

# SOCIAL EXCLUSION: THE NEW NAME OF POVERTY?

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*“Contesting globalization and social exclusion requires building an epistemology more in tune with postcolonial, gender and race inequalities and perspectives. We need to build the social conditions of possibility for social transformation, not least at the epistemological and educational levels, to develop a way of seeing that is not the dominant one.”*

– Ronaldo Munck, *Globalization and Social Exclusion*

*This paper introduces the concept of social exclusion and the conditions in which it arose. It argues specifically that social exclusion is a more appropriate way to speak of poverty in the context of neo-liberal globalization. It also calls the attention of contemporary liberation theologians to take into account this latest development in the theorization on poverty for their analysis to have effective bearing for our times.*

## INTRODUCTION

**R**esponding to poverty related issues is usually the bread and butter of liberation theologians if not their *raison d'être*. Liberation theologians take the cause of the poor not because it is a fashionable thing to do but because it is what they are called to do as a source of engagement. “Anyone who does not grasp this has not understood a word of liberation theology,” claims John Sobrino.<sup>1</sup> He strongly urges those who do liberation theology to do it well, if not “let others do it [who can] do it better.”<sup>2</sup> Classical liberation

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1. Jon Sobrino et al., *Companions of Jesus: The Jesuit Martyrs of El Salvador* (Maryknoll: Orbis, 1990), 50.

2. *Ibid.*

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theologians like Gustavo Gutiérrez<sup>3</sup> initially described poverty in socio-economic terms. However, when the fifteenth anniversary edition of his book *Theology of Liberation* came out, a marked difference from his previous notion of poverty emerged. In the new definition, cultural themes like race, gender, and religion seem more pronounced.<sup>3</sup> Some would view this obvious modification from a socio-economic reading to a cultural reading of poverty an alteration in the original way in which liberation theology is conducted.<sup>4</sup> On another level, however, this perceived enlargement in his definition of poverty relates to wider developments in our era, specifically the major socio-economic structuring that is happening in the world. This is widely referred to as the process of neo-liberal globalization. This article seeks to deepen reflection on poverty and the new understanding gained in response to the complex transformations in our times. It argues specifically that the concept of social exclusion is perhaps a better way of comprehending new forms of poverty/marginalization in our interconnected world. My reflection proceeds in the following way: I start exposing the multi-dimensionality of poverty; then I briefly discuss the origins, meanings and characterizations of social exclusion; and I finally consider the relationship between globalization and social exclusion. This article is not a full-blown theological reflection. What it does is to provide a possible vital context (*locus theologicus*) from which a timely theological reflection can emerge.

### **FROM UTILITARIAN WELFARE ECONOMICS TO MULTIDIMENSIONAL APPROACHES TO POVERTY**

Poverty eradication is a key issue for those who are genuinely concerned with the poor. Understanding poverty and how it brings devastation to peoples' lives is crucial to this task. The right assessment

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3. See Gustavo Gutiérrez, "Introduction to the Revised Edition: Expanding the View," xxi, in Gustavo Gutiérrez, *A Theology of Liberation*, 15th Anniversary Edition (Maryknoll: Orbis, 1998).

4. See Georges De Schrijver, ed., *Liberation Theologies on Shifting Grounds: A Clash of Socio-Economic and Cultural Paradigms* (Leuven: Leuven University Press and Peeters, 1998).

of poverty brings about a more accurate response to problems it engenders.

The more conventional framework in measuring poverty is the monetary approach which “identifies poverty with a shortfall in consumption (or income) from some poverty line.”<sup>5</sup> In a sense, consumption/income adequacy or material possessions are gauges for certain level of well-being in society. Hence, “monetary indicators represent a convenient short-cut method based on data that are widely available to identify those who are poor in many fundamental dimensions, not only the lack of resources but also nutrition, health, etc.”<sup>6</sup> This economic-utilitarian reading holds that poverty is an objective phenomenon that can be calculated using some standards of measurement.<sup>7</sup> One indicator is “a dollar a day poverty line” or the growth in gross national product. The assessment is usually done by social scientists and does not involve the poor themselves. In addition, poverty pertains to individuals (maximizing self-interest through utility or money expenditure) rather than to social reality (social structures and groups).

There is another way of understanding poverty not by monetary indicators but through non-monetary factors. This is called the capability approach, a framework designed by Amartya Sen and

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5. Caterina Ruggerin Laderchi, Ruhi Saith and Frances Steward, “Does it matter that we Don’t Agree on the Definition of Poverty? A Comparison of Four Approaches” Queen Elizabeth House Working Paper Series, 6, <http://www3.qeh.oxac.uk/RePec/qep/gehwps/gehwps107.pdf>, access 10 October 2007.

6. *Ibid.*, 7.

7. “In economics, utility is a measure of the relative satisfaction or desirability from consumption of goods. Given this measure, one may speak meaningfully of increasing or decreasing utility, and thereby explain economic behavior in terms of attempts to increase one’s utility. The doctrine of utilitarianism saw the maximization of utility as a moral criterion for the organization of society. According to utilitarians such as Jeremy Bentham (1748-1832) and John Stuart Mill (1806-1876), society should aim to maximize the total utility of individuals, aiming for “the greatest happiness for the greatest number.” In neoclassical economics, *rationality* is precisely defined in terms of imputed utility-maximizing behavior under economic constraints. As a hypothetical behavioral measure, utility does not require attribution of mental states suggested by “happiness”, “satisfaction”, etc.” See <http://en.wikipedia.org/wiki/Utility>, access 15 October 2007.

Martha Nussbaum.<sup>8</sup> It takes issue with a too economic measurement of well-being. Accordingly, “a person’s capability to achieve functionings that he or she has reason to value provides a general approach to the evaluation of social arrangements, and this yields a particular way of viewing the assessment of equality and inequality.”<sup>9</sup> Indicators of freedom and capabilities are crucial.<sup>10</sup> By capability, Sen means “the various combinations of functionings (beings and doings) that the person can achieve. [It] is, thus, a set of vectors of functionings, reflecting the person’s freedom to lead one type of life or another...to choose from possible livings.”<sup>11</sup> This approach looks at poverty in a multi-dimensional way, that is, as capability deprivations rather than income deprivation alone. In contrast, the well-being of individuals occurs when various freedoms/capabilities are protected and expanded. The United Nations Development Program’s (UNDP) Human Development Index (HDI) developed from this approach.

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8. See Martha Nussbaum and Amartya Sen, *The Quality of Life* (Oxford: Clarendon Press, 1993). This approach emphasizes functional capabilities (“substantial freedoms,” such as the ability to live to old age, engage in economic transactions, or participate in political activities); these are construed in terms of the substantive freedoms people have reason to value, instead of utility (happiness, desire-fulfillment or choice) or access to resources (income, commodities, assets).” See [http://en.wikipedia.org/wiki/Capabilities\\_approach](http://en.wikipedia.org/wiki/Capabilities_approach), access 15 October 2007.

9. Amartya Sen, *Inequality Reexamined* (Cambridge: Harvard University Press, 1992), 92, cited in Caterina Ruggerin Laderchi, Ruhi Saith and Frances Steward, “Does it matter that we Don’t Agree,” 14 -15.

10. Martha Nussbaum provides a list of features essential to human life that must be protected. She claims that this list represents a sort of “‘overlapping consensus’ between different societies on the conception of a human being and what is needed to be fully human.” a. Life: normal length of life; b. Health: good health, adequate nutrition and shelter; c. Bodily integrity: movement; choice in reproduction; d. Senses: imagination and thought, informed by education; e. Emotions: attachments; f. Practical reason: critical reflection and planning life; g. Affiliation: social interaction; protection against discrimination; h. Other species: respect for and living with other species; i. Play; j. Control over one’s environment, politically (choice) and materially (property). See Martha Nussbaum, *Women and Human Development: A Study in Human Capabilities* (Cambridge: Cambridge University Press) cited in Caterina Ruggerin Laderchi, Ruhi Saith and Frances Steward, “Does it matter that we Don’t Agree,” 17.

11. Amartya Sen, *Inequality Reexamined*, 40, cited in Caterina Ruggerin Laderchi, Ruhi Saith and Frances Steward, “Does it matter that we Don’t Agree,” 14 -15.

Both monetary and capability approaches share things in common: (1) an individualistic methodology since “utility deprivation and capability failure is a characteristic of individuals, even though, in both cases, communities and households are important determinants of achievements, especially for children and the old;”<sup>12</sup> (2) the use of external assessments rather than involving those who are affected by poverty; (3) a focus on situation and outcomes at a particular point in time rather than the “fundamental causes or dynamics of [capability or income] poverty.”<sup>13</sup>

There is another approach that widens and perhaps corrects the individualistic interpretation of the monetary and capability approaches, i.e., social exclusion. It is an approach to poverty that makes the social dimensions of poverty (structural characteristics of society and situations of groups) its central focus. Moreover, it seeks to name the underlying causes and processes (rather than a mere description of material conditions of poverty) that lead to poverty or deprivation. This approach checks the too narrow focus on conditions and outcomes of poverty. “As noted by Andrew Jones and Paul Smyth, one of the most attractive features of social exclusion is that it broadens the conventional framework that identifies poverty as a lack of resources relative to needs.”<sup>14</sup> Amartya Sen, in a paper delivered in 2000 for the Asian Development Bank entitled *Social Exclusion: Concept, Application, and Scrutiny*, recognized the value of social exclusion as a potent way to understand human (capability) deprivation. He writes: “The helpfulness of the social exclusion approach does not lie, I would argue, in its conceptual newness but in its practical influence in forcefully emphasizing - and focusing attention on the role of relational features of deprivations.”<sup>15</sup> This is the epistemological import of the concept that should have a bearing

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12. Ibid., 19-20.

13. Ibid.

14. Peter Saunders, “Can Social Exclusion Provide a New Framework For Measuring Poverty,” Social Policy Research Center, Discussion Paper No. 127 (October 2003), 4, <http://www.sprc.unsw.edu.au/dp/DP127.pdf>, access 15 September 2007.

15. See Amartya Sen, “Social Exclusion: Concept, Application, and Scrutiny,” *Social Development Papers* no. 1 (June 2000), 8, <http://www.adb.org/documents/books/social-exclusion/social-exclusion.pdf>, access 10 October 2007.

on policy considerations. What follows is an elaboration of this “new” conceptual framework.<sup>16</sup>

### TRACING THE BEGINNINGS OF THE CONCEPT

The publication of *Les Exclus: un Français Sur Dix* in 1974 is a benchmark in the initial discussions on social exclusion. Written by Rene Lenoir, *Secrétaire d'Etat à l'Action Sociale* in the Chirac government, the book identified the variety of people in French society that are “excluded” from the economic and social gains of the French government. Comprising ten percent of the inhabitants of France, these “social misfits” - consisting of the mentally/physically handicapped, drug abusers, suicidal people, delinquents, invalids, the aged, etc. - have difficulties adapting to norms set by industrial society. They represent the socially disadvantaged groups, not protected by social insurance, which the French government should re-integrate to society.<sup>17</sup> For Lenoir, social exclusion represented a marginal social problem which did not hold sway with the rest of society.<sup>18</sup> It was not about the socio-economic arrangement in society but about certain characteristics and behavior possessed by certain “marginal” groups making them “maladjusted” to French society.<sup>19</sup>

The eighties proved crucial to the conceptualization of the term. Already in the late seventies, industrialized countries underwent “a deep structuring of their socio-economic systems”<sup>20</sup> with their embrace of neo-liberalism. The neo-liberal consensus thrived on

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16. Another approach that goes beyond monetary and capability approaches is called participatory approach. Here the poor themselves are the key players in understanding and combating poverty. Its limits rest however, when in the assessment of their own condition the poor “can overlook their objective condition and can be biased as a result of limited information and social conditioning.” See Caterina Ruggerin Laderchi, Ruhi Saith and Frances Steward, “Does it Matter that We Don’t Agree,” 25-26.

17. Social exclusion, in this sense, is a process of social disintegration - a sort of a rupture of bond relationship between the individual and society.

18. A. S. Bhalla and Frédéric Lapeyre, *Poverty and Exclusion in a Global World*, 2nd revised edition (Hampshire: Macmillan, 2004), 5.

19. When social exclusion is seen this way it may be a pejorative description of those who are excluded because of their deviant behaviors inimical to society.

20. Bhalla and Lapeyre, *Poverty and Exclusion*, 3.

privatization, liberalization and the deregulation of the labor market to pump up economic growth. The new economic policy generated the “globalization of capital and the restructuring of the labor market”<sup>21</sup> causing disruptions to the equilibrium of society. There was “a drastic ideological shift towards the supremacy of self-adjusting free-market mechanisms aimed at dissolving or circumventing most of the institutional forms inherited from the compromises of the Fordist growth regime.”<sup>22</sup> These deep socio-economic transformations have caused a shift from a Fordist era to a post-Fordist era. Fordism was not only about a form of industrial organization. It represented a specific conception of society. What Fordism stood for “...was a certain degree of social integration.”<sup>23</sup> A secure job for a worker meant better participation in society in terms of social networks. Fordism then implied stability and predictability (employment, family, welfare, etc) in society.

All this, however, will drastically change as the accelerating forces of the processes of neoliberal globalization gain hold in the nineties. From labor stability came labor flexibility. Labor flexibility meant “precarious forms of employment and insecurity of employment...the loss of a stable link to the world of work was loss of access to social, political and cultural resources and the ability to sustain stable family life.”<sup>24</sup> In some sense labor flexibility signaled the death knell to the basic structure of Fordism. That is why for some, instead of exploitation, the buzzword is now exclusion. In the eighties social exclusion wasn’t referring to Rene Lenoir’s “marginals” (the disabled or those excluded from social norms) but to the increasing number of the population adversely affected by the economic policies adopted by industrialized countries. Put differently, certain groups are excluded from society as a consequence of the intentional choice for neo-liberalism as a developmental paradigm. Hence, in this context, “the notion of social exclusion relates to socio-economic structural changes rather than to individual’s

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21. Ibid.

22. Ibid.

23. Ronaldo Munck, *Globalization and Social Exclusion: A Transformative Perspective* (Bloomfield: Kumarian Press, 2004), 30.

24. Ibid.

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behavior or characteristics.”<sup>25</sup> The new situation brought about mass vulnerability and precarious long-term unemployment causing further (a) social polarization with income gaps between the top and the bottom segments of the social scale; (b) social fragmentation and loss of social protection; (c) crisis of solidarity with the welfare states unable to address this new form of poverty.<sup>26</sup>

The term has become widespread in academic and policy discussions since then. The European Commission was a significant player in the dissemination of the concept. It has made social exclusion a European policy paradigm informing its policies and research programs. In 1989, the European Social Charter incorporated the term in its preamble. In the same year the European council ministers made “combating social exclusion” a central concern. Articles 136 and 137 of the Treaty of Amsterdam (1997) made the fight against social exclusion a core objective of the European Union (EU). In the same vein, eradicating social exclusion became one of the six objectives of the EU social agenda at the Nice European Council held in December 2000. The EU defines social exclusion as a ‘process through which individuals or groups are wholly or partially excluded from full participation in the society in which they live’ (European Foundation 1995).<sup>27</sup> From a Eurocentric point of view, social exclusion was not only a matter of policy advocacy; it was also a kind of an over-all framework to describe the new poverty that emerged with the advent of neo-liberal globalization.

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25. Bhalla and Lapeyre, *Poverty and Exclusion*, 4

26. Ibid.

27. This definition of social exclusion is in resonance to an earlier work of Peter Townsend who defined deprivation as referring to people who ‘are in effect excluded from ordinary living patterns, customs and activities’. See Peter Townsend, *Poverty in the United Kingdom* (Harmondsworth: Penguin, 1979), 31. Reacting to this definition of poverty Ronald Munck writes: “from this conception exclusion is seen as the opposite of integration based on fairly conservative conception of individual rights...A denial of the classic social-democratic notion of citizenship codified by T.H Marshall (1950)...this conception of social exclusion has at best a fairly diffuse reformist air about it.” Accordingly there is a more radical definition of social exclusion developed by Madanipour et al. which centered on the notion of power. From this perspective, ‘social exclusion is not just a minor problem for social engineering in the era of late capitalism but a structural and inherent feature of an unequal system based on power differential.’ See Ronaldo Munck, *Globalization and Social Exclusion*, 23.

From its Eurocentric origin, the concept has now been extended for use in developing countries, for instance, the UNDP-funded project of the International Labor Organization (social exclusion and anti-poverty studies, 1996).<sup>28</sup> Ronaldo Munck proposes that beyond its reformist, Eurocentric, and institutional flavors, social exclusion is still a powerful and adequate tool to capture what is going on in a globalized world such as the experiences of polarization, instability between the rich and the poor, and the growing inequality between developing and developed countries.<sup>29</sup> It is necessary to have a unified and coherent perspective to analyze the social effects of neo-liberal globalization especially in a context where the North-South divide seems fuzzy. A global social exclusion paradigm can also inform social policies related to the ill effects of globalization, i.e., that market needs social regulation to be sustainable.

### MAPPING OUT ITS THEORETICAL UNDERPINNINGS

Social exclusion is a contested concept. Its usage depends on the cultural context. But its treatment relies on the intellectual (social-science) paradigm that informs it. This sort of flexibility enables it to be employed in different ways. Each elaboration of the concept reveals the fundamental thinking one has regarding the causes and solutions to social disadvantage in society. What follows is a discussion of the variety of elucidation with regard to the concept. Three authors will be briefly considered namely; (1) Hilary Silver's three-fold paradigm; (2) Ruth Levitas' typologies of social exclusion, and; (3) Joe Beall's concept of social exclusion vis-à-vis globalization.

Hilary Silver delineates three paradigms related to social exclusion. She traces the intellectual origins and development of the concept from a largely European social and political thought. Three underlying

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28. See also the UNDP 1998 *Human Development Report* where it uses social exclusion as a key concept to study high-income countries and examine levels of unemployment.

29. See Munck, *Globalization and Social Exclusion*, 25-26. See Bhalla and Lapeyre, *Poverty and Exclusion*, 8. They argue that: "one of the main reasons explaining the success of the concept of social exclusion as a global rather than a strictly European concept is that it offers a novel approach to such social problems as social fragmentation, deprivation, and marginalization."

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paradigms inform the usage of the term in this context. These are solidarity, specialization, and monopoly paradigms.<sup>30</sup>

1. The solidarity paradigm is founded on French Republicanism which in turn drew from Rousseau's writings and Durkheimian sociology. "What is given premium here is the social relation of solidarity that exists between the State and the individual. This social bond is protected and maintained through moral and cultural collective values and rights within the state." Silver contends that "[i]n French Republican thought, social exclusion refers to a "rupture of the social bond" or "solidarity." The French social contract does not leave individuals to fend for themselves. Society owes its citizens the means to a livelihood; citizens in turn have obligations to the larger society."<sup>31</sup> A delicate balance is maintained in this tradition between individual responsibility and collective responsibility. Social exclusion breaks the social bond that exists between society and the individual leading towards the erosion of collective values. The solution is to resolve the failure of social bond, that is, for individuals to respect social norms especially their participation in labor market so that in return the state could provide social protection and promote social integration.<sup>32</sup>
2. The specialization paradigm is popular in the United States. This paradigm traces its origin from Anglo-American liberalism, especially as developed by Locke. Society is viewed as consisting

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30. See Hilary Silver, "Social Exclusion and Social Solidarity: Three Paradigms," *International Labour Review*, 133/6 (1994): 531-577. See also Hilary Silver S. M. Miller, "Social Exclusion: The European Approach to Social Disadvantage," *Poverty & Race* (September-October, 2002): 1-8 online version at <http://extension.osu.edu/~hcrd/people/staff/Social%20Exclusion%20The%20European%20approach.pdf>, access 10 October 2007.

31. Silver, "The European Approach to Social Disadvantage," 2.

32. Bhalla and Lapeyre, *Poverty and Exclusion*, 10. See also Kathy Arthurson and Keith Jacobs, "A Critique of the Concept of Social Exclusion and its Utility for Australian Social Housing Policy" (September 2003). A Paper Presented at the UK Housing Studies Association Conference, Bristol, September 2003, <http://www.york.ac.uk/inst/chp/hsa/papers/autumn03/Arthurson%20and%20Jacobs.pdf>, access 11 October 2007.

of separate individuals who, having rights and obligations (contractual exchange of rights and obligations), can freely choose to compete and participate within the market (network of voluntary exchanges). Social exclusion happens when there are discriminatory measures that prevent individuals from participating in these free exchanges (lacking the required ability) and when individuals choose not to grab the opportunities presented them due to “disincentive effects of public assistance (perhaps due to market failures and unenforced rights).”<sup>33</sup> The issue here is not domination or exploitation but individual shortcomings and behavioral deficiencies. The solution to social exclusion is to get rid of barriers to free exchanges in both economic (division of labor) and social spheres and avoid discriminatory action and government intervention in public life.

3. The monopoly paradigm is influential for the so-called European Left. It derives its inspiration from Weber and Marx. The emphasis is on power play in the creation of a social order. There are certain hierarchical power relations that determine the course of events in society. The powerful concentrates social and economic opportunities on themselves thus creating certain mechanisms that restrict access to others. Exclusion can take the form of exploitation, that is, “command over resources is monopolized by some groups excluding others”<sup>34</sup> or opportunity hoarding “defined as a situation in which members of a network acquire access to a source...supportive of network activities.”<sup>35</sup> The latter can be practiced by the excluded. Exploiters are the powerful elites but opportunity hoarders may not necessary belong to the elite. Exploiters make use of other agents to exploit while hoarders will exclude others for reasons of kinship or ethnic belonging. In both cases, there are those who exclude and those that are excluded. The push of the process of monopoly has a corresponding pull from those excluded, namely, the act of resisting and overcoming their exclusion.

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33. Ibid.

34. Bhalla and Lapeyre, *Poverty and Exclusion*, 11.

35. Ibid.

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<b>Silver's Paradigms of Social Exclusion<sup>36</sup></b>			
<b>Model</b>	<b>Tradition</b>	<b>Cause of Social Exclusion</b>	<b>Solutions</b>
Solidarity	French republicanism  Rousseau's writings & Durkheim's sociology	<ul style="list-style-type: none"> <li>•Erosion of collective values</li> <li>•Break in bond between individual &amp; society</li> </ul>	<ul style="list-style-type: none"> <li>•Individual rights &amp; obligations to solidarity</li> <li>•Public institutions important</li> </ul>
Specialization	Anglo-American liberalism Libertarian (neo-liberalism) Social (communitarian liberalism)	<ul style="list-style-type: none"> <li>•Barriers to voluntary exchanges</li> </ul>	<ul style="list-style-type: none"> <li>•Rights &amp; obligations in contractual sense</li> <li>•Limited public intervention</li> </ul>
Monopoly	European Left Max & Weber	<ul style="list-style-type: none"> <li>•Different hierarchical class access to resources</li> </ul>	<ul style="list-style-type: none"> <li>•Extend equal citizenship rights</li> <li>•Participate in community</li> </ul>

The concept of social exclusion, according to Ruth Levitas, has three usages in contemporary British social policy. These are: (1) a redistributive discourse; (2) a moral underclass discourse; (3) social integrationist discourse.

The first typology has social democratic roots. The focus of analysis is Peter Townsend's concept of poverty. For Townsend, "[i]ndividuals, families and groups can be said to be in poverty when they lack the resources to obtain the types of diet, participate in the activities and have the living conditions and amenities which are customary, or at least are encouraged, and approved, in the societies to which they belong."<sup>37</sup> To be poor is to be socially excluded from certain material expectations based on ordinary living patterns accepted by society. Hence, the antidote to social exclusion is the conferral of full citizenship rights to the excluded.

The second kind, the moral underclass discourse, has a neo-conservative tone to it. It concentrates on the delinquent behaviors of the poor (dependency on welfare provisions, pathology of the poor/communities) that cause them to be in such dire condition.

36. See Kathy Arthurson and Keith Jacobs, "A Critique of the Concept of Social Exclusion."

37. Refer to footnote 27.

Rather than extending more citizenship rights the proposal is their “greater conditionality, reduction, or removal.”<sup>38</sup>

The third typology corresponds more or less to Silver’s solidarity paradigm, that is, the “break down of the structural, cultural and moral ties, which bind the individual to society.”<sup>39</sup> Social exclusion can be prevented when government creates regular employment.

<b>Levitas’ typologies (Arthurson and Jacobs, 2003)</b>		
<b>Debate</b>	<b>How Social Exclusion is Broadly Conceptualized</b>	<b>Links to Housing Policy</b>
Redistributive Social Democratic	<ul style="list-style-type: none"> <li>•Concerned with addressing poverty, recognizes it as primary cause of inequality.</li> </ul>	<ul style="list-style-type: none"> <li>•Recognizes central importance for low-income tenants of accessing good quality, affordable housing.</li> <li>•Critical of ability of private market to deliver appropriate housing for low-income tenants.</li> </ul>
Underclass	<ul style="list-style-type: none"> <li>•Characterizes the moral/ behavioral delinquency of disadvantaged themselves, as principal cause of exclusion.</li> </ul>	<ul style="list-style-type: none"> <li>•Stresses adverse impacts of state intervention in providing social housing.</li> <li>•Social housing portrayed as cause of problems - linked to welfare dependency and distinctive problematic tenant behavior.</li> <li>•Adopts sanctions to prevent inappropriate behavior.</li> </ul>
Social Integrationist	<ul style="list-style-type: none"> <li>•Concentrates on achieving social inclusion through paid work.</li> </ul>	<ul style="list-style-type: none"> <li>•Characterized by French Foyer models - attempt to combine provision of youth accommodation with training/ employment.</li> <li>•Housing Plus initiatives.</li> <li>•Emphasis on role housing plays in accessing/retaining paid employment and social cohesion.</li> </ul>

38. Ruth Levitas, *The Inclusive Society? Social Exclusion and the New Labour* (London: Macmillan, 1998), 18, cited in RWB & Associates - Social Planners, “Social Inclusion/Exclusion,” *SACOSS NEWS* (June 2002), 5, <http://rvbsocialplanners.com.au/SOCIAL%20INCLUSION.pdf>, access 10 October 2007.

39. Levitas, *The Inclusive Society*, 21.

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Joe Beall tries to link social exclusion with the larger issue of globalization. Drawing from the globalization positions outlined by Andrew McGrew,<sup>40</sup> Beall creates three parallel positions in terms of the social exclusion discourse. McGrew identifies three positions regarding globalization. He refers to them as the neo-liberal, the radical and the transformationalist views. The neo-liberal view, an overly optimistic and economic position, sees the materialization of a single global market where free trade knows no boundaries. With the surfacing of one global market, distinctions between the North and South vanish in the background. The radical position holds, however, that instead of generating one uniform global capitalist market where the North and South are united, globalization instead creates deepening global inequalities between countries categorized as core and countries labeled as peripheries. This basic global arrangement serves global capitalism and its division of labor well. The transformationalist view, in contrast, argues that while there are global inequalities generated in the globalization process, one should be cognizant of the qualitative changes these have taken. The old division of labor between the core and peripheral countries has taken a new form. There is no longer a clear-cut delineation between the core and periphery. In a globalized world, the periphery is also found in the core countries and vice versa. Rather than speak about geographical division of labor, it is better to speak of social if not spatial forms of hierarchical division of labor.

From this exposition, Beall demonstrates how these globalization positions dovetail social exclusion positions. Under the neo-liberal view of social exclusion, the excluded are those affected by the economic restructuring that is happening on a global scale. These are workers who used to have stable jobs and stable social networks but now are experiencing uncertain employment. These changes are necessary effects for the proper working of neoliberal capitalism. The excluded are also the “underclass” who, for lack of capabilities,

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40. See A. McGrew, “Sustainable Globalization? The Global Politics of Development and Exclusion in the New World Order,” in *Poverty and Development into the 21st Century*, eds. T. Allen and A. Thomas (Oxford: Oxford University Press, 2000).

do not meet the required qualities for a globalized world. The radical position holds that social exclusion discourse blinds people from the real consequences of global capitalism. Instead of presenting poverty as caused by exploitative structural arrangements in society, it may simply refer to it as a condition of relative deprivation involving simple solutions just like granting the excluded basic rights. Of focal concern for the transformationalist perspective on social exclusion “would be the concern with social relations that in turn are seen to be embedded in the formal and informal institutions of society.”<sup>41</sup> Therefore, social exclusion refers to processes resulting from the structural transformations happening in our times causing people to be excluded from the “spaces” they have previously occupied or are deprived of right access in the first place.<sup>42</sup>

### CHARACTERIZATIONS OF SOCIAL EXCLUSION

Fletcher Farrington argues that social exclusion can be best defined “in terms of the processes of exclusion, the people it affects and the world which these processes and people inhabit.”<sup>43</sup> We briefly summarize his points:

Apropos the processes of exclusion, some would describe social exclusion as a condition or state of being excluded (outcome analysis) while others would refer to processes accountable for creating the problem of exclusion (causative analysis). The condition-process dynamics in social exclusion brings to the fore two crucial meanings to it.<sup>44</sup> It is a relational concept (condition/relation of groups vis-à-vis their society) as well as an agency-based notion (as a process

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41. Joe Beall, “Globalization and Social Exclusion in Cities: Framing the Debate from Lessons from African and Asia,” *Development Studies Institute (DESTIN) Working Paper Series* No. 02-07 (February, 2002), 5.

42. *Ibid.*, 6.

43. The exposition relied closely on the online article of Fletcher Farrington, “Toward a Useful Definition: Advantages and Criticisms of ‘Social Exclusion,’” *The Journal of Geos*, 1-10, <http://www.socsci.flinders.edu.au/geog/geos/farrington.html>, access 10 October 2007.

44. Farrington holds that the consensus is that social exclusion is seen more as a process rather than a condition.

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involving the act by “an agent or agents” doing the excluding).<sup>45</sup> There is also an agreement that social exclusion has a multi-dimensional nature. ‘Multi-dimensional’ refers to the different sources of deprivation and the different processes (social, economic, cultural and political) that enable it leading to cumulative and compounding effects of disadvantage (spiral of disadvantage or the vicious circle of exclusionary processes). “The novelty of the term lies in presenting poverty as a multi-pronged and complex process. “The multitude of causes and effects [of poverty/deprivation] are “joined up” or interconnected ... and require joined-up policy solutions.”<sup>46</sup>

Regarding people it affects, social exclusion is best interpreted along the lines of social relationships involving the breakdown of social ties, as well as the groups’ inability to actively participate in society in terms of its normal activities, institutions and benefits from economic progress. On the larger societal level, social exclusion is related to the denial of citizen’s rights. But on the level of the community, social exclusion is seen as the breakdown in social capital. The exclusionary process of social exclusion has bearings on individual, groups or society as a whole.

There is a basic agreement that the term environment refers to the changing economic environment (labor flexibility, problems with social welfare) of the post-Fordist era. “In response to these changes, the shield from risks has been brought down. Hence, Geoff Mulgan defines the excluded as those unable “to face [the] risks they never believe they’d have to face.”<sup>47</sup> Employing the term social exclusion then needs to take this new context in mind. Social exclusion occurs not only when there is a breakdown of social systems (economic, political, cultural) necessary for normal functioning in society but also when certain mechanisms in society prevent participation in them. Put differently, the excluded, in terms of resources and prospects, are excluded involuntarily.

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45. A. Atkinson cites agency (exclusion as a result of an act of an agent or agents) as one of the important pillars of social exclusion. The other pillars are those of relativity (exclusion is relative to a particular society) and its dynamic focus (current prospects as well as future ones are relevant to the analysis). See A. Atkinson, “Combating Social Exclusion in Europe: The New Urban Policy Challenge,” *Urban Studies* 37 (2000): 1037-55.

46. Farrington, “Toward a Useful Definition,” 2.

47. *Ibid.*, 3-4.

Social Systems from which People are Excluded <sup>48</sup>	
System	Sub-Systems
Social	Family, labor market, neighborhood, society, community
Economic	Resources (wages, social security, savings, assets) market of goods and services
Institutional	Legal system, education, health, political rights, justice, bureaucracy
Territorial	Demographic (migration), accessibility (transport and communications), society (deprived areas)
Symbolic references	Identity, social visibility, self-esteem, basic abilities, interests and motivations, future prospects

Realms where social exclusion is manifested in terms of: <sup>49</sup>	
Societal Realm	
<b>Social</b>	<ul style="list-style-type: none"> <li>• <b>Lack of Citizenship Rights</b></li> <li>- No right to minimum wage</li> <li>- Prevents access to education, health and other services</li> </ul>
<b>Economic</b>	<ul style="list-style-type: none"> <li>• <b>Lack of access to labor markets</b></li> <li>- Unemployed prevented from accessing resources and activities, readily available to others in society, particularly consumption activities and savings</li> </ul>

48. A. Atkinson, "Combating Social Exclusion in Europe: The New Urban Policy Challenge," *Urban Studies* 37 (2000): 1041; Centre of Excellence for Science and Innovation Studies (CESIS) Working Papers Series, 1999, 21; Percy-Smith as cited in Farrington, "Toward a Useful Definition," 4.

49. Taken from Kathy Arthurson and Keith Jacobs, "*A Critique of the Concept of Social Exclusion*," 4.

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<p><b>Legal/Political making in society</b></p>	<ul style="list-style-type: none"> <li>• <b>Lack of access to democratic decision-</b></li> <li>• Non-voter</li> <li>• Not involved in community organizations</li> <li>• Includes problems accessing structures and processes that enable and facilitate effective community participation</li> </ul>
<p><b>Cultural/Moral</b></p>	<ul style="list-style-type: none"> <li>• Exclusion from common cultural practices within society, traditionally associated with religion, language and nationality</li> <li>• New notions of exclusion in contemporary society:             <ul style="list-style-type: none"> <li>-Community effects and network poverty, causing lack of access to role models and informal contacts providing useful pathways to jobs</li> <li>-Symbolic economy, develops cultural products that can exclude particular groups of people</li> </ul> </li> </ul>

**Classifying Definitions of Social Exclusion<sup>50</sup>**

<b>Definition Class</b>	<b>Definition Title</b>	<b>Explanation</b>
<b>Processes</b>	Conditions and Processes	Exclusion is the state of being excluded and the process of becoming excluded.
	Multi-dimensional	There are different sources and different processes working dynamically to cause social exclusion.
	Connectivity	The processes and results of exclusion are joined-up and compound each other in a vicious cycle.
<b>People</b>	Social Relationships	The breakdown of social ties between people and a community that does not work, inhibits participation in society.

50. Farrington, "Toward a Useful Definition," 1-2.

	The Excluded	Exclusion can be conceived of in terms of individuals, groups or society as a whole; however, it affects everyone.
<b>Environment</b>	Economics and the Labor Market	Exclusion is primarily from the labor market and stems from economic restructuring and a lack of risk-taking.
	Social Systems	Exclusion occurs with the breakdown of social systems: social, economic, institutional, territorial and symbolic.
	Resources and Prospects	Social exclusion is seen as either a lack of resources or a lack of prospects, and is, therefore, involuntary.

### FOCUSING ON CRITICISMS

The concept of social exclusion due to its recent theorization is a hotly debated term. It appears from a definitional level that it is a very general concept that may mean differently to different people. As an all-embracing concept, it seems unable to put into sharp focus its specific contribution to poverty analysis. Hence, it might be reductionist and simplistic in its import for describing poverty merely as the condition of those who are considered in or out of a particular society without giving concrete suggestions to address the problem of social exclusion itself. As a result, it may just lead to a perpetuation of the reality of exclusion or it may provide a theoretical underpinning to a middle class notion of the underclass of society (the pathology of the poor). Such a slant that is given to social exclusion analysis will, in the end, sweep socio-economic factors that underpin social exclusion under the carpet.

## **A SHORT REPLY TO THE CRITICISM**

The usage of social exclusion in this paper emphasizes the multi-dimensionality of poverty. Social exclusion helps us see that poverty is not only an economic issue; it encompasses wider considerations. The value of the concept lies in its relational character; social exclusion is about what happens to people and communities as a result of a social arrangement in society that is dependent on neo-liberal assumptions of growth and development. While social exclusion also deals with different conditions and manifestation of human deprivation, it goes beyond this in acknowledging the role of agency, that is, the power play (exclusion is an act to exclude others) involved to exclude some groups in society. Rather than perpetuate underclass mentality, it actually shatters it by enabling the excluded to address their exclusion and transform the social order that they find themselves.

## **SOCIAL EXCLUSION AND GLOBALIZATION**

Ronaldo Munck proposes the framework of social exclusion to illustrate the demeanor poverty has assumed in our globalized world. Social exclusion affords us a fresh look at the world for it goes beyond the individualistic and economic readings of previous models of poverty. Social relations that create and reproduce the complex processes of exclusion and inclusion that lie at the core of contemporary capitalist society are investigated.<sup>51</sup> At best it focuses its analysis on the dynamics of power relations, i.e., the causes of inequality and actual instances of exclusion happening in society. Munck believes that a neo-liberal kind of globalization creates global social exclusion that has serious social effects.<sup>52</sup> Globalization has transformed the ways in which place/space, race, gender, and movement of people are considered.

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51. Munck, *Globalization and Social Exclusion*, 30.

52. The summary is based on Ronald Munck's *Globalization and Social Exclusion: A Transformationalist Perspective*.

## PLACES/SPACES OF CONTESTATIONS

Place/space indicates the site of social exclusion. Globalization creates global cities as well as poor neighborhoods. Global cities (New York, London, Tokyo) are the strategic sites and command centers of cutting-edge technology, information generation and amassing of capital,<sup>53</sup> whereas poor neighborhoods have been the “traditional” sites of discrimination and exploitation. In the forms of “the inner-city ghettos of the USA, the French North African *banlieu*, shanty towns of big cities in Latin America, Asia and Africa or Turkish *gastarbeiter*,” poor neighborhoods have now assumed the role of “the abandoned city, the city of the victims, left for the poor, the unemployed, the excluded.”<sup>54</sup> For Munck, more than places, global cities (as well as poor neighborhoods) represent best the processes of social polarization that is taking place in our times, causing “old inequalities and created new forms of inequality” to prosper.

Globalization produces “wild zones”<sup>55</sup> like those of Sub-Saharan Africa and Argentina.<sup>56</sup> They are exemplars of countries condemned to social exclusion as a result of strict compliance with structural adjustment programs typical of neo-liberal globalization. Speaking of the African context, Munck writes: “It is not an absolute lack of integration within the world system from which Africa suffers, but the historical legacy of colonialism overlain by the current patterns of neocolonialism that create a subordinate and disadvantaged insertion into the world system.”<sup>57</sup> Globalization fosters global

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53. *Ibid.*, 61-62.

54. *Ibid.*, 61.

55. John Urry speaks of wild zones in the era of globalization: “Such zones possess weak states with very limited infrastructures, no monopoly of the means of coercion, barely functioning economies often dependent upon commodifying illegal materials and an imploded social structure and a relatively limited set of connections to the global order.” John Urry, *Global Complexity* (Cambridge: Polity Press, 2003), 130, cited in Munck, *Globalization and Social Exclusion*, 115.

56. Similarly, a new phenomenon of pauperization of a country as a consequence of strict compliance to IMF-led policies is that of Argentina which in 2001 experienced a severe economic meltdown still being felt today. See *ibid.*, 73.

57. *Ibid.*, 72.

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inequalities between the North (rich) and South (poor). While changes have come into play in their interrelationship, Munck argues that it is still sensible to speak about the North-South divide, but not in a monolithic sense, as if they are distinctly independent entities.

In the social spaces generated by globalization, workers have moved from being the working class to being the lower class and consequently becoming the underclass. The term underclass does not denote a discourse regarding the pathology of the poor but a “structural concept - showing the new socio-spatial patterning of class and racial domination.”<sup>58</sup> The previous concept of class signified the different structuring and functions of classes in society. In the fifties when social mobility became a crucial factor, the lower class embodied the groups of people who, though at the bottom of the economic ladder, were still part of society. With the concept of the underclass, however, the reality of exclusion is made apparent. People under this category are considered “beyond or outside class and society as a whole.”<sup>59</sup> Munck holds that class analysis<sup>60</sup> should always be done in conjunction with identity politics. Rather than viewing class as a social totality or entity (capitalism/economic perspective as the sole leverage of analysis), it would be best to approach it as a result of a complex social processes in society. He argues, that “[i]t is actually impossible to conceive of a process of social transformation today from a purely economic viewpoint. Culture, religion, ethnicity and gender are always present in the making of this globalized world and in the various projects to make a more participative future possible.”<sup>61</sup>

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58. *Ibid.*, 64.

59. *Ibid.*, 69.

60. In a very general sense, class analysis entails looking at the polarizing dynamics between the bourgeoisie and the working class. The bourgeoisie steadily accumulates wealth while the proletariat, as a result, is led to an absolute misery. This antagonistic relationship results in a shrinking middle class. Each of these classes tries to put forward their class agenda into the process of political development. *Ibid.*, 122 .

61. *Ibid.*, 142-43.

## A GENDERED EXCLUSION

Globalization processes have relied on gendered division of labor for its intensification. The Fordist era relied heavily on male workers but the rise of the service sector in the eighties had led to the feminization of the labor force. More women were employed due to the ostensible benefits emerging from knowledge and information industries that were on the rise. In these new industries, the premium is placed on non-manual skills and the so-called “dexterity of the oriental women” making ideal workers out of them. Women represent a pool of easy-to-manage labor force willing to be paid less than their male counterparts, leading to a feminization of poverty.

Both the double wage earner model and the female headed household model have replaced the male breadwinner model for a long time now especially in the North. Recently however, the crises experienced in welfare states due to the move toward privatization policies reversed these gains in the North. Women are now going back to the traditional roles of nourishment and caring for the family.<sup>62</sup> A corollary development is the re-emergence of “madam-maids phenomenon” typical of colonial times. In our era it has taken a more “organized” form of a “global care chain.” The global care chain provides domestic workers, usually from the South and Eastern Europe, who are readily available to be surrogate care takers for the madam’s family while leaving their own under the care of others. While labor flexibility has bridged the gap between middle class women and men, it has nonetheless created a sharp social differentiation among women. The global sex trade represents the space “occupied” by women in a globalized world. Trafficking of women and children is not something new; the difference now is the fluidity of trade that is involved in this “gray economy” (not quite legal but not pursued vigorously by law).<sup>63</sup> Operators of the global sex trade “can connect anywhere, pack up or fold up business when detected.”<sup>64</sup>

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62. When families as a result of the crisis of the welfare state can no longer fully access social services benefits, women had to resume their traditional caring roles in the family.

63. *Ibid.*, 93.

64. *Ibid.*

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In sum, neo-liberal forms of globalization have commodified social relations in the shape we have just mentioned. The commodification of elements of life in a global/world wide scale signifies the new imperialism.<sup>65</sup> “A gendered understanding of globalization illuminates how this new order has sought to make commodities of all elements of life, including the most private and hitherto sacrosanct aspects of humanity such as human relationships, the rights of children, and peoples’ dignity.”<sup>66</sup>

### **THE COLOR OF EXCLUSION**

Race is a marker of social exclusion. In our globalized world the color of poverty is not reducible to black-white divisions. It takes the appearance of discriminatory practices among ethnicities like the Afro-Arab tensions in Sudan where Arabization has led to marginalization and exclusion of African ethnic groups. Racism also manifests itself in monopolistic control of economies by ethnic minorities privileged by economic globalization. Not only does poverty have a color but also the whole social structures and policies responsible for organizing society into the included and excluded.

### **EXCLUSION ON THE MOVE**

The globalization process facilitates international migration as it is triggered by socio-economic determinants. The issue of migration is not at all new. Crucial to the reflection on migration today are the issues it raises for the future such as: glaring inequalities between the North and South; fluidity of cultural exchanges; new conceptions of citizenship; the issue of plural identities and hybridity. The other side of migration is grim; it brings about tightening of immigration laws (exclusionary laws) creating a “Fortress Europe”, increasing the

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65. *Ibid.*, 84. “Imperialism was described by Lenin as a chain linking the developed and developing world in a combined future. There is now much attention paid to “global economy chains” going, for example, from the Chilean grape grower to the metropolitan dinner table. We can broaden this concept into one that examines a global value chain that traces a commodity or service from conception to consumption...”

66. *Ibid.*, 195

racist atmosphere in the host countries (the new rights). Migrants are seen as job grabbers. Such backlashes in terms of migration increase the chances of social exclusion to occur and expose the migrants to vulnerable conditions. While ideas and capital freely move in a globalized world, labor migrants cannot unless they are the elite migrants.<sup>67</sup>

### SOCIAL EXCLUSION AS GLOBAL APARTHEID

The world created by globalization can be compared to a regime of global apartheid, argues Munck. As a metaphor it describes the kind of exclusionary social organization that constitutes our global world. Our global world is organized according to gender, racial and ethnic divisions, rich and poor, etc. Global apartheid as an imagery “expresses the deeply divisive and regressive nature of unbridled globalization that does not have equality and diversity in its agenda.”<sup>68</sup> Optimists of the globalization process argue that the world is becoming one but in real terms it is “more polarized not only in economic terms but also in strategic and geo-cultural terms.”<sup>69</sup>

### SOCIAL INCLUSION?

Is the solution to social exclusion being included in the global economy? If social inclusion means the IMF/WB-prescribed development that seeks more integration to the global economy then the answer of Munck is in the negative. Neo-liberalism impoverishes the already poor countries rather than improve their lot. The real problem is the exploitative nature of this kind of inclusion. This model of integration blames the poor for their deficiencies to keep up with the pace of the globalization process (they are not competitive enough!). Social exclusion paradigm “is rather based on structural processes within society that systematically create inequalities and barriers for social advancement by the poor,

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67. These are usually the chief executive officers of transnational companies, a truly trans-nationalist class enjoying the best of worlds.

68. Ibid., 101.

69. Ibid., 114.

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the disempowered and the oppressed in society.”<sup>70</sup> Rather than social inclusion a better strategy is empowerment. “Empowerment is about individuals (and communities) gaining confidence and developing skills that enable them to gain more control over their lives.”<sup>71</sup> To empower the excluded from a radical transformative perspective means to enable them to take their critical function of transforming the world around them. The task is to address and confront the underlying structures, basic social arrangement in society, and exclusionary ways of doing and thinking that have caused social exclusion.

### **CONCLUSION: LINK TO THEOLOGY**

Social exclusion captures the daunting task a liberation theologian has in a globalized world. It allows him/her to see that s/he is not the vanguard of transformation. If social exclusion accorded us anything in our reflection, it is the realization that our problems today require collaborative efforts on all fronts. Furthermore, poverty has mutated into wider and complex forms. The challenge is not to lessen liberation theology but to increase its efficacy. Our time represents an exciting age to do more liberation theology. More than ever the challenge is to tell the socially excluded that God’s love is ever meaningful.

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70. *Ibid.*, 35.

71. *Ibid.*, 161.