty, the percentage incidence is equal to 46%.

In general, only 12% of the population think having supplies higher than necessary and 46.6% of Bogotá citizens considered themselves as poor in 2003, a percentage which is similar to the result of measurements by "income".

The tools used to follow the phenomenon trend

Bogotá uses the "*Encuesta Continua de Hogares para la Ciudad*".

As to the dimensions and indicators used to analyse and measure the phenomenon of "new poverty", the city of Bogotá does not propose

specific dimensions and indicators to analyse and measure the phenomenon.

Policies adopted by cities in favour of the "new poor"

The **Development Plan** of the current Administration of the capital district of Bogotá, is concentrated on the **fight against poverty and exclusion**.

It is the first time in history that a development plan has such target.

The Development Plan faced some of the issues of poverty and gave priority to the "**Bogotá sin hambre**" programme, which aimed at food security in town by combining food and nutrition measures with the start up of an ambitious "Plan Maestro" for the city's supply.

Furthermore, the Development Plan has an ambitious programme to increase the levels of coverage and quality in the fields of health and education, in order to reach the poorest sectors of population, those who are still outside the system.

Actions and tools used for the "new poor".

The "diagnóstico" shows the Bogotá's absolute priority is to help the poorest among the poor.

According to Bogotá Municipality, the high level of poverty in the city⁴ and the situations of high vulnerability of quite the whole population, helped focusing the attention on the modalities and tools to be adopted to improve the situation of the groups with the highest level of deficiency.

National programmes and almost every city's programme are therefore focused on the poorest among the poor.

When resources are scarce, concentrating efforts on the poorer is considered as a choice of elementary justice by the Administration of Bogotá.

Therefore, the worry for the "new poor" was not put among the most important issues of the debate on poverty by the Bogotá Administration, despite some of the main indicators allow for the characterization of this phenomenon since its onset.

A.2. BUENOS AIRES (Argentina)

According to estimates, **Buenos Aires**, capital of the Republic of Argentina, has 2,861,000 inhabitants (third quarter 2004).

Between the census of 1991 and of 2001, Buenos Aires lost almost 200 thousand inhabitants, passing from 2,965,403 to 2,768,772 inhabitants.

⁴ The "Diagnóstico" area in the "**Documents**" section on the web site of the Practicar Project at (www.practicar.roma.it) contains specific and detailed data and information.

Urban poverty: figures and tools to measure it

Data from the *Encuesta Permanente de Hogares*, carried out by INDEC (Instituto Nacional de Estadística y Censo), between 2003 and 2004, showed an important drop in the "levels of poverty" and "levels of destitution".

Poverty, referred to households, decreased by 36% in the town (passing from 17.10% in 2003 to 10.9% in 2004), while destitution (still referred to "households") diminished by 49.3%, passing from 7.5% to 3.8% in the same period of time (1st half 2003 – 1st half 2004).

These variations show in percentage the improvement showed by the employment rate and revenues. However, poverty and destitution indexes in Buenos Aires are still high, in historical terms.

Between the third quarter 2003 and the same period 2004, the unemployment rate of the city of Buenos Aires decreased by 25.4%, passing from 13% to 9.7%.

As to the employment rate, data show an increase, in the same period, by 4.6%, and passed from 45.8% to 47.9%. The fall in the unemployment rate is due to a higher level of employment of the city residents; the number of employed people among residents in Buenos Aires increased by 50,000 units approximately, and reached 1,370,000 people.

The unemployment rate slightly decreased in the period under study (4.6%) passing from 13% to 12.4%. Thus, due to the increase in the number of active people, the amount of unemployed people in the city is the same of the preceding year: 189,000 people.

The situation of employment in Buenos Aires in 2003-2004 shows a remarkable improvement; despite that, the percentage data on unemployed and under-employed people, show that 1/5 of economically active population (22.1%) has difficulties in finding a satisfactory job, even if, compared to other Argentinean urban centres, the city of Buenos Aires showed one of the best reductions in the unemployment rate (second only to Mar del Plata-Batán). The city shows the lowest unemployment rate and the highest levels of activity and employment of all the Argentinean towns with more than 500,000 inhabitants (Gran La Plata, "Partidos" of the Gran Buenos Aires, Mar del Plata-Batán, Gran Rosario, Gran Córdoba, Gran Mendoza, Gran Tucumán-Tafí Viejo) .

"New poverty" and the profile of the "new poor"

Starting from a notion that considers the multi-dimensional character of the phenomenon of "new poverty", according to Buenos Aires, in order to measure the trend of new poverty, it is necessary to consider indicators and dimensions that comprise the **subjective aspects**, triggered by a situation of social exclusion, such as the feeling of

fragility of the social burden, the breaking off of solidarity and reciprocity networks, the loss of opportunities of social mobility, etc.

According to Buenos Aires, these dimensions call for a **qualitative** approach of social research that helps understanding that the new forms of social inequality can be subjectively experimented and can have effects, in a silent way, on the creation of individual and collective identities.

To better understand the nature of the "new forms of inequality", it is necessary to use some particular **socio-economic indicators**.

Buenos Aires thinks that these "**new inequalities**" require a critical review of the traditional ways to portray poverty that are still using classic statistics which have relatively slow movements and are in line with a hierarchical society.

The intention to know and give visibility to a phenomenon which is **complex, changing and widespread** such as "new poverty", implies to accept a great challenge, in terms of social production of knowledge, overcoming too-simplistic, mono-causal or deterministic views.

Information tools and sources used to follow the phenomenon trend

Encuesta Permanente de Hogares, by INDEC (Instituto Nacional de Estadística y Censo)

Standards and indicators used to analyse and measure the phenomenon of "new poverty"

Buenos Aires considers as important to launch an in-depth debate on how to carry on with a **process** that should lead us to «**viajar**» instead of «**andar a la deriva**», in order to succeed in keeping ideological and conceptual postulates consistent with the implementation of transformation-involving "practices" in the field of public policies.

In the light of the above and of experience made in 2004 with the "*Metodologías y Herramientas para la creación de observatorios de inclusión social*"⁵ (Network 10 of URB-AL), project, the town of Buenos Aires, preliminarily **proposes** some dimensions and some indicators to **analyse** and measure the phenomenon of "new poverty" as well as some socio-economic indicators, such as those listed in **Chapter 3.3** of this document (Dimensions and indicators set out by Buenos Aires to analyse and measure the phenomenon of the "new poor").

⁵ See also the paragraph "Diagnostico" in "Documents" on the web site of the Practicar Project at (www.practicar.roma.it) el "*Informe de Situación Social de la Ciudad de Buenos Aires*", 2004 (Programa URB-AL, Red 10)

A.3. ROME (Italy)

Rome, capital of the Italian Republic, has a registered population (2003) of 2,810,931 individuals, totally mounting to 1,267,982 households.

Urban poverty: figures and tools used to measure it. The profile of the "new poor".

The analysis made in Rome allowed neither to quantify this phenomenon nor to make a definition of a precise "**identikit**" of the "new poor". The statistical data available made it possible to identify areas of social vulnerability and portions of population at risk of exclusion; it was not possible, however, to sharply trace the profile of the **new poor**, since it was not possible to compare the individual social-data registry characteristics with income, profession, level of consumption, etc.

The specific sample survey and those carried out by Istat⁶ (e.g., The relative poverty in Italy), normally used in poverty analysis in Italy, are mainly representative at a regional level; data that can be used in the analysis of the new poverty phenomenon in Rome are mainly aggregate data at a municipal or provincial level; this data little say about the behaviour of single portions of population and of their characteristics.

This analysis, however, contributed to focus the attention on the fact that in Rome:

- a. there is an increase of **social inequality**, mainly in terms of purchasing power and access to resources;
- b. the population is ageing and there is an increase in the presence of retired and old people who are alone;
- c. the family networks are dissolving themselves, and an increase is reported in one-member and monoparental families whose householder is a woman;
- d. the presence of foreigners coming from low-income countries is increasing.

Furthermore, the analysis focused on the importance of consumption dynamics, of prices and of the real-estate market, in the identification of the new poor, and it contributed to identify some portions of population that are mainly **vulnerable and at risk of poverty**, among which:

- numerous families;
- one-member families, especially if made up of people over 65;
- monoparental families, in which women are householders;

⁶ Istat: National Institute of Statistics

- low-income people (either pension or labour-related), especially if with a large family to support;
- people with low education and training levels;
- workers with non standard contracts, especially in case of women or juvenile individuals.

As far as the latter aspect is concerned, it should be highlighted that if it is true that in Rome there are more employees compared to the past, among the several new employees there are also many "flexible" workers, mainly in the youngest groups of population, who receive low wages and live in the uncertainty and in the inability to plan for their future lives.

Data available shows that in Rome a strong increase of **atypical labour** took place, whose relative weight out of the total population slightly increased in the last few years: fixed-term workers increased by 25.6% in the period 1999-2003 in the Province of Rome (compared to a 7.4% increase of open-ended contracts) and in 2003 accounted for 8.9% of total employed. Part-time workers accounted, always in 2003, for 7%; coordinated and continuative collaborators active in Rome amounted to around 42,000 in 2002.

As far as the perception of poverty by inhabitants is concerned, Caritas recently made a survey whose results⁷ highlighted a rather widespread perception of economic problems: 6% of the sample stated to live with difficulties, whereas 36.3% live with some difficulties.

As to the mainly vulnerable portions of population exposed to risk, the survey identifies monoparental families (70% of them state to have economic difficulties, whereas 25% define one's situation as difficult), and one-member families (especially when they are represented by old people alone).

Size and indicators used to analyse and measure the "new poverty" phenomenon

In Rome, in the past, poverty mainly concerned those subjects who were not involved in the labour market or those who were employed in little skilled and low paid jobs.

Nowadays, the risk of poverty also involves those that are included within the labour market, although having a temporary and unstable job.

The risk of poverty involves "old people alone", one-member families and monoparental families headed by a woman, foreigners coming from low-income countries.

⁷ The results of the survey will be published in the report of on "*Disagio e povertà a Roma*" whose release is scheduled for April 2005.

During the last few years, Rome was characterised of positive indicators (employment, entrepreneurship rates, business confidence, etc.), but an increase is also reported in social inequalities, mainly in terms of purchasing power and availability of resources.

As far as employed people are concerned, Rome shows an increase in employment rates, also on steady basis; among employed people, however, there are several "flexible" workers, especially among the youngsters, who earn low wages and live in a condition of uncertainty and inability to make plans for their future.

As to the trends of the Roman labour market, an increase in employment rates is reported, with a particular increase in personal services, services to enterprises and in innovative sectors of the services sector, such as information technology and telecommunications.

The new employment mainly shows atypical forms of contract, with subsequent characteristics of instability that lead new employees to be included among the subjects with the higher risk of expulsion, in case a negative business cycle increasingly involved the Roman economy.

Temporary workers can then be associated to a risk of poverty, together with unemployed people. Low incomes, alternation of periods of work (and hence of income) and periods of lack of work, instability, extreme fragmentation of the professional path, impossibility to make any career progress, difficulty to credit access, difficulty to access the existing protections, difficulty to access information and difficulty to access training are the main **elements of vulnerability** of "atypical" workers.

These subjects, besides the difficulties related to a condition of instability, also find themselves in the impossibility to make plans for their future, also in the medium-term, and often have binds with their family of origin, from which they continue to depend from an economic point of view, especially in the periods of non-activity and in order to face exceptional expenditure.

Those individuals that are excluded from the labour market are at a higher risk of poverty compared to those that on the contrary have an employment. Although the employment dynamics show a decrease in the number of unemployed and of unemployment rates, besides a reduction of inactive workers and a growth in the activity rates, in Rome there were 132,000 unemployed individuals in 2003, and the employment rate in the province of Rome amounted to 50.2% in 2003, namely 38.8% for women and 63% for men.

Only 34.2% of **young people** aged between 15 and 29 are employed, 10.3% are looking for a job, but over a half are inactive.

These are values that indicate how the exclusion from the labour market particularly concerns the **female** and **young** portions of labour force: unemployment rates are much higher for women and

young people under 24, whereas female and youngsters' employment rate are slightly lower than the rate relating to male labour force.

Finally, as far as the housing issue is concerned, in Rome nearly 65% of inhabitants own the house they live in; those who are not the owners, however, are forced to be confronted with a real-estate market whose rentals are more and more expensive.

A.4. SAO PAOLO (Brazil)

During the '50s, the "decentralisation" phenomenon of the industrial district of **Sao Paolo** began, and started to move to other municipalities of the metropolitan region (Osasco, Guarulhos, Santo Amaro, etc.) and to the hinterland areas of the country (Campinas, São José dos Campos, Sorocaba).

This gradual decline of Sao Paolo industry is included within a process of "tertiarisation" of the Municipality, that increased starting from the '70s: the main economic activities of the city were more and more related to services and commercial activities (hypermarkets, shopping centres, etc.).

San Paolo population increased during the '90s, from 10 to **16 million** inhabitants, and this growth was accompanied by a worsening in social problems, such as "unemployment", public transports, the housing problem, environmental problems, etc.⁸

Urban poverty: figures and tools used to measure it

The municipality of Sao Paolo concentrates the highest level of wealth of the country, besides a huge difference of income among its inhabitants: on the one end there are very rich people and, on the other hand, very poor ones. Very often, average "indicators", if not carefully analysed, do not show out the real situation.

Social indicators show a framework of dramatic inequality. The survey (de Orçamentos Familiares) made in 1994/95 identified this reality made up of contrasting living conditions: typical situations of developed regions coexist with other ones of extreme poverty and family degradation.

The changes in the labour market also deriving from the above-mentioned "decentralisation" of the industrial pole of Sao Paolo, led to a stronger **job instability** in Sao Paolo and a higher level of **unemployment**.

The **average family income** in the municipality of Sao Paolo, in June 1996, amounted to 13.5 "minimum wages".

Starting from the fact that this average family income does not come out to be low, the real income concentration within the region

⁸ See also the "Diagnostic" part of Documents section in the web site of *Practicar* project (www.practicar.roma.it)

was much more extreme: 9.8% of families received more than 30 minimum wages, whereas 10.5% earned less than 3 minimum wages, and 29.7% received between 5 and 10 minimum wages.

As to the **average unemployment rate**, it accounted to around 11.5% in 2004, whereas it was around 12,3% in 2003.

Unemployed people, in December 2004, were reported to be 2.1 millions in the 6 regions taken into consideration by the IBGE monthly survey on employment, mostly made up of **women**: they accounted for 51.8% in December 2002, 54.4% in December 2003 and 56.9% in December 2004.

It should be noted that among the unemployed, 20.9% is made up of people **looking for their first job**, 25.2% was made up of the head of the family.

As to the time of search for a job: 20.6% had been looking for a job for less than 30 days; 41.0% for more than 30 days and less than 6 months; 12.1% for more than 6 months and less than 12 months and 26.3% for at least 1 year.

In the framework of the 6 regions taken into consideration by the Survey mentioned above, a significant movement was recorded in November in three regions: Rio de Janeiro (from 9.4% to 8.5%), São Paulo (from 11.2% to 9.8%) and Porto Alegre (from 7.8% to 6.6%), whereas in the other ones a certain stability was assessed. As to December 2004, on the contrary, there were significant movements in Belo Horizonte (-1.9%), São Paulo (-2.0%) and Porto Alegre (-1.3%).

A profile of the families living in Sao Paolo

Out of the total **resident families** in the Municipality of Sao Paolo, 77.2% live in houses, with on average 3.8 rooms, well served by some public services, such as electric power and drinking water (whose coverage amounts to 98.6% and 98.8% of dwellings) and the solid waste collection (95%). As far as the telephone is concerned, only 38.9% of houses can rely on this service.

Only 14.1% of Sao Paolo families live in a flat – families with high incomes – whereas 4.3% live in shanties.

The average Sao Paolo family is made up of 3.8 members; more than 7.5% of families are made up of one member only, whereas 30% of families are made up of 5 or more members.

36.6% of families are made up of two sons (2.2 per family, on average), whereas 32.8% of families have 1 child.

As to the types of family households, the so-called "nuclear" family (made up of husband, wife and son/s) accounts for 58.8%, followed with 30.1% by the family made up of the head of the family who does not live with the spouse, either because he/she is not married, or because he/she is a widower, or because he/she is separated.

Within the families with these characteristics, another element of differentiation is represented by gender: families headed by a woman amount to about 23.9%, exceeding by far those headed by a man (6.2%).

As to family income, on average 1.9 people per family contribute to its generation. In 42.3% of families, income is produced by one member, whereas in 38.4% of families, income is generated by two people.

From the data analysed, a **standard family** in Sao Paulo might be defined with the following characteristics:

- it resides in an owned house, made up of four rooms and endowed with the basic and common urban services: drinking water, electric power and waste collection;
- it is made up of a "nuclear" family – spouses and children – with 3.8 members per family, and with 1.9 people per family contributing to family income;
- the head of a standard family is employed (46.1%), male (76%), aged between 30 and 49, with a primary education, either complete or incomplete (34.7%);

The families living in Sao Paulo and "poverty"

One third of the families (33%) have an income lower than average and represent the "low" class.

The characterisation of "**low" class families** is very important from a social perspective, since in this framework there is the basic core of poverty and misery, and it is in this framework that the reproduction of the condition of poverty normally takes place.

In this framework it is possible to see, in particular, a head of the family with particular characteristics concerning the following:

- age bracket
- education level, marital status, number of people contributing to family income.

As to **age**, there is a particular concentration in 2 age brackets: 26.5% are aged 60 or more, and 19.4% are aged between 15 and 29; in the "higher" income level, on the contrary, the highest age concentration is included within 40 and 49 years.

As far as the second aspect is concerned, namely the **educational level**, it is possible to observe that in the framework of the "lower" level, 10.4% of heads of the family did not receive any education (illiterate) and 25% did not finish the primary level of education (whereas 25% of family heads of the "higher" level have a university degree).

B.1. ATE, District of (Lima, Peru)

The District of Ate has a population estimated in 2004 of around 571,675 inhabitants, with a 3.83% of people over 65. The district surface amounts to 77.72 square kilometres (about 0.24% of the surface of Lima Department).

Before the '60s, Ate was a merely agricultural area, with small urban concentrations in rural villages. With the growing demand of housing areas for the industrial workers, it turned into an industrial district.

Urban poverty and population: some data.

Starting from 1980, the Ate District underwent an accelerated increase of population, with subsequent request for new jobs, housing, basic services, transport, health care services, etc.; all this contributed to generate integration problems and loss of cultural identity.

Presently Ate represents the fourth district within the country in terms of "poverty index", since nearly 25,500 family households have a NBI ("Necesidad Básica Insatisfecha")⁹, that does not allow, for instance, to access good levels of health coverage, hence with the risk to die as a young person due to the deficiencies in the existing environmental conditions.

As to income generation, the most frequently used modality by the population of the Ate district is that of informal work (estimated as accounting for 74%): hairdresser, restaurant, photo studio, laundry, street vendors, etc.

In 2004, the active population in Ate is represented by a total number of 382,127 inhabitants (66.8% of total resident population), whose 340,475 people (89.1%) are employed and 41,652 (10.9%) unemployed.

In 1993, the total number of Ate inhabitants amounted to 266,398 people; those economically active amounted to 96,944 and 89,652 (92.5%) out of them were employed and 7,292 (7.5%) unemployed.

B.2. ASERRÍ, Canton of (Costa Rica)

In 2003, **the Canton of Aserrí** had a population of 49,319 inhabitants. The economic development of the area is significantly dependent upon the high coffee production.

Urban poverty: figures and tools used to measure it.

⁹ For a definition of NBI (Necessità Basica Insoddisfatta): see appendix 2

Life expectancy is 76 years in Costa Rica. Over the last decade, the situation of human development of Cost Ricans made some progress. Conditions to access knowledge improved, education became more accessible, life expectancy increased, children mortality decreased essentially due to the upgrade of primary health care derived from the use of "EBAIS" ("Equipos básicos de atención integral de la salud"). These last are considered as one of the "key" factors of the health care reform in Costa Rica. Housing conditions improved as well and housing deficit lowered.

Two key factors lead to such results: economic growth, and total and per capita social investment.

In spite of all this, over the last decade, the Costa Rican society showed an increase in inequalities essentially in the economic sector and particularly in the labour market: informal job creation was faster than the "formal" one. At the same period, a strong reduction of employment in the farming and stock breeding sectors was recorded.

It was the high-income upper class which benefited most from the development of the last decade, in the field of employment, education, access to new capabilities – like English speaking or access to new technologies.

In the Canton of Aserrí, poverty prevails and is showed out by some indicators like:

- low academic or technical education rate;
- incidence of unemployment and underemployment;
- proliferation of "precarious" jobs;
- no equity in land distribution;
- low household income.

Such situation is worsened because Aserrí is a rural-urban area: in rural areas, farming for the household self-subsistence is practised, and in urban areas there are some small business. However people are obliged to move out to seek for a job.

In the **canton of Aserrí**, the stakeholders identified and classified as a priority the following issues:

- i. the high poverty rate;
- ii. the absence of employment sources;
- iii. the lack of academic education or vocational training.

In the area of Aserrí, the population involved in the production process 19,473 is essentially composed by males (72.5%, or 14,110 males) whereas females account for 5,363 (27.5%). The age bracket mainly involved is between 15 and 44 years.

If the type of activity of economically active population is considered, over a total of 19,473 people, 8,844 (45.4%) are employed in the farming sector, 13.3% (2,569) in trade activities, 12.8% (2,485) in the building sector, 12,% and 1'8% are respectively professionals and technical experts.

Aserrí is a canton with few labour sources, since the main source is farming (large properties or also small land parcels for household self-consumption).

As far as data on poverty are concerned, according to the Instituto Mixto de Ayuda Social, in the Canton of **Aserrí**, 20.6% of "households" are living in a condition of poverty and 5.7% in a condition of "extreme poverty".

The number of "poor" people in Costa Rica increased between 2001 and 2002 from 851,000 to 916,000 (i.e. 22% of total population).

There has not been any significant change in the "index of vulnerability", that is the number of households at risk of falling below the threshold of poverty: the index remained close to 13% (at national level it was at about 7.5% in 2002).

However, in the Canton of Aserrí, the poverty rates exceeds the national one.

Due to this reason, it is necessary to plan and implement projects focused on the promotion of the improvement of quality of life of the Aserrí population.

Additionally, the national unemployment rate accounts of 6.4% in 2002 (the highest since 1985).

As far as housing is concerned, most of Aserrí dwellers live in their own house (55.8%). This is due to the fact that this is an essentially rural community and many people have been living for many years in that area.

For what concerns the state of preservation of houses, most of them (67.3%) are in good conditions and 7% in bad conditions. 99.9% of houses in Aserri have power supply.

The profile of the "poor" and tools used to focus the evolution trend of the phenomenon of the new poor

The profile of the poor corresponds to a person who has a low school education level, who is employed in traditional farming and stock breeding activities, and in low-productivity informal non agricultural jobs (micro business)

There is no specific tool, besides those mentioned above, used to focus urban poverty and new poverty.

Finally, concerning policies, actions and tools implemented by the Municipality to the benefit of the "new poor", according to Aserri, the Canton was not able to develop a long-term strategy that could integrate successfully the marginalized people and could have an impact on key factors - like **employment** - to overcome poverty.

Finally, from a general viewpoint, in the Canton there is a lack of employment sources as well as of programs focused on providing vocational training to the population group which is the most needy from a social viewpoint.

B.3. PERGAMINO (Argentina)

Pergamino is a town of **99,193 inhabitants** (2001 National Census). It is located North of Buenos Aires over an area of 299,178 hectares.

Urban poverty: figures and tools used to measure it

In Pergamino "urban poverty" is featured by the "non satisfaction of basic human needs that derived from a non equitable wealth distribution, from an inadequate structure and of supply and demand of the means to satisfy these human basic needs".

In order to measure "urban poverty" the town of Pergamino has used since 2001 the "**Registro Único de Beneficiario, RUB**".

The "RUB" is managed by the "Secretaría de Promoción Social del Municipio", and stores the social and economic history of the families recorded in this register: the education level, the composition of households, the employment and health care situation, benefits or aids received by the Municipality, national provincial regional ... welfare programs the members of each household benefit from.

At the date of February 16, 2005, the RUB recorded 19,948 people (5,381 households) who benefited from at least one welfare plan.

This means that about **19%** of population in the urban area receives some social aid.

Characteristics and profile of the "new poor"

Pergamino highlights that these new poor are "non claiming" people, that is, generally speaking, the "structural" poor claim for programs, benefits and welfare from the government, while the "new" poor only responds to the provision, if any, and so they increase the number of beneficiaries of a social program or the number of actions implemented by the program itself.

According to Pergamino, the *non claiming* characteristic of the "new poor" generally involves some problems in determining the actual number of "new poor" in the area.

According to the theoretical analysis and the "diagnóstico", the new poor in Pergamino have the following **profile**:

- they shows some inadequacies in their daily consumption (food intake, clothing, education, health care etc...): income scarcity lead them to reconsider their daily consumption;
- they continue to have the culture of commitment and the value of work ; they prefer not to enjoy the benefits coming from care programs;
- they aspire to reach medium and upper education levels; they consider training and education a tool to get a job, but also a value per se;
- they belong to less numerous families than those of the "structural" poor essentially due to the use of contraceptive methods and family planning;
- they belong to the "non claiming" group who live their poverty essentially on their own: they are usually the passive beneficiaries of programs, except for education and training where they play a more active role;
- they try to get a job in the formal labour market;
- they consider as important to have health care control and when income shortage prevent them from using private health care providers, they use the public ones;
- individuals in a "new poverty" situation are essentially **females** and **young** people (both sexes)

Actions in favour of the "new poor"

The **diagnóstico** (on the grounds of direct information collection from primary sources) highlighted that the "**new poor**" are supported by: 1) programs originally targeted to the "structural poor", where the new poor tried to get in, and 2) programs specifically designed for the new poor. However there are very few of this last type.

Programs are generally destined to combat "structural" poverty, and the new poor are just fitted in them.

Most of the programs that provide some support to the new poor are funded and implemented by the various levels of governmental, municipal, provincial and national authorities

In spite of the proliferation of Non Governmental Organisations (NGOs), these ones are not providing a response to the needs of the new poor, at least in Pergamino.

Generally speaking, thematic areas of the programs that raise interest and meet the new poor demands are education, health care, food and access to the formal labour market.

In the field of education and training, some programs were specifically set up and targeted to the "new poor" while in the field of health care the new poor were fitted in the already-existing programs.

In the field of **health care**, the new poor phenomenon involved an increase in the number of beneficiaries of public health care services as well as the set up of actions to respond to specific problems dependent from the new poverty, like, for instance, psycho-social diseases.

Due to income reduction, many people who belonged to the middle class were obliged to resort not only to public health care services (by the "Centros de Atención Primaria en salud" located in the various districts of the town, and to the Public Provincial hospital) but also to pharmaceuticals distributed by public services

Concerning education, traditionally, the middle class has always been educated by the three levels of the prestigious public system

The impoverished middle class is currently grappling between two alternatives: access education, for instance by the *Programa de Becas y de formación*, or play a more active role and ask to modify already-existing programs.

But, somehow, the "*non claiming*" characteristic of prevails and it was essentially upon the government initiative that programs suited to the needs of the new poor were modified or launched .

This "non claiming" characteristic may partly explain the low NGO participation in the launch of programs specifically targeted to the new poor.

Another aspect worth mentioning concerns the main beneficiaries of the programs against "new poverty", who are essentially **young people**.

B.4. PRATO, Province of (Italy)

On December 31, 2004, **the Province of Prato**, had 238,948 inhabitants: 180,674 are living in the capital town of the province and 58,274 are scattered among the 6 other towns: Cantagallo, Carmignano, Montemurlo, Poggio a Caiano, Vaiano and Vernio.

Urban poverty.

In order to understand better the type of actions being planned or implemented to combat poverty, the province of Prato has to make some preliminary observations.

Firstly, it is considered as important to highlight that over the last decade the meaning of the word poverty has been changing in the perception of the experts, and , even, if more slowly, in that of politicians and professional.

Due to industrial reorganisation (and the proliferation of atypical labour contracts inspired to the concept of productive flexibility) the situations underemployment, unemployment and black labour are multiplying and this makes the borderline of poverty more shaded.

Over the last decades, a more and more "process-related" and relative conception of poverty is gaining ground: poverty is no longer only the effect of shortage of material resources, but also of a series of lacks like the absence of networks or the related social relationships of belonging, of support in difficult of life.

These concepts are referred to **individuals "at risk" of marginalisation** like the underemployed and the unemployed, that is people who sometimes have an legally recognized but precarious and often underpaid job.

In the category of individuals at risk there are also:

- The elderly who receive a relatively low pension income, and essentially those who are living particular moments or situations in their lives: the dead of the spouse, a disease, or the unemployment of their child etc... - who tend to stay apart of community networks, who are alone, without community or friend support;
- Monoparental families (i.e. lone women with children);

- Immigrant population who arrived at some time in Italy without any possibility to get an immediate job, who have to strive against mere subsistence problems, etc...

"Process related" poverty

According to the Province of Prato, poverty is to be understood as a *process related* and no longer as a *position related* fact. Therefore, not only as a final condition, but as the overall outcome of a weakening process of one's own position, sometimes scattered by life micro fractures (i.e. the failure of a marriage, the loss of a job, the death of the spouse, etc...) that may seem of little importance in themselves but which ineluctably dot the sliding towards a state of disaffiliation.

Besides this process-related situation, the idea of poverty turns into the more dynamic concept of **social vulnerability**.

The approach to the issue must not only be curative, but more and more preventive.

Policies implemented by the Municipality to support the "new poor".
Actions and tools implemented.

On the grounds of this approach, it is possible to analyse the type of **response** that Prato local institutions and community have provided in the field of struggle against social vulnerability.

Among the actions implemented by the Province of Prato, we may quote:

- Economic contributions to under-age children: a 29% increase from 2002 (347 decisions taken) to 2003 (447), and concerning Non-EU Countries, applications increased by 38%. Adults who benefited from economic aid increased in the same period by 16% (about 10% are from non-EU countries): these funds were used to pay housing, when it was impossible to rent a regulated-rental fee house (*equo canone*), and, when there were health care problems that compromised working ability essentially for lone women with dependant children, to integrate a family income that was not sufficient to provide a decent standard of living to the family.
- Caritas Centri di aiuto e di ascolto. Data of this Diocesan Caritas Observatory showed a worsening of discomfort situations. In 2004 the number of those who referred to the Caritas help and listening centres increased: 2.048 interviews,

382 of them were new, against 1,278 interviews in 2003. This trend is all the more clear for immigrants with 6,471 interviews in 2004 (against 5,117 in 2003), and 1,196 with new users.

- The "Homeless Sos" service – a night-care service to the homeless provided by Caritas volunteers: in 2003, 106 people received assistance for a total of 7,660 services provided, while "night asylum" activities provided by the "G. La Pira" association recorded in 2003, 2,591 overnight stays provided to 295 people with a 7.3% increase against the previous year (+ 26% in the number of users).
- The "Mensa per i poveri" provided in 2003 as many as 40,000 meals to 1,700 users, 18.1% of them were Italian.

B.5. RIOJA (San Martín, Peru)

In November 2004, the district of **Rioja** (San Martín, Peru) had 31,250 inhabitants that is 33.9% of the province population. At 1993 census, there were 18,632 inhabitants, therefore the population increased by 67.72% between 1993 and 2004.

Population and urban poverty: facts and figures

As many as 14,652 (46.9%) people living in the district of Rioja were born elsewhere. There is no significant difference in the number of male and female immigrants.

The percentage of immigrants to the urban area is significant, they account for 91% against the rural area.

Concerning illiteracy, 1,020 illiterate live in the district of Rioja (according to data collected in 2004 by the social and economic survey), 835 of them live in the urban area and 185 in the rural area, illiteracy rate accounts for 3.6% in urban population and 13.7% in rural population. 19.7% of illiterate is aged over 65.

Concerning the education level, 39.1% of inhabitants received a secondary school education in urban areas and 26.2% in rural areas. Among under 15 with a secondary school education, males prevail (42.5%) against females (33.8%).

Concerning the marital status, 35.7% of inhabitants of the district of Rioja aged over 15 are not married, 32.9% are married and 24.5% live together but are not married.

B.6. SAN JOAQUÍN (Santiago, Chile)

In 2002, the town of San Joaquín (Santiago, Chile) had 97,625 inhabitants according to the general census, 46,708 males and 50,917 females.

Population and urban poverty: facts and figures

In 2000, 26,774 households lived in the town of San Joaquín. 73.3% of householders were males and 26.7% females.

Concerning housing, 98.9% have power supply, 91.1% is in good conditions, 98.2% have drinkable water supply and 95.2% have a water closet connected to the sewage system or to a septic tank.

Concerning the labour force, working population accounts for about 47.3% .

Concerning the prevalence of poverty, 3,128 people were considered as "destitute" in 2000 (about 3% of population) whereas "poor" population (not destitute, below the poverty line) accounted for 13,098 people (12.7%). Concerning "households", 899 (3.4%) are considered as destitute, whereas 2,604 (9.9%) are considered as poor.

B.7. SAN MARTÍN, General (Buenos Aires, Argentina)

The town of General San Martín belongs to the Metropolitan area of the Province of Buenos Aires (it belongs to the first of the two belts of the "Conurbano bonaerense") and includes 27 *localidades*. The population is 403,107 people (last official Census made in 2001).

"Urban poverty: figures and tools used to measure it. The profile of the new poor"

The municipality of San Martín has to make some preliminary remarks in order to illustrate the kind of actions implemented (or not implemented) in the struggle against poverty and "new poverty".

In 2001, 64 % of population was aged between 15 and 64. 59% of population was "economically active" and 19% of this one did not have a job.

If this part of population is summed to the "underemployed" population, we can see that 33% of the total has some labour-related problems.

If data and statistics issued by *Ministerio de Economía y Producción de la República Argentina, Abril de 2004* are considered, during the

first quarter 2002, economic activity continued to slump down with the same speed as in 2001 (in 2002, constant price GDP went down by 10%), with magnitudes similar as during the 1914 crisis and worse than those endured during the 1931 – 1932 crisis.

The fall of the GDP was matched to an even larger contraction of consumption (11.3%), of investments (-36.4%) and of imports (-50.1%), as well as of a strong deterioration of social variables.

In May 2002 urban unemployment reached the pick (21.5% of active population), and proportion of poor and destitute population continued to increase until October that year.

Consequently, **San Martín** would like to state that besides the unprecedented size of the recent social crisis, available resources, although insufficient, were used in order to provide a response and assist the sectors of population who suffered from "unsatisfied basic needs" or **NBI (Necesidades Básicas Insatisfechas)**¹⁰.

Therefore, until 2004, although there were "new poor" in the town of San Martín, this one did not provide for any specific action. Only in 2004, some isolated actions specifically targeted to the new poor were set up, but they are essentially developed by the so-called third sector.

Tools used to focus the phenomenon of the "new poor"

Methods and tools which may "measure" more accurately the sector of the "new poor" are not sufficient in the area of San Martín, due to the characteristics of this population group and the large number of causes and consequences of the new poverty.

San Martín observed that, on the contrary, due to its characteristics, this population group often ends by hiding somehow the exclusion factors, considering that this population essentially belongs to the "middle class", low-middle class": qualified blue workers, civil servants with insufficient salaries, professionals or technical experts who graduated recently or aged over 40, or small entrepreneurs, owners of small business activities and self-employed workers, who hold different experience and know-how.

Additionally, the "Strategic Planning" working group composed of over 120 middle level multi-sector organisations and promoted by the Municipality of San Martín developed a "diagnóstico" of the municipal area in order to get to a "**Strategic public-private concertation**" that could define a viable and "democratic" set of actions in order to provide a most effective use of available resources.

Policies implemented in the town for the "new poor"

The implementation in the municipal territory of the "strategic planning" program gave rise to many expectations and the town has

¹⁰ For the definition of NBI (unsatisfied basic needs): see appendix 2

considered that the conclusion of the "diagnóstico" can be implemented also to combat new poverty in the social area considered by the "Practicar" project.

San Martín identified some aspects and indicators (among those highlighted by the "diagnóstico" and contained in the Strategic plan called "San Martín 2010"), to be considered when dealing with "new poverty":

- the alarming unemployment rate;
- the high insecurity rate;
- the lack of understanding from political decision-makers to plan an adequate development;
- a lack of adequate training to respond to present and future labour requirements;
- suburbs below the poverty line;
- chaotic urban development;
- lack of tuning and communication between the local resources and the manufacturing sector;
- few links between actors and sectors;
- low negotiation power of small business;
- lack of communication with available resources;
- insufficient support policy to the population of San Martín;
- lack of local indicators ("poverty map");
- high number of population at risk;
- insufficient number of social communicators;
- absence of psychosocial health-care indicators for the underage;
- high rate of school drop out;
- high rate of households in crisis (drug addiction, undesired pregnancies, teen age without a life project, lack of employment).

In San Martín, only few organisation are becoming aware of the phenomenon of the "**new poor**"

The social crisis that struck San Martín was so deep, long and hard that almost all the efforts and resources were concentrated to mitigate structural poverty, the one that strikes most, the one that hurts most, the one that kills most ("**duele, lastima, mata**").

Actions and tools.

The Municipality of San Martín used as main leverage an excellent network of about 1,200 middle level organisations which are committed in different social-related fields. Among them: The National University of San Martín, the various Chambers of Enterprises, the National Institute of Industrial Technology, the National Commission for Atomic Energy, the Biotechnological Research Commission, the Mining and Geological Service, the Buenos Aires Economic Development Institute. This network also utilizes a large education network composed of over 50 bodies.

The perception of "new poverty" by inhabitants

In this situation, the community of San Martín has a low perception of the phenomenon of the "new poor" and an even lower of their number. Even, this perception is sometimes not even felt by those who should have been stricken by this new poverty.

B.8. VAASA (Finland)

The town of **Vaasa** (Finland) has 55,000 inhabitants. 75% of population is Finnish and 25% Swedish.

Population and social exclusion: facts and figures

Traditionally, the unemployment rate in Vaasa has always been quite low, about 8.5%. This is the lowest unemployment rate ranking after that of the region of the capital town.

In March 2005, there were some 3,000 unemployed in the area of Vaasa where large companies of the electronic and metallurgy sector are located.

Among the unemployed people, about 800 are long term unemployed (over one year without a job), 700 are aged under 25, 400-700 have some kind of disability.

Some of the 3,000 unemployed have been enduring this situation for over 5 years. Some have alcohol-addiction or drug-addiction or mental problems.

In order to try to provide appropriate response to issues caused by unemployment or social exclusion, the town of Vaasa, in cooperation with other entities (like the Municipality of Mustasaari, the parish, the socio-psychiatry association, the disabled association, etc...) established the Jupiter Foundation whose task is to support the unemployed and promote the groups of disadvantaged population.

B.9. VALLADOLID (Spain)

At Jan. 1, 2005 **Valladolid** (Spain) had **323,716** inhabitants, 168,595 females and 155,121 males.

The concept of urban poverty and of "new poverty"

In order to define the concept of "urban poverty", Valladolid started from the concept of **social exclusion** which is stated as follows: «this is a situation whereas some individuals or groups of people live when they are submitted to many social difficulties that place them at the edge of social integration channels"

Exclusion has a strong link with **social disparity** intended as an inequitable distribution of resources which prevents the full exercise of human freedom.

Valladolid has defined the "new poverty" not only for economic scarcity but also and essentially for the relational aspects involving social exclusion: problems of access to goods and services that may be considered as basic for a viable standard of living.

In Valladolid, the phenomenon of the "new poor" whereas these people were not poor a few years earlier, or whose parents did not belong to the poor has does not have much relevance. It is essentially concentrated in destructured families, or in households where the householder is a woman and with dependants ("monoparental").

Also unqualified young people who are seeking a first employment are in this situation of "new poverty" since they depend from family support. This prevent them to become economically self-sufficient. Whereas there is no family to support them or such support may end for some reasons, this involves situations of social exclusion.

Another type of "new poor" is represented by the "long-term unemployed" aged over 45 who has great problems to find a new job and consequently to have a basic revenue and resources that would allow to afford life..

Urban poverty: figures and tools used to measure it

Hereafter some aspects (and the related data) that Valladolid considers as important concerning "new poverty":

- the number of children born outside marriage, that increased from 11% to 16.6% from 1996 to 2002. This fact involves essentially **young females**. However it tends to shift toward older age, and it is becoming a "structural" situation with an increase of households composed of a mother and a child (due to the woman's choice or the breaking down of the couple due to divorce/legal separation). This sort of household structures

involves high costs for women who have to face alone the load of bringing up the family.

- Households composed of single people : they increased from 10,800 in 1991 to 20,068 in 2001, together with the number of people aged over 65 who live alone. This aspect needs to be carefully considered since this type of single will continue to increase.
- The ageing of population: from a poverty and exclusion viewpoint this is considered as an aspect to be carefully considered: from 1991 to 2001 the number of people aged over 65 increased from 11.7% to 16.3%. People over 85 increased from 1% in 1991 to 1.7% in 2001. The over 65 are a large group of people with a high risk essentially due to loneliness and isolation, who need therefore external support.
- The growth of the immigrant population: they increased from 7,652 in 2002 to 14,031 in 2004, that is from 2.55 to 4.6% of Valladolid population, with a prevalence of people coming from the "less developed" Countries.

Actions in favour of the "new poor"

Valladolid has not identified specific actions to be implemented in favour of the "new poor"

If there is a serious lack of coverage of basic needs, the Municipality of Valladolid provides three forms of resources, managed by social services:

- "social emergency" economic aids,
 - The programs for "nomads, immigrants and homeless", and
 - The "minimum insertion salary" ("Ingreso Mínimo de Inserción").
- i) "Social emergency" economic aids are extraordinary economic benefits destined to provide solutions to some transitory needs that may raise for individuals or families.

Most times this kind of aids have been used to:

- Provide temporary lodging due to emergency or natural disasters;
- Basic, serious and urgent subsistence needs and expenses related to basic primary needs;
- Functional renovation to houses, urgent repairs, etc...

In 2004, 373 "economic aids of social emergency" were granted in the town of Valladolid, corresponding to an overall amount of 157,448.80 €.

- ii) The "Minimum Insertion Salary" ("Ingreso Mínimo de Inserción, IMI"), is periodical economic subsidy destined to cater for subsistence requirement of individuals and of their family residing in the Comunidad de Castilla y León, who do not have sufficient economic means to provide to such subsistence needs.
- iii) The program for "nomads, immigrants and homeless" was set up in Valladolid in order to provide technical means and resources to respond to basic needs of people suffering from social exclusion, for the homeless and for those living a situation of social distress in town, and to foster their social and employment situation.

Perception of the "new poor" by the community

The results of the "diagnostico" on the "new poor" in the town of Valladolid showed that this is quite a small event and it involves essentially three types of people::

- youth;
- women;
- immigrants.

Social awareness-raising vis-à-vis this issue is quite diversified, according to the group being considered.

Generally speaking, there is a certain consensus on providing support to **youth** to get them at work, to help them to find a house and to become economically self-sufficient.

Concerning **women** in distress, there is not, as a matter of principle, an open refusal to their need to be supported if they are in distress.

However, there are often forms of gender discrimination that make it difficult to support women in distress, since these ones are somehow blamed for their naughty situation; moreover, they are perceived by some sectors of population as people who already benefit from various advantages from institutions, even if often reality does not match to perception.

Finally, concerning **immigrants** there is a part of population that refuse to accept that they may receive public aid or have access to regular jobs.

Actually, there are some forms of prejudice among Valladolid dwellers that lead local population to affirm that regular jobs should be reserved to the Spanish; and this prejudice is showed out also when the types of jobs offered are not usually accepted by local population.

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