

# Combating poverty and social exclusion in rural areas: key findings and key questions

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# The political irrelevance of rural poor

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- lack of adequate *data, analysis and systematic knowledge*. European rural poor *invisible*
  - rural poor less organized than other groups: their *voice* is much weaker
  - existence of *stereotypes*:
    - strong family and the *community support*
    - *non-monetary (compensation) factors*
- ⇒ Need to *improve awareness and understanding* of rural poverty

# The income poverty

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- higher degree of **income poverty** in rural areas
    - confirmed by a **lower GDP**
  - The gap bigger in **Eastern countries**
  - In western countries rural poverty concentrated in **remote regions**
- ⇒ Importance of **universal (means-tested) schemes** of income support for rural unemployed people
- Some evidence of **lower take-up rates**
    - Need for better **access to information**
    - In rural areas disincentive effects of **social stigma**
- ⇒ undeclared poverty

# The labour market

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- Recent **trend** (2000-2005): rural areas perform worse than urban areas
  - Employment rate
  - Youth unemployment
  - Long-term unemployment
- Big **gender gap** in employment rates. Main difficulties on the **demand side**
- Specific difficulties of **seasonal workers** (often **immigrants**).
  - weaker (sometimes absent) social security

# The labour market (ctd)

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- Inadequacy of labour market “institutions”
  - 1) job centres less accessible
  - 2) illegal job intermediaries (immigrants)
  - ⇒ Build a more formal network for job search
- Mismatches between jobs and skills (and low skills);
  - ⇒ Training provision - based on analysis of the local demand for skills
- Accessibility of workplace (remoteness, inadequacy of infrastructures);
  - ⇒ Transport solutions
- Opportunity cost of working: childcare, eldercare
  - ⇒ Childcare and eldercare support

# The human capital

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Important individual and regional poverty indicator:

- Differences rural/urban in **pre-school education**
- Other orders of school: the educational attainment is significantly lower in rural than in urban areas
- the share of **adults with low educational levels** is higher in rural areas (particularly in mediterranean countries: Greece, Italy, Spain and Portugal)
- In some countries (East) still a problem of **illiteracy**
- Many mature workers in rural areas have only basic levels of education: **unskilled workers**

# The human capital (ctd)

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Consequences: equity and growth

- **Low productivity**: efficiency and distributional effects
- **“Inequality traps”**
  - Inequality of educational opportunities between rural and urban areas
  - Inequality of educational opportunities within rural areas: **inter-generational transmission** of poverty and education
- Social immobility trap => geographical mobility ?

Explaining factors

- selective **migration** (talented people migrate?)
- education **infrastructures** and qualification of staff
- culture and **preferences**?

# Education and training: policies

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- pre-primary education, guidance and counselling, tutoring, grants
- compensatory actions such as second-chance schools
- vocational training
- innovative approaches beyond formal education
- active policies: closer link between training and employment
- re-training and life-long education for adults and mature workers, especially in peripheral regions
- higher education: support more dispersed provision and distance learning



# The actors, the design and the governance

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Main difficulties (and points of action) :

- **low awareness** of the role of **local authorities** in social inclusion strategies
- lack of **partnership approach** in social inclusion policies
  - support the construction of partnerships among local actors
  - encourage the participatory process (e.g, participatory and social budgeting);
- insufficient **co-ordination between** central, regional and local **institutions**
  - **Optimal scale** of intervention
- Underdevelopment of the **social economy**
  - training social enterprises in business and fund-raising activities



Thank you.