



University of
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CHRISTIAN URBAN RESOURCES UNIT

**POVERTY AND ITS ALLEVIATION:
STRATEGIES FOR COMMUNITY WORK**

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POVERTY AND ITS ALLEVIATION STRATEGIES FOR COMMUNITY WORK

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INTRODUCTION

Aston Community Involvement Unit is a team of community development, community accountancy, administrative and research workers set up to assist and empower groups in Newham's voluntary sector. In our borough multiple social deprivation is widespread, to the extent that over 30% of households receive income support and/or housing benefit while local welfare rights professionals estimate that up to 60% of households are eligible for means tested benefits. In consequence we are often working with groups and individuals for whom poverty is a real issue.

This paper is an attempt to do three main things. Firstly, it offers some definitions, examples and a social analysis of the nature of poverty in our setting. Secondly, it explores the value basis from which attempts to alleviate urban poverty in Newham should begin. The value positions taken fit in with the philosophy statement of Aston Charities and with the writer's own commitments, which both ultimately derive from Christian principles. But they are not to be seen as exclusive, necessary or superior for useful work in this area. Indeed we hope many non-Christians will share common ground with us. Thirdly it examines a range of different strategies, some well tested, some experimental, which may be of use in our local community as part of a programme to combat poverty. We want to make clear from the outset that these strategies have very limited goals at the local level. They cannot hope to address the causes of poverty at the macroeconomic or societal level or to bring about the radical reform of the welfare benefit system which is required. However, these local strategies can also serve as reservoirs of experience and knowledge about the struggle against poverty and as symbols of hope, or acted parables to encourage and inform a wider political movement.

The paper began as a concept paper for our team as we are seeking to develop an action research initiative in the field, but is now offered to a wider audience to promote discussion and to encourage collaboration between agencies in this type of work. Although wide reading of the specialist literature has been necessary as a background to this work the paper is not meant to be academic in style and therefore bibliographical references are minimal. The main sources of statistics given are various publications of the Child Poverty Action Group and Newham Borough Trends 1990.

2. WHAT IS POVERTY? DEFINITIONS

There are many ways of defining and measuring poverty. In ordinary language to be poor is to be without resources, without enough capital and income to meet basic needs. However, the idea of need is a relative one, for at the very least needs can be arranged in a hierarchy, from food, clothing and shelter which are needed to maintain life, to the tycoon's "need" for a yacht in order to entertain potential customers in an appropriate style. Thus a distinction has often been made between the absolute poverty of many landless peasants, refugees and street dwellers in the "Two Thirds World" of Asia, Latin America and Africa, and the relative poverty experienced by non-employed residents of inner city council estates in Britain.

Nonetheless we would want to argue that this latter type of poverty which we encounter day by day in the community where we live and work is real poverty, and in extreme cases can approach the absolute poverty levels of the Two Thirds World. It is real because people do not have enough capital or income to enable them to meet those requirements defined by the majority of people everywhere as "basic needs" for even a modest lifestyle. Children, and their mothers often do go hungry, families cannot afford new shoes and clothing, thousands of homes are cold, damp and unhealthy while mounting debt leads to disconnections from gas and electricity supplies, and evictions from homes. No-one who has seen homeless people sleeping rough and begging on our city streets can deny the existence of poverty in Britain today.

There are, of course, differences in degree of poverty between individuals and households. But even those who manage to keep their heads just above water in terms of food, clothing and shelter do not enjoy a decent share of the national economic cake. Relative poverty for them means a daily struggle with the household budget, and an experience of powerlessness and exclusion from the lifestyle portrayed as desirable and normal in the media. By this criterion, poor people are those who do not have enough resources to make significant choices about major aspects of their lifestyle, and are excluded by poverty from participation in (for example) leisure activity, home and car ownership, holidays and shopping for consumer goods. They do not have the power to choose where they live, whether or where they work, what type of health care or education to use for their children, or to become effectively organised and involved in democratic politics, all of which are seen as basic freedoms, needs or even rights by society in general.

A number of attempts have been made to set up relatively objective measures of poverty starting with Booth and Rowntree at the turn of the century. Their standard was the income required for a person or household to keep fit enough to work. Current work by the Family Budget Unit at York University (FBU 1990) and by the Campaign Against Poverty (Stitt 1991) develops this approach in terms of costing a nutritious diet, adequate clothing, household expenses etc. and comparing them with Social Security Benefit rates. A variation on this is the approach of the Breadline Britain TV series which used public opinion surveys to define a set of basic necessities such as hot meals, heating, non damp homes. Households unable to afford three or more items of the set were defined as in poverty.

Although the Beveridge plan for pensions, sickness and unemployment relief was built on insurance based benefits, the principle of human need defined from the outside was the basis of the welfare system as it developed in the post war period (National Assistance became Supplementary Benefit and now Income support). For many years now we have become accustomed to poverty statistics measured in terms of the supplementary benefit/income support levels, and to such statements as "in 1987, 11.5 million people were living at or below S.B. level, and a further 6 million at less than 110% of this figure." While such figures give a real insight into the experience of poverty the standard set by S.B./I.S. rates is constantly changing, with the ironic result that a rise in benefit rates actually brings an automatic increase in the number of people defined as poor.

More recently poverty statistics compiled by such agencies as CPAG have concentrated on the relative distribution of the national income. They have been expressed as "the poorest 'nth' of the population exists on incomes which are only X% of the average national income". Even the government definition of poverty is now centred on households receiving less than half the national average household income. This way of measuring poverty has the advantage that issues of equality and social justice are more immediately apparent.

In fact, such statistics are measures of inequality rather than poverty. The danger in this approach is that it is possible to argue as government ministers have done that poverty has been eliminated, even the poor have become better off, and that the inequality which persists and grows is desirable as an incentive for the growth of the national economy.

The newer method does have some other advantages. With inequality measures, it is easier to make cross national comparisons (important at a time of developing European integration) and to quantify changes over time. They produce some shocking statistics in a period in which the overall economic cake is growing, but unemployment is rising, while welfare benefit policy is generally becoming meaner. For example it has been shown that between 1975 and 1985 the numbers of people receiving less than 50% of national average income rose from 3.6 million (6.7%) to 6.6 million (12%). In addition, between 1979 and 1988 the net real disposable income level of the poorest 10% of the U.K. population rose by only 2% compared with an average rise of 35.5%. Meanwhile in terms of share of the national post tax income the poorest 20% of the population reduced its share from 6.4% in 1977 to 5.1% in 1988, while that of the richest 20% went up from 39% to 45%.

Income statistics do not, however, present the whole picture. First of all they take no account of capital resources (wealth), most commonly in the form of owner occupied property, or mortgages secured against such property, or of levels of education or marketable skills. Both of these factors can in favourable circumstances be used over the long term as a stepping stone to escape chronic poverty, or at least to prevent the downward drift into it, although they are never a guarantee of survival. Of course a study of the distribution of these types of wealth only underlines again the fundamental inequalities of British society.

Although inequalities in wealth have been decreasing because of the growth of home ownership and share ownership by the affluent middle and skilled working classes, the fact remains that in 1987 50% of wealth was owned by the richest 10% of the population and only 7% by the poorest 50% of the population. In view of these figures the share of wealth owned by those living on benefits is obviously negligible.

Secondly, income statistics take no account of community resources, and it is without doubt that in some communities individual and household poverty is compounded by multiple deprivation, a depressed local economy, poor social and community services, schooling which produces poor results when measured by conventional academic standards, and a general lack of resources. Newham is a prime example of such a community, ranked second after Hackney in the Department of Environment league tables for multiple deprivation (with a z score of 5.84). Despite investment in the Docklands part of the borough, job losses have continued (40% of manufacturing jobs lost since 1979) and unemployment has risen to around 17% in late 1991. Despite special funding for urban programme projects from central government and a high poll tax of over £300, public services have been progressively reduced. Undoubtedly the average "social wage" of the average Newham resident which includes non-cash income such as education, health and social services is declining, and is low in comparison with other more affluent areas. Voluntary sector and charitable activity is increasingly short of funds and must rely on grants and donations from outside, since unlike affluent areas there is no large pool of excess wealth in which to appeal for generosity.

Even within the borough there are neighbourhoods such as Council estates in the South and multi-racial neighbourhoods in the North which bear the brunt of community poverty. Some neighbourhoods such as North Wollwich and Silvertown, or the Carpenters Road area of Stratford are further affected by geographical isolation and or poor public transport, and feel cut off from access to cheap supermarkets, leisure facilities, and the local and national government offices on which many people depend.

It is also important to note that poverty is not necessarily equal to debt. It is possible (although hard) by skilful budgeting to survive on a low income without running into debt. Indeed if one is poor it is not easy to obtain credit except in its most rudimentary forms, for small amounts at disadvantageous terms, for example through catalogues or loan sharks. But even they have their "blacklists". On the other hand many affluent people easily obtain large amounts of credit, and/or are encumbered with major debts. Sometimes these are manageable and secured loans such as mortgages subsidised by the Inland Revenue, or cheap car loans from an employer. Yet with the recent rise in unemployment many families who overstretched themselves with massive mortgages in the late 1980's are finding themselves homeless and suddenly back among the poor. Other debts among the affluent can also be problematic, such as unsustainable credit card or hire purchase commitments. Indeed in the event of a crisis such as redundancy or divorce they, too, can be the starting point for a slide towards poverty.

At the practical level, especially when it comes to developing community work strategies for the alleviation of poverty there is much to be said for a definition of poverty which centres on the experience of poor people themselves. Without overturning any of the definitions already referred to, or jettisoning the accepted statistical measurements which are essential for describing the dimensions of poverty, we would propose therefore, the following working definition.

A PERSON OR HOUSEHOLD (OR INDEED A WHOLE COMMUNITY) EXPERIENCES POVERTY WHEN A LACK OF RESOURCES CAUSES THEM TO EXPERIENCE LEVELS OF STRESS AND DISTRESS WHICH ARE SIGNIFICANTLY ABOVE AVERAGE AND WHICH PREVENTS THEM FROM ACHIEVING THEIR FULL PARTICIPATION AND DIGNITY AS HUMAN BEINGS IN SOCIETY.

By this definition voluntary poverty (as for example practiced by some religious orders) or even living with contentment on a low income is excluded. While it may be difficult to specify the level of stress and distress considered to be significantly above average, (and some people may seek to hide it) the symptoms are both obvious and manifold, ranging from mild depression, to serious problems with mental and physical health (poor people die younger, get sick more frequently and often get inferior medical treatment), to drug and alcohol dependency, to tensions within family life, to patterns of criminal behaviour, and in some circumstances to civil disorder.

The first virtue of this definition is that a person can bring themselves within it by recognising they have a problem arising from lack of resources, even if they refuse to name it as "poverty" because of the stigma of the label. Secondly, it is based on notions of material want, rather than inequality, and encompasses the idea of poverty as powerlessness and exclusion. Above all it immediately supplies a reason for intervention, a motivation for doing something about a situation of suffering which must appear unacceptable to anyone.

2. WHO IS POOR IN THE U.K.?

According to the government standard of half the average national household income there were 11.8 million people in the U.K. living in poverty in 1988, compared with 4.9 million in 1979. The Low Income Families statistics for 1987 put 10.2 million on or below the supplementary benefit line and a further 5.1 million at less than 140% of the figure. The 1990 Breadline Britain survey put the numbers in poverty at 11 million or 20% of the population. There is thus a general consensus about the extent of poverty in the UK. Whatever statistical definition of poverty we adopt it is very clear that certain groups of people in the U.K. are more likely to suffer poverty than others.

Poverty can be found in almost every type of community in Britain. In rural communities agricultural wages are low and other forms of employment are slow to develop, while housing and other costs rocket. In medium and small towns in prosperous parts of England such as the South coast holiday resorts there are pockets of unemployment, bad housing and homelessness to be found. But the greatest numeric concentrations of poor people and the largest communities of poverty are undoubtedly in the Urban Priority Areas, as the inner cities and outer council estates are euphemistically known. It is on this urban poverty that we shall concentrate, not because we wish to minimise poverty elsewhere, but simply because it is in the urban context of Newham that we live and work. In our borough in 1989 35% of households were dependent on Income support and therefore recognised as being in poverty, while a third of all households and 65% of Council tenants qualified for Housing Benefit.

Gender is a crucial factor as poverty increasingly is concentrated among women. Women on the whole are not well represented in higher income groups. They are still less likely than men to be found in management or the professions, and even when they have equivalent or superior skill levels these are rarely recognised in pay scales. Women are far more likely to be found in low paid, unskilled and part time work, and as homeworkers, where they have little protection from employment legislation. They are often prevented from developing a career or entering full time work by family responsibilities. They undertake the vast majority of unpaid caring work, both for children and for elderly and disabled relatives. Those who have no reliable male income earner in the household and are forced to rely on welfare benefits as their sole income are particularly vulnerable to poverty. The growth in the number of single parent households resulting from higher divorce rates, and the increase of births outside marriage has been a major factor in the feminisation of poverty. The proportion of British families headed by lone parents has risen

from 8% in 1971 to 19% in 1989 and in Newham there are now over 10,000 lone parent households. Even within traditionally structured families where the man is the chief breadwinner, women often have little or no money to call their own, and are expected to manage the domestic budget on an inadequate proportion of the household income.

Child poverty is a major problem, even in families where both parents are present and supportive, but doubly so in single parent households. The arrival of a baby in a household usually brings joy, but also emotional and financial stress. The sheer cost of caring for a child is one side of the equation. First there is a surge of one-off costs for equipment needed for the baby: sterilisers, cots, buggies, playpens, fireguards etc. Soon the parents discover the bare minimum weekly cost for bringing up a child ranges from £13.09 for a 2 year old to £19.11 for an 11 year old compared with income support levels of £12.35 and £18.25 respectively (according to a National Children's Home report). But at the same time the loss of income which results from one parent, still usually the mother, having to give up a job can be catastrophic. Even if both parents manage to stay in paid employment there can be high costs for child care. The costs may be paid in terms of relationships and reciprocal obligations rather than money, if relatives look after the child unpaid. It is for these reasons that there is a strong case to be made for much more generous maternity pay, child benefits, and child care allowances.

Black (including Asian) people are also over-represented among the poor in the U.K. although statistics on the relationship of ethnicity and poverty are hard to find. Because of institutional racism and direct discrimination in the work place, the large majority have yet to break out of the unskilled low paid sectors of the labour market in manufacturing and service industries for which the New Commonwealth immigrants of the 1950's were recruited. Although the ratio of dependent adults to economically active people in black communities is relatively low (dispelling the racist myth that they are all welfare scroungers), a higher proportion than average live in families with children. Furthermore, because of their occupations, black people are especially vulnerable to unemployment in times of recession. They also suffer from community wide poverty by virtue of their residential concentration in deprived urban areas. There are, of course, many exceptions to the general trend among the slowly growing black middle classes of professionals and entrepreneurs. There are also cases of extended families and households where patterns of consumption differ from the White British norm, for example by spending on capital projects or support of relatives in the country of origin rather than on creature comforts in the home in East London. Sometimes external appearances may suggest poverty, when an examination of income levels suggests affluence.

One black group in particular is extremely vulnerable to poverty, the most recently arrived refugees and immigrants. In Newham and other parts of East London there are rapidly growing communities of people who have fled from wars and oppressive regimes in Sri Lanka, Somalia, Ethiopia, Uganda, Zaire and Kurdistan. They have often left all their assets in their home country, have limited command of English, minimal networks of contacts to help them settle in and few marketable skills. Even if they have educational qualifications these are unlikely to be recognised in Britain and their legal status as refugees or asylum seekers makes it difficult to obtain employment, decent housing or even income support. If they do get income support it is usually at a reduced rate. Even long settled immigrants wishing to bring relatives and dependants to join them in the U.K. are required to show that they can support them "without recourse to public funds". Increasingly immigration rules are being tightened and can be seen as a mechanism for excluding and marginalising black people from full participation in society.

People with low levels of skill or no educational qualifications are another major group facing poverty. If they can find a job it is likely to be low paid and vulnerable to redundancy. As the economy changes workers with higher levels of skill are required in some industries, while in the service industries the growth in the number of jobs available is mainly accounted for in terms of low paid, part time, unprotected posts which are typical of the new flexible labour markets. Meanwhile training makes little impact despite such schemes as YTS, ET and Compacts between industry and schools. Many young people in areas such as Newham have little chance of a decent job, and cannot even claim income support

until they are 18. Older unskilled workers (particularly those over 50) if made redundant have little chance of ever working for pay again. The earnings disregard rule on benefits which prevent people from (legally) earning more than £5 a week (£15 for single parents) on top of benefit, and the harsh methods used to enforce it, are a serious disincentive to attempting to supplement one's income with casual or part time work. Work in the illegal "cash in hand, no questions asked" economy is stressful, hard to find, and more likely to be offered to already employed skilled workers than to the unemployed and unskilled.

A final large category of the urban poor are elderly, chronic sick and non-employed disabled people. Almost by definition these groups are dependent rather than economically active. Few will have income from an adequate occupational pension or insurance scheme so they will rely entirely on state pensions plus means tested benefits. Because of the complexity (and sometimes the hostility) of bureaucracy and pride on the part of many, the take up rates for these entitlements are often disappointingly low.

The categories of poor people mentioned above are largely described in terms of individuals. However, it is worth underlining that poverty usually affects whole households together. It is at the household level that budgeting decisions are made, and it is there that attempts to remedy poverty should be centred, without ignoring inequalities within households, such as between the sexes and ages.

3. THE EXPERIENCE OF POVERTY

Many publications have already documented what it feels like to battle with poverty on a day to day basis. This section of the paper cannot hope to paint a full picture or to improve on the reports which have appeared from the various children's charities but it is worthwhile relating a few anecdotes and giving a few quotations which arise from Aston's work in Newham and which reflect the real life experience of people we have encountered. The identities have been disguised and in some cases the examples are built from the experiences and comments of more than one person.

M. and her partner R. were doing quite well until the recession struck. With overtime he was bringing home over £300 each week. They had a £60,000 mortgage on a three bedroomed home and had taken on large HP commitments for a new fitted kitchen and other furniture. With two children aged 4 and 2 they were a very happy affluent family. Then R. was made redundant. The family income dropped to £120 a week. Confident that another job was just around the corner they failed to claim all the benefits they were entitled to and to cut back on their commitments. The debts started to mount. The telephone has been cut off, red letters have arrived from the Electricity Board, and the poll tax and TV licence bills have not been paid. Now the building society is talking about repossession. As an experienced secretary with word processing skills M. feels she has a good chance of getting a job. But R. says he could not cope with the children five days a week and feels that her place is in the home, not "keeping him" by going out to work. A part time job would not make them any better off as they would lose a large chunk of benefit. The future looks bleak with homelessness just round the corner, and regular rows over money.

D. is a single parent with an 8 year old daughter living in a Council flat on a deprived estate in Newham. She has lived on benefit for over 10 years. Occasional irregular maintenance payments from her estranged husband are of little help, for if she declares them the money is deducted from her income support. On occasions he has arrived drunk late at night to visit his daughter. D. has allowed him to sleep on the sofa rather than drive, but fears that if the DSS found out they would assume he was cohabiting and cut her money. She struggles to make ends meet and at the end of each week never has any money left. The electric heating in the flat is costly and inefficient; she uses a prepaid key meter, but is paying off past debts on this and cannot afford to heat the flat for more than 3 hours each day. She admits she is not very good at budgeting and has a problem with binge eating which means she will sometimes spend £3 or £4 on a cafe meal if she has the money in her pocket. She used to buy most of her daughter's clothes through a catalogue but got into debt and now cannot get credit from anywhere. A local loan shark made her a loan of £50 which she is

paying back at £5 a week for 14 weeks (i.e. £20 interest on top of the loan). The DSS are also deducting £3 a week from her income support to pay back a £100 social fund loan. The last straw was when her new benefit book failed to arrive on time. She spent a whole day at the DSS office trying to get things sorted out, and lost her temper with the official when told, "it is in the post". "It's demeaning, they make us feel as though we are begging" was D.'s comment.

G. is a senior citizen, a childless widow living alone in a private rented house. The landlord has done no repairs for 20 years and she still has no bathroom or indoor toilet. She lives on her retirement pension of £54 a week though she does get "rent rebate" by which she means Housing Benefit. She thought about applying for "supplementary" about five years ago but someone told her she wouldn't get it because when her husband died she had come into a nest egg of £10,000 insurance money. Although she has now spent most of this she hasn't tried to apply again. She is probably eligible for poll tax benefit, and a kind neighbour did get her a form to fill in. But G. can't really understand it so she hasn't got round to filling it in. She was really grateful when the vicar came around with a parcel of groceries after the Harvest Festival, and did enjoy the Christmas Dinner at the Community Centre, although she found it a bit too noisy. "Mustn't grumble" says G. "it's not poverty like it was in the old days."

A. is a refugee from Somalia who arrived in the U.K. 18 months ago. He came to Newham where after a few weeks in temporary accommodation organised by the Council he found a private rented room with some of his countrypeople. He had arrived penniless and although he would like to work cannot do so until his immigration status is sorted out, even if he could find a job. So he is spending his time trying to improve his English. A. has been claiming income support since he arrived but as a refugee is only entitled to this at 90% of the full rate. He has had major problems every time he has visited the DSS Benefits agency Office. There is never a Somali speaking interpreter available. There are over 5000 refugees claiming benefit in the borough, and to judge by the length of queues at the office most of them spend every day in the waiting room. The officials often ask for identity documents he does not possess, sometimes they say the file is lost, and they can't trace his case because he has no National Insurance number. Sometimes he concludes the staff are overtly racist. When there was a delay in getting documents from the Home Office A. was without any money for four weeks, and the back payments have never been made up. Then there was a problem with Housing Benefit. The DSS took several weeks to inform the Housing Department of the local authority that he was eligible and then it was several more weeks before the landlord saw any money. He threatened more than once to throw him out. Actually A. would like to move to a place of his own but knows there is no way he can raise the deposit money for even a small bedsit.

Z. is a young Bangladeshi woman married to I. and mother of three young children. Her husband works long hours in a garment factory in Whitechapel. She doesn't know how much he earns, as he handles all the finances but is sure his pay is low and sometimes there is no work for him. The house is overcrowded as two brothers, their wives and children also live with them. Z. and her sisters-in-law all spend long hours working at home on their industrial sewing machines. They get about 50p for each garment they sew and can rarely do more than 2 an hour. "Some people would say I'm poor but compared with life back home this is good. We have a TV and video, electric light and piped water. We can even send money each month to the relatives in Bangladesh. But my husband says the cost of living is a problem, we can't afford to buy the best food or very nice clothes. And we can never keep the house warm enough."

Last year J. was on invalidity benefit after breaking his wrist, although as an unskilled worker he had had many periods of unemployment in the past few years and was well known to the DSS. He and his wife D. face a constant struggle to bring up two teenage boys and a baby girl in a two bedroom flat on a woefully inadequate income. J. was very active within the church and was helping with door to door evangelism as well as other odd jobs. Now his injury was healing he was even able to help one or two friends with repairs to their cars, but without asking any money for it. Then the "fraud squad" struck. They came and talked to the next door neighbours and interviewed more than one visitor to the flat.

Someone said that he was "working for the church". The investigators put two and two together and made five.

One Friday afternoon J. was called into the DSS office, all his benefits were stopped immediately until further notice. On the Monday morning he decided to sign on as unemployed and start looking for work. Since he was not entitled to Unemployment Benefit and the new claim for Income Support took a fortnight to process, for two weeks all the family had to live on was the money from Child benefit, plus the gifts and loans of friends from the church. Although the allegations of fraud have been quietly dropped, possibly because of strong advocacy from church leaders, money for two weeks has never been repaid. A few weeks later when J. found some temporary driving work through an agency he thought his luck had changed and received the biggest pay packet he had seen for years. The next week the agency sent him on another job, but without telling him that here the pay was so low that he would be better off on benefit. It was no surprise that J. walked out from the agency when he saw his pay slip and never went back. Fortunately it was only a temporary job; if he had left permanent employment he would have been disqualified from benefit for the next six months.

WHY? ANALYSIS AND EXPLANATIONS OF POVERTY

Many explanations have been given for the persistence of poverty in the U.K. Bob Holman's (1978) book *"Poverty: Explorations of Social Deprivation"* is one of the most useful investigations of this area. Broadly speaking explanations focus either on the inadequacies of the people suffering poverty or on structural inequality and social injustice.

(a) In the first group of explanations are those loved by many sections of the popular press, that the poor are feckless, lazy, too stupid to manage their finances, spend all their income on "fags, booze and wild living", have too many children (without resident fathers) and are "scroungers" who prefer milking the welfare benefits system to seriously looking for a job. In other words it is they who are responsible and it is about time they did something about it by changing their ways. While there is obviously no mileage in portraying the poor as faultless, all of these stereotypes can easily be challenged both by counter examples among poor people we encounter, and by a few moments consideration of the political agendas of those who propagate such ideas. At the extreme end of this type of explanation there are suggestions that such personal inadequacies are passed on genetically. These ideas would be rejected a-priori by anyone who presupposes that all people are born equal, and cannot be supported by any of the serious biological or social science research carried out to date.

(b) Slightly more sophisticated are versions which rely on notions of "the culture of poverty" or "the cycle of deprivation". These explanations suggest that in families and communities where poverty persists over the generations unhelpful patterns of behaviour passed on to children prevent them from working their way out of poverty. Models of family life, negative attitudes to schooling and employment are said to explain underachievement and the poverty that follows from it. In the "culture of poverty model" these patterns are seen as a way of life which is fundamentally different from, and alien to, though not necessarily inferior than the culture of mainstream society. In the "cycle of deprivation" model they are seen as deficit or failure, the inability to reach the level of the mainstream. In more recent sociological writing from the USA, for example by Murray, this group is often referred to as the "underclass". They are defined largely by their behavioural patterns, which are typified by the absent and workshy father, who is liable to drift into drugs and crime. One important question raised by this approach is why only some people in settings of mass poverty behave in these ways, while others seem to cope passively, and a few do manage to break out of the situation by their own efforts.

Often in these explanations the welfare state is criticised for encouraging people to depend on it for handouts to meet every need, rather than standing on their own two feet, or becoming more enterprising. The remedies suggested include moral change, compensatory

education and cutting back on welfare provision to encourage enterprise and discourage dependency. The biggest criticism of this sort of explanation is that it lays the blame for poverty on the victims themselves, and fails to understand the social and financial pressures under which families exist, and the nous by which they learn to survive. They take little or no account of the social and economic structures which condemn whole communities to poverty.

(c) More liberal explanations focussing on social inequality often begin with an analysis of the distribution of wealth and income in the U.K. It is evident that 5% of the population own 38% of the wealth and that 20% earn around 50% of the income. Against this background the rates of pay offered to the poorest fifth of the working population and the levels of welfare benefits are seen as inadequate and unjust.

Poverty is therefore at its simplest level a question of redistributive justice. While conservative philosophers have tried to restrict the notion of justice to civil and human rights before the law, common decency and the conscience of the Left has not yet been extinguished. So for those who agree that poverty is about the distribution of money, the solution would centre around increasing the level of benefits, establishing minimum wage rates, and phasing out means testing and the "poverty traps" which emerge when people entering work after a period on benefit actually lose income. Some suggestions for more radical reforms integrating the tax and benefit systems, or for a universal right to basic income have also been put forward.

(d) "Structural deprivation" explanations of poverty accept that economic inequality exists but delve further into the structural causes and consequences. The social characteristics of whole cities, local neighbourhoods, and specific socio-economic groups are shaped by historical patterns of investment. Unskilled working class communities have suffered economically for centuries, have developed in this context of under-investment and deprivation, and have expectations and lifestyles to match. There is indeed some evidence about the depressive nature of non-achievement, as children recognise the economic and social "failure" of their parents and peers, lose their motivation at school and in job seeking, and concede that they, too, will be easily beaten by the system. The term "underclass" has also been used, for example by Frank Field, to describe the growing numbers of the poor who are trapped in severe deprivation. Remedies arising from these explanations would concentrate on intervention and targetted investment in education and training, industry and the built environment in particular communities.

(e) The final set of explanations owe much to Marxism and are based on a more thorough social and economic analysis, of the relation of different classes of people to the means of production. In a capitalist society wealth is generated for the owners of capital by the application of labour. However this labour is bought from the working class at less than its true value and profits go to the owners. In this sense their wealth is the result of exploitation if not downright theft from the poor. And in times of depression, or technological change there are large numbers of working class people who are unable to sell their labour. This reserve army of labour is condemned to poverty or dependency on the goodwill of the state.

There is much to be said in favour of developing a Marxist style analysis of the relationship of different classes of people to the economy, as a way of explaining poverty, and many attempts have been made. It might be possible to develop the notion of "underclass" in a Marxist framework to describe those who have no place in the productive side of the economy, and to explain who they are and why their numbers are growing at the present stage of the development of capitalism. However, difficulties often arise when trying to fit such a global theory to detailed facts, and special explanations need to be given, for example in respect of the relationship between ethnicity and gender to poverty.

5. WHAT TO DO ABOUT POVERTY: SOME SUGGESTED APPROACHES

As we have seen, many strategies to match the differing theories have been suggested and employed by those wishing to work for the elimination or alleviation of poverty. We go on now to examine the limitations and frustrations of each of them.

The traditional Marxist remedy for these ills is seen as radical social transformation, to be brought about by the political organisation of the working class culminating in revolution. This has its own logic to recommend it, once one has accepted the analysis of exploitation and poverty as endemic within the functioning of a capitalist system. However, the current political situation, whether on the world scale or within the U.K. does not augur well for those who advocate such an approach. The failure of Marxist regimes to even feed their own people and their subsequent collapse has exploded the credibility of the Marxist utopian myths. Even if we dismiss the Soviet experience as an aberration from the Marxist path and hope against hope that revolution could come, it would be a way of conflict and suffering, with more chance of defeat than victory. It would surely be a cruel remedy that ignored, or even made worse the plight of millions of poor people in the here and now for the sake of a long shot at radical improvement at a much later date. While we may hope for the eventual abolition of poverty, the millenium, whether we see it in Marxist or Christian terms is still far off.

A second proposed solution is the economic one. It is argued even by "socialists" that wealth creation is essential and only then can the cake be divided fairly. Conservatives believe that economic growth will eventually result in the "trickle down" of prosperity even to the poorest sections of the community. In the first place, this theory relies on some rather dubious assumptions that wealth can in fact be created, when in practice much of the U.K.'s prosperity in the 1980s depended on the windfall of North Sea oil and questionable practices such as the manipulation of land and money markets at home, and the expropriation of Two Thirds World resources through punitive interest rates. Secondly, international studies of development economics and the experience locally of investment in London Docklands present empirical evidence that the trickle down theory does not work. Despite the boom town image, local communities in East London are experiencing growing poverty and unemployment, a chronic shortage of housing, costs to the urban environment and increasing conflict with the developers. Thirdly, the global and local environmental costs of unrestricted economic growth may be insupportable, perhaps even eventually leading to a cataclysm of worldwide famine and poverty. As Gandhi put it, "the world has enough resources for every person's need, but not enough for every person's greed."

Undoubtedly economic development will continue. In Newham we are poised for a major wave of activity in Stratford with the prospect of the Channel Tunnel Terminal and the East Thames Corridor strategy building on Docklands regeneration. It is crucial that the local authority and local community engage in battle with the developers in order to win as much community benefit as possible and to attempt to target the gains towards local people who suffer the greatest levels of deprivation. However, it would be naive to think that the poor of Newham will have much of a say in the process or a share in the profits. The most that can be hoped for is a damage limitation exercise.

Reformist political solutions to the problem of poverty involving economic redistribution also have their advocates. Changes in legislation on benefit and taxation are certainly desirable, and we would want to encourage and support the work of the anti-poverty lobby, CPAG and Church Action on Poverty, in this regard. However, it is difficult even for the advocates of the poor to agree on fine details of policy, let alone for them to build up a large enough lobby to persuade any government to implement really effective changes. All they can hope for is to make enough noise to defend the poor from further cuts in their standard of living and to advocate minor reforms in regulations achievable at no cost to the government which will be of some value to particularly disadvantaged groups.

A more just and compassionate welfare benefit system can only be achieved through the election of a radical left of centre government. There now seems little hope of that in the immediate future as the Labour Party has failed to gain power despite moving to the right. In the 1992 General Election poverty was not a major issue. Yet any changes hinting at a slight redistribution of wealth from affluent to poor people were resisted not only by the potential losers, but by many of the low to middle income voters who were persuaded by advertising and the tabloids that they could lose money, or be prevented from reaching their aspirations. Under present constitutional arrangements the rich do not even need to form a majority of the electorate since they are better organised politically and have greater economic and media influence over both society and government. The poor indeed have little political clout in our "democratic" system. Even if votes were the only thing that counted the poor themselves amount to only 20% of the electorate. In addition their levels of participation in elections are below average, and probably declining, due to legislation such as the poll tax and disenfranchisement due to homelessness.

Our analysis of poverty at the international, national and local level presents a fundamentally depressing picture. Radical change is needed but as long as it is unachievable, campaigning and protesting is likely to be "a voice crying in the wilderness". Yet the campaigning for the redistribution of wealth and income must go on, and attempts must be made to make sure that the spoils of economic development are not withheld from the poor. However, none of the global long term strategies for the elimination of poverty seem to be making much impact on the conditions of poor people at the local level, nor to have much hope of so doing in the immediate future. It is therefore important to look at shorter term local anti-poverty strategies, which can be undertaken by community development agencies, voluntary groups, churches and religious groups. They at least have the possibility of making some substantial difference to the life of some poor people in places like Newham, in a period which does not extend beyond the average human life-span.

Many strategies have been suggested and projects have been set up in Newham and similar areas under grand sounding titles such as "anti-poverty" programmes. They can be arranged along a continuum from those which seek to deal with underlying causes of community and household poverty to those that are purely charitable efforts to relieve some of the symptoms. At the top end of the scale are projects which help unemployed people set up small businesses, debt counselling initiatives which aim to prevent the slippery slide into poverty, and at the bottom end are soup kitchen services for homeless people, and the free distribution of surplus European butter to Old Age Pensioners. The table below attempts to list some of the various types of programme along this scale.

- urban regeneration initiatives
- small business development and workers co-operatives
- self build housing co-ops
- training for jobs
- debt counselling and money advice
- welfare rights campaigning and advocacy
- claimants unions
- credit unions and savings clubs
- low cost insurance schemes and funeral clubs
- budgeting education
- small payments for voluntary work
- housing care and repair schemes
- hostels and short life housing for homeless people
- food co-operatives
- mobile shops or shared transport to supermarkets
- alternative economic funeral services
- charity shops / jumble sales
- baby clothes & equipment pools / toy libraries
- charitable funds
- food banks
- soup kitchens
- EC butter distribution

These approaches can also be classified along other dimensions, for example whether they mainly focus on individuals or on groups, whether they seek to prevent or alleviate poverty, or whether they work mainly with those who are already destitute or with potential victims to prevent a gravitational drift into poverty. There are also schemes which address the secondary symptoms of poverty, such as personal isolation and family stress, for example by family counselling or by setting up support groups, which may be as simple in concept as a mother and toddler group or pensioners' bingo club.

Sadly, many of these self help and co-operative projects represent a return to "Victorian values" which many of us had hoped were long since rendered unnecessary. More hopefully, the processes of community development, and organising together in the struggle against poverty may become the building blocks from which a better future can be constructed. While almost all of these approaches have something positive to be said for them, it is necessary to make some judgements about their appropriateness and effectiveness, especially if we, as the community development workers are in the business of supporting existing schemes or enabling new ones to be developed. Appendix I will look at the range of poverty alleviation strategies for Newham and at a small number of possible projects in more detail.

6. A VALUE BASIS FOR ACTION

In view of the analysis of the causes and effects of poverty outlined above, what criteria should we use in evaluating the potential of strategies such as those outlined above? It has to be said, of course, that approaches to the issue are as diverse as the different social analyses of poverty we have described. Most people would probably agree that compassion is an essential virtue, and that it is right for everyone to be concerned for the welfare of those who are in need. Most would also agree that poverty, except in those cases where it is entered into voluntarily for religious reasons is something which we should seek to alleviate even if it cannot be abolished from society as a whole in our lifetimes. Unfortunately, many people, particularly those who are relatively affluent, quote out of context Jesus's words (to Judas!) that the poor will be always with you, and remain satisfied with the conservative explanation of poverty which makes poverty a personal moral issue and stigmatises the poor and their communities.

However, we would want to start from a much stronger and radical value position, beginning with a commitment to equal rights for all and the value of every individual. People must be treated with dignity, and be given a voice in decisions which affect their welfare. Thus we cannot support schemes in which the personal dignity of poor people is undermined, or which impose solutions defined and designed by outsiders who think they know best. We cannot support charitable handouts if they demean the recipient by creating dependency or are only made subject to some moral judgement about the recipient's income, behaviour or religious commitment. We can, however, support schemes which are participatory and empowering and which see poor people as human beings of infinite value. We would also encourage programmes where people are encouraged to take personally or share as a group, responsibility for changing their own circumstances in so far as they are able. Best of all are "conscientising" approaches which enable poor people to ask radical questions as to why they remain in poverty, to identify the "powers" that oppress them, and empower them to challenge and change the status quo. The poor should have equal rights to a political voice, and when given the opportunity can be the most eloquent and powerful advocates of their own cause.

The commitment to equal rights extends to the right of every human being to a fair share of the world's resources. Therefore we would support in general terms strategies and policies which attempt to redistribute resources in general and income in particular on the basis of need rather than on might or supposed merit. Our equal opportunities policy would be an important measuring rod to apply here, especially in schemes with a potential for discrimination against groups such as women, disabled people and ethnic minorities. We would be reluctant to collude with any policy or scheme promoted by government, local authority or industry which contravened this principle, or could be shown to worsen the material situation of workers or claimants, or which benefited a few at the expense of many.

We would raise questions about the distribution of funding for projects, for example when a high proportion of the income goes out in salaries to highly paid professionals, without bringing substantial increases of income to the poor.

The principles of justice entail that we would wish to identify and condemn economic injustice and oppression wherever it occurs. We would question for example all excessive interest rates, and in particular "loan sharks" who profit from the misfortunes of the weakest members of society. We would also condemn any greedy individual or institution which seeks to exploit the labour power, or get rich upon the purchasing power of the poor, and has no compassion when they get into debt. Natural justice calls into question the powers and practice of the DSS "fraud squad" in instantly suspending benefits merely on the basis of hearsay evidence about claimants' domestic arrangements or (unpaid) work like activities.

Finally a principle of community solidarity would push us in the direction of favouring initiatives which are co-operative rather than competitive in nature or aimed at individuals alone. Going one step further, we ourselves would hope to enter into, and call others to a radical sharing of our own resources and lives with the poor people we live among. Rhetoric and advocacy need to be backed up by solidarity and self identification. There are many ways affluent "professionals" can show such solidarity, for example by choosing to live among and make genuine friendships with people in deprived communities, by refusing to accept salaries which are grossly inflated above those of ordinary manual workers, by giving away their surplus income, or by generously sharing their capital resources such as homes and cars with those who are in need.

We believe the principles outlined above can be affirmed by many people of all faiths and none. It may interest the reader to know that for us they derive ultimately from our Christian faith and can be shown to be well founded in the Christian Scriptures and traditions, in the example of Jesus Christ, and in the Law and prophets of the Old Testament. The belief in human dignity and equal rights is based on the idea that all human beings are created in the image of God and placed in a world rich in resources to be husbanded, shared and enjoyed. The principles of redistributive justice derive from the Levitical laws of Sabbath and Jubilee where every seventh and fiftieth year, slaves were to be freed, debts cancelled and land returned to the family of the original owner. Our stand against oppression and injustice is modelled on that of the Old Testament prophets and of Jesus himself. The principle of solidarity and co-operation is based on the "koinonia" lifestyle of the early church and on the doctrine and pattern of the Incarnation whereby as St. Paul puts it, "he who was rich became poor for our sakes".

7. PRACTICAL CONSIDERATIONS FOR LOCAL STRATEGIES

Any anti poverty initiative which hopes to be effective in the real world must also meet a range of very practical criteria. In the first place it must attempt to meet real user defined needs. There is no point in setting up schemes where the needs are defined by the professionals or well meaning but affluent amateurs. Research on, or rather consultation with, poor people about their perceptions of their poverty is an essential prerequisite. And as far as possible projects should be controlled and managed by poor people themselves, so that they continue to respond to the changing needs of the participants and beneficiaries.

Secondly, any scheme seeking to make a difference to people's lives must deal with the key issue in poverty which is lack of income. Of course not every scheme will seek as its main focus to maximise income for the participants, but at the very least it must take the issue of low income into account. It must also be built on an awareness of the various "poverty traps" in benefits and taxation law, so that for example the offer of employment does not actually leave a household worse off than before. Examples of projects meeting this criterion of maximising income would be campaigns for the take up of welfare benefits, successful unionisation of low paid homeworkers, and employment development projects which had a chance of success in the market place, and which managed to pay decent wages.

On practical grounds (as well as on the basis of values which could be described as "green") strategies should seek to steward resources wisely, and perhaps in doing so to challenge the consumerism of our age. This includes encouraging and enabling people with limited incomes to make them stretch as far as possible, for example by bringing household budgets under control, by the development of credit unions, by providing an alternative (including trade in second hand goods) to high price shopping in corner shops and through catalogue credit, and by sharing resources in kind around the community. In this last category would be potential schemes for the sharing of baby equipment and a skills register, enabling unemployed or retired people to provide domestic services or repairs free of charge. Recycling schemes are worth consideration, not only for their "green" implications but in their potential for generating income and saving expense for those in need.

Finally, local schemes which challenge oppressive, dehumanising and unjust demands made on poor people must have some chance of success and therefore set attainable goals. While we may with some justification think that the whole capitalist system which produces poverty is rotten to the core, or that the welfare system needs a complete overhaul, trying to organise hard pressed single parents to defend the barricades or to lobby parliament is not in the short or medium term going to reduce their high stress levels. But organising local groups to demand better treatment and less queuing in Social Security offices, to challenge the "fraud squad", or to hold a sit-in in the local housing office until the Council acts to remedy the condensation problem on a particular estate, or to challenge the long delay in housing benefit payments may be a worthwhile investment of time and energy. Similarly, successful community action to face up to the illegal practices of some debt collecting agencies, or to challenge the requirement for large deposits from landlords and fuel suppliers may make a real difference to the circumstances of many people on low incomes. Even if such a local action fails to achieve its immediate goal the gains in terms of community development, and boosting the confidence levels of individuals in dealing with the powers that be may be extremely valuable.

The final criterion for poverty alleviation strategies in a multicultural area such as Newham is that they be sensitive to minority cultures. Projects will need to recognise that they will develop best within existing ethnic networks even though they wish to provide a service which is open to all. They should also recognise that there are various cultural norms about mutual economic obligations within and between families, and about the giving and receiving of alms or charity. To be effective projects need to work with, rather than against, the grain of such norms. For example we should recognise that the principles of credit union formation are well known in the Caribbean and Irish communities, producer co-operatives are common in Bangladesh and that the communal meals available to all in Sikh gurudwaras may be a useful starting point from which to tackle food poverty. Further research is needed to identify other fruitful approaches with the African, Asian, Caribbean and other ethnic minorities.

CONCLUSION

In conclusion we wish to say that the CIU hopes to develop a programme of research and development work in the field of poverty alleviation, based on the criteria we have outlined above. We wish to work in collaboration with, and alongside other groups in the voluntary and statutory sector who substantially share the positions we have outlined. We envisage undertaking research into the views of poor people in our community, and as evaluation/feasibility studies of existing/proposed projects. We hope this work will turn rapidly into action research, in which the development of effective new projects to alleviate poverty and to reduce the stress it causes, will take place alongside ongoing monitoring of their progress.

If you would like to be involved in or to discuss the possibilities for this programme please contact Greg Smith at the Community Involvement Unit on 081 519 2244.

APPENDIX I

SOME IDEAS FOR PROJECTS FROM ASTON COMMUNITY INVOLVEMENT UNIT

This appendix is a collection of notes about projects we have dreamed, talked about, and in a couple of cases put into operation.

All these need to be considered on the following criteria.

- * Do they fit our values of human dignity and participation/equal rights/redistributive justice/ co-operation and solidarity?
- * Do they make a significant difference to the income levels/living conditions of people in poverty?
- * Do they face up to underlying causes of poverty?
- * Are they achievable/fundable/good stewardship/culturally appropriate/repeatable?

A. CASUAL WORK WITHIN THE EARNINGS DISREGARD

Under present benefit rules claimants are allowed to earn £5 a week with no deduction from benefit. For certain categories, notably single parents and couples who have been on income support for more than two years the figure is £15. Following a suggestion from Mike Jenn of Bedford Institute Association that many claimants might be interested in doing casual work for small payments within their "earnings disregard" allowance CIU agreed to do some research. In November/December, 1991, CIU interviewed over 80 claimants about this issue and more recently has raised it in a number of group discussions at projects and centres around the borough. Our survey shows there is some interest in this model of work especially if the allowed figure is in the region of £15-20 a week. Single parents in particular could benefit. Single parents we talked to suggested that in view of child care costs and loss of benefits it was not worth them considering full time work unless they could take home over £200 a week. But a day's work for £15 could be useful and workable. Already Community Involvement Unit has offered an occasional day's work for £15 collating materials for our mailshots to one or two single parents in our personal networks. This has worked well and been appreciated by all involved. It has certainly made a real difference both to the income and the confidence levels of the women involved. We would encourage other voluntary organisations who have similar occasional jobs to be done, and a modest amount of money to spend to follow our pattern.

Obviously there are bigger problems if this scheme expanded on a large scale. It is unlikely that in the present recession many employers could be found who have work to offer. There is also the danger of exploitation and expansion of the low pay, cash only, no questions asked economy, which would not meet the need for "real" well paid jobs and therefore add to, rather than alleviate poverty long term. We have also raised the possibility with CPAG, Frank Field MP and others of raising the earnings disregard figure (which has not even been updated to match inflation in recent years) to enable more people to benefit from offers of casual work. There is little enthusiasm for this in the poverty lobby, given the general economic situation, their opposition to a low pay economy, and the fact that raising thresholds effectively increases the number of people subject to means testing. More radical changes proposed by the Basic Income Research Group seem to be a more effective way of beating the unemployment trap.

B. WELFARE RIGHTS AND MONEY EDUCATION

Sources of welfare rights advice are limited in view of the vast need and woeful ignorance and confusion about entitlements in the claimant population. Distributing leaflets, however clear, simple and translated will not make much impact. The vast majority of people learn and pick up information from conversations within families, networks and groups. Welfare rights advice work is usually based on individual case work, and often this is the basis of information passed on by word of mouth, "I got mobility allowance, why don't you apply". And of course much of the time the advice passed on informally is inappropriate.

Is it not possible to devise a "life skills" course in the basics of claiming benefits for use with groups of claimants, and potential claimants who are already meeting together in community groups and centres across the borough? The aim would be enabling and empowerment for the group as a whole, some of whom might be able to go on to more advanced courses on welfare rights and become volunteer advisers within their community. This would include sessions on:

- * How the social security system is organised. I.e. where to go for what
- * Different types of claimant and the benefits they can get
- * How to claim. Practical group sessions on basic form filling
- * How to present yourself, and explain things to officials
- * How to sort out problems, where to go for good advice, advocacy etc

We might also experiment by using a computer with the Lissom Grove software package to see if a public access computer system in libraries or Benefits offices would be a worthwhile investment.

Further sessions might be necessary to cover basic life skills areas such as budgeting and money management on a low income. It would be important to use an educational method which draws out the skills of those who have coped as long term claimants, rather than offensive patronising lectures by an affluent tutor!

C. TACKLING FOOD POVERTY IN PLAISTOW

A BACKGROUND PAPER FOR AN EXPLORATORY MEETING

THE NEED

Many of us who work in the community or social services in E13 come across people who are so short of money that from time to time they go hungry or have to beg or borrow cash or food in order to eat. These people include those who are homeless, those who have learning difficulties or mental health problems, elderly people struggling to manage on a pension, and families living on benefit who run out of money at the end of every week, and are facing disaster if a big bill arrives or a benefit book or giro is late arriving.

The cost of food, particularly nutritious food is a problem. With no large supermarket, or street market, in the central Plaistow area people are unable to shop for bargains without extra costs in fares or time.

OUR FIRST MEETING

This took place early in April when Aston Community Involvement Unit called together workers from the Family Centre at Memorial Church and Brother Leo from the Franciscan Friary in Balaam Street. The Family Centre had already run a food bank for dry foods and frozen foods through which their members who were in need could be given enough to feed the family. This stopped because they had run into difficulties with finance. Leo does

the regular bulk buying of food for the Franciscan house. They have a regular stream of callers who are often given sandwiches or a meal. He has also been involved in a food co-op in New Zealand with a consortium of church groups. Fruit and vegetables etc., were sold through a local church hall.

Our aim at this meeting was to discuss whether a food co-operative would be a useful and viable way of beginning to tackle food poverty in Plaistow. We discussed at some length three ideas:

1. THE FOOD CO-OP idea where people pay a membership fee then enjoy the low prices that come from bulk buying and low overheads. This is good community development and could make a real long term difference.

The problems to be solved include:

- a) A food co-op needs a lot of people for staffing properly; for shopping, selling, accounts, storage, management group. We can get volunteers from many groups but we do need a large pool of committed people. Specialist help/training on book-keeping is available from the Community Accountancy project.
- b) Storage space and food hygiene regulations. If dealing with fresh food it means a daily pick up and certainty of sale. In groceries for maximum savings you need to buy catering packs of dry goods. That means weighing and bagging up. We are looking into hygiene regulations and looking out for suitable premises.
- c) Who benefits from a food co-op? Can the poorest afford to buy in say at a £5 share/membership fee.
- d) Can a food co-op be an economic success? It needs good business practice, including pricing research. We also need good marketing research. We might get some help with a business plan and maybe even funding from the LBN economic development office.

2. THE CHARITABLE FOOD BANK model where food is given by outsiders to be distributed free to those in need. We had heard that Marks and Spencers would give food away to voluntary groups. But Iceland, Sainsburys and other supermarkets' policy means that loads of usable food goes into rubbish bins, much to our disgust. If we could persuade them otherwise it might solve the problem of waste and meet a desperate need.

The problems we identified were::

- a) How do you stop people playing the system and conning you by reselling food etc?
- b) The stigma attached to going to a charity for food? However the European butter mountain distribution suggests the opposite with long queues of people wanting something for nothing. We came to the conclusion that both approaches could be worthwhile but that it was impossible to mix up the ideas. If a co-op started to give food away it would soon go broke.

3. A SUNDAY LUNCH CLUB

WHAT WILL BE OFFERED? A two or three course main meal for up to 50 people. It will be available to anyone at true cost price (of say £2) but to those who are on pensions or income support it will cost 50p a head, with a reduction for children. No-one who is destitute will be turned away and for those who have difficulty with budgeting until the end of the week tickets could be on sale in advance.

BY WHOM? The idea for the project came from a group at Memorial Baptist Church and was developed with the support of Aston Community Involvement Unit and a wider

group drawn from the voluntary groups and churches based in E13. We hope to recruit a team of volunteers from the local churches and community, who will work on a once a month rota basis to make sure the tasks of obtaining the food, cooking it and clearing up are done. It is hoped some of the regular customers will also become volunteers, and that a core group of volunteers will take over the running of the project.

WHERE? It is proposed to use the premises of Memorial Baptist Church, which is conveniently located at the centre of Plaistow and has kitchen and dining facilities, although these are in need of improvement and modernisation in order to comply with new food hygiene regulations.

FUNDING AND RESOURCES? Some capital funding will be required in order to re-equip the kitchen and dining facilities. We will apply to trusts and businesses for this. It is likely that we will need to subsidise the lunch by gifts in cash and kind of £50-100 each week. We will approach local stores, market traders and churches (both local and suburban) for help here.

D. A BABY BANK

The birth of a child is a major expense as lots of clothing equipment etc is needed. Poor families already rely on second hand shops, hand me downs etc. or go without items such as cots, buggies, fire guards and stair gates. The life of many of these costly items is very short as children grow and develop. Although family and friendship networks often help out there are undoubtedly many parents who do not have sufficient support from these sources.

The Homestore Project in Newham has already shown how furniture can be recycled from affluent families and offered at nominal prices to people on benefit who are setting up home, and who no longer can get one-off payments from Social Security. What is proposed now is a similar scheme focussing on baby and child equipment, clothing and toys.

The initial stock of the Baby Bank would be donated by people whose children had grown older. The sources could be local or via churches etc. in the "white Highlands"

Broadly speaking any parent with a child under 5 living on benefit (income support/family credit etc.) could use the bank. Items would be priced at a small number of fixed prices say 20p/50p/£1/£5. Users would be able either to pay cash or trade in items their children had grown out of on a simple one for one exchange basis.

The bank could be set up either on a micro experimental level attached to a very local group/family centre/clinic etc. or more centrally on the Homestore model. The local version would have to rely on volunteers, or the goodwill of existing staff. It would probably need a management committee of local users. A central version would need funding for rental of space and to pay at least a part time co-ordinator.

E. THE ON YOUR BIKE SCHEME

Here's a dream for the 21st Century. Cycling is a cheap green form of transport with many health benefits. The image has changed so it is no longer stigmatised as a poor person's mode of transport. Newham is ideal cycling territory, or rather will be when all of the cars end up in permanent gridlock or the oil runs out, or the council actually do something about building cycle routes.

There are more bikes than cars in the UK but most of them are gathering dust and rust in back yards and sheds. The project would be to set up a co-operative workshop called "RE-Cycles" which rescues unwanted bikes, restores them to life, and sells them at knock down prices on easy terms to people on benefit. They can then use them to get around more

easily and cheaply than on the public transport system for visits, to relatives, shops, parks, benefit and council offices, and even (wait for it Mr Tebbitt) the job centre.

The workshop would need capital to set it up but could probably trade at a profit. There would be opportunities for job training for unemployed people as well as long term employment for two or three people.

Well at least the idea is worth someone investigating and setting up a business plan! Durning Hall New Business Centre is an example of the type of community enterprise where such a workshop could be based.

F. RESEARCH - Campaign on how the poor are treated by LBN/DSS/financial agencies/employers, etc.

A whole series of surveys could be carried out on the model of the Refugees Consortium one currently under way, or the Tower Watch one on the DSS in Islington. Customer surveys could be backed up by experimental methods such as telephoning as a customer.

Monitoring Citizen's charter for the poorest e.g. waiting times at DSS, access by phone and in person to LBN Social services, housing, fuel companies etc. Attitudes of staff/ apparent racism

G TOWARDS CREDIT UNIONS. A NOTE ON A CHURCH SAVINGS CLUB: AN EVALUATION

In mid 1990 a group of us in the church met to consider the problems of debt and living on a low income mainly among our members on the Regents Estate. We heard about credit unions and decided to experiment with a savings club. Rules were drawn up, a committee was appointed and from about September 1990 payments began to be collected weekly. There were about 20 members enrolled, about half affluent, half poor. Some of the affluent tended to invest large amounts but mainly as a way of making some money available to poorer members at low interest. After 12 weeks contributions people could borrow twice as much as they invested then pay it back.

We hit problems when the church had to move to a new venue which meant we had no regular base for collection. There is a fund of over £500 but many of the members, after interest at the start, are now purely nominal

We never reached a large enough number of members to make it a real going concern. It continues but with only two households using it for loans. J. the book-keeper describes one as using it well and regularly basically as a holiday and Xmas club. The other is more chaotic and sporadic and for crisis loans but neither are in a bad debt situation. Loan interest has been deducted but so far savings interest has not been added. If there was more trade this might become a big task. But she thinks it is worthwhile just for two. Low take up has resulted from, limited publicity, lack of a base and easy time to collect money, apathy/laziness, and the small pool in which we are fishing. One user, K. is disappointed that more people are not using it. For her it is of value because she can have instant access to small amounts of cash (up to £25) at low interest. She manages to pay in £2 most weeks, and even with paying back debts half of this is accounted as savings. It stops her running up big debts (at least to the savings club).

THE WAY FORWARD WOULD SEEM TO BE:

1. Keep going for the sake of the few and do one more piece of publicity in the church.
2. Hope for a credit union development worker to get into post then collaborate towards a wider E13 approach.
3. Consider some simplification in rules. e.g. do we need to charge interest monthly on small loans? Could we manage interest free or have a simple flat rate e.g. for up to £10 you pay 20p, for up to £20, 40p etc and so on. You pay no more unless your debt goes on over a year.

H. NEIGHBOURHOOD INTERVENTION PROJECTS

In this approach a community worker or team would choose a local neighbourhood or estate on the basis of research and networking. Having found a base, either in an existing community centre, or perhaps in a disused shop on a local precinct they would gradually establish a presence and begin to offer a wide range of services in response to local needs. The first few months would be mainly contact making, listening and further research about local needs. Gradually services, projects and campaigns would develop, with the aim of handing over responsibility and control of them to groups of local people.

Examples of such work would be the Hutson Street Project in Bradford, or the Barnardos project in Ely, Cardiff, Bob Holman's work in Bath and Easterhouse.

Developments would have both poverty alleviation and community development implications and could include such things as credit unions, welfare rights advice desks, drop in centres, creches, food co-ops, campaigns for repairs to property, translating services etc. etc.

The big positive features of this type of work are the range of responses that could develop, the fact that everything is very localised, and the potential of identifying and training local leadership. It could also help develop inter-agency co-operation. The drawbacks would include the need for a large team with a range of specialist expertise (hence high staff costs), the difficulty in setting priorities and direction when a stream of local people were pushing you into responsive work, and the tendency for one group of locals to latch onto the centre thus excluding others and highlighting conflicts between groups in the neighbourhood, e.g. young v old, black v white, Hindu v Muslim.

This model should be distinguished from the community centre approach which too often becomes simply the promotion and use of a building by "whosoever will" (including those from far away) for a wide range of leisure purposes. It would be crucial to monitor and evaluate what was going on in order to make sure that the programmes emerging were effective as responses to real needs within the local community, and were tackling such issues as poverty and racism.

APPENDIX II

WHY THE POOR PAY MORE

A CHECK LIST OF EXTRA COSTS ETC. FOR THOSE IN POVERTY IN NEWHAM

a single * denotes a regular extra expense; a double ** an expense of crisis proportions or requiring "capital" sums.

FOOD AND HOUSEHOLD

- * No access/transport to cheap supermarkets, or fresh food markets
- * No bulk buying or stocking up
- ** Lack of freezer storage
- * Limited cooking equipment, skills, time mean dear processed or take away food.
Junk diet means poor health, no money for special diets

CLOTHES AND DOMESTIC EQUIPMENT

- * Catalogue and HP shopping at high prices and with interest
- * Renting TV's , washing machines, costs more long term
- ** Crippling repair bills more likely because of old equipment out of guarantee period
(can't afford insurance based service agreements)
- ** Lower quality goods need replacing sooner
Safety issues with second hand and old equipment

TRANSPORT

- * Costs of bus or cab fares + inconvenience (no lease cars, rarely even bikes)
- * Some housing estates badly located for transport links
- ** Travel to work/ can't afford to invest in cheap rate/long term season tickets

HOUSING

- * No tax relief on mortgages if you are a tenant
- * poll tax and water rates (may be above average especially in London)
- ** huge deposits/key money for private renting
disrepair but poor/slow repairs from landlords/Council
overcrowding

FUEL COSTS

- * depend on expensive electricity because of existing heating systems or lower cost equipment
- * standing charges are a higher proportion of bill.
- * standing charges are higher for key meters
- * poor insulation
- * * connection/disconnection charges and deposits
- * * If coin meters are broken into, consumer must pay full amount twice

FINANCE

- * Bank charges more likely e.g. for stopped cheques, or because balances below a threshold
- * low usage of banks, building societies or other investments
- * no reserve fund for emergencies

- * poor credit ratings
- * High cost credit/loan sharks
- * Social fund loans
- * higher premium or no insurance
- ** greater risk of theft, burglary etc
- * Time cost of queuing at post offices

THE INCOME SIDE HOW THE POOR DON'T GET ENOUGH

BENEFITS

Basic low rates
 Low take up/poor knowledge of rights
 Language difficulties (gobbledegook and minority languages)
 Overworked inefficient, uncaring, offices (time and cost of complaining)
 Refugees only get 90%
 Racism - overt and institutional
 Fraud Squad
 Unemployment trap
 Housing benefit chaos - payments often delayed
 Limited office opening hours and frequent industrial action
 Assumptions about family life in the regulations
 Deductions for debts to Social Fund or Fuel direct

LOW PAY

Low wages/low protection
 Home working
 long unsocial hours
 part time/casual work
 no extra pensions

SOCIAL WAGE (IN MULTIPLY DEPRIVED URBAN AREAS)

EDUCATION

poor provision, poor schools, failure syndrome,
 teacher numbers/ratio and quality
 tiny fundraising base for extras in school (PTAs weak)
 LMS makes finding competent governors difficult

HEALTH

worse health in general, because of lifestyle and industrial/environment related
 disease
 second class NHS provision, no BUPA option
 stress leads to more smoking, drinking, drugs, tranx

POLITICS

no motivation/participation
 no organisation/fragmentation into small interest/ethnic groups
 disenfranchisement
 the tabloid lies are believed

GS/MM/JULY 1992

THE AUTHOR

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THE CHRISTIAN URBAN RESOURCES UNIT

CURU is a research and resources unit whose overall aim is to bring together academic and 'grassroots' organizations and individuals working in the field of urban deprivation in order to share experiences, support each other and enhance the effectiveness of inner city projects and intervention programmes. The unit stocks an extensive range of information and materials in both computer and hard data format which is available for public reference.

CURU runs **day and weekend schools** on Liberation Theology and a **seminar series** on topics of social concern. A **conference** entitled "Communities in Struggle: A Faith Perspective from Peru and Britain" is scheduled for 1992.

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