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

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The political irrelevance of rural poor

- 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

- 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

- 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 (somemtimes absent) social security

The labour market (ctd)

- 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

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)

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

- 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

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.