

# **Education and Capabilities: a Multidimensional Approach in Counteracting Poverty**

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*Abstract.* The paper addresses the issue of poverty from a multidimensional perspective, assuming that appropriate responses should be aimed not only at financial support, but also at the strengthening of social relationships and individual skills. A multidimensional response to poverty must be able to impact simultaneously on the development of human, cultural and social capital, thus helping to change consumer habits and modalities of choice for the many aspects of life. The underlying assumption is that current public policy approaches to poverty need rethinking and partnerships need to be created with private actors capable of mobilising social and educational resources to confront complex issues. In this context, education is considered a fundamental capability input, that is, a set of possibilities for individuals to develop and realise their capabilities.

*Keywords:* Education, Capabilities approach, Multidimensional poverty. Partnership.

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## Introduction

The expansion of social risks, particularly throughout Europe, is contributing to the growing impoverishment of the population and this phenomenon has forced the scientific literature to extend the range of concepts considered in seeking to identify the characteristics of this component of one of today's major social issues (Chiappero Martinetti, 2006; Morlicchio, 2012). In order to try and "grasp" the extent of this phenomenon, traditional research has focused primarily on an economic consideration of the individual or family unit by relying on *one-dimensional* indicators, either *direct* (income levels) or *indirect* (consumption levels). In recent years, however, there has been a growing shift, at least theoretically, to a *multidimensional* interpretation, in which, in addition to the classic indicators, new gauges of poverty are being investigated: housing and living conditions, working conditions, the social dimension, health, access to essential goods<sup>2</sup>. This approach is closely linked to the theory proposed by Amartya Sen, who was the first to introduce the "capability" theory (Sen, 1985), according to which inequality and poverty are defined not so much in terms of disposal income but more as a difference in one's primary capabilities (ability to have access to essential goods) and secondary capabilities (ability to have access to additional goods), or as an inability to achieve a minimum standard of living, with respect to which income plays primarily an instrumental role. By adopting such a perspective one is able to view poverty in a much more complex manner, regarding it as the sum of a *mix* of concurrent causes rather than the product of a single dimension of need.

Furthermore, a multidimensional approach to the analysis of poverty would appear to be particularly relevant not only for analytical or descriptive purposes but also in the context of identifying possible solutions. In fact, if regard is given to the overall scope of poverty, intervention measures relying mainly or solely on income transfer programmes would not appear to be a fully adequate solution to the problem. If poverty is in fact a multidimensional phenomenon, then the solution must also be structured on

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<sup>2</sup> A brief analysis of the multidimensional approach is provided in the second part of Chiappero Martinetti (2006).

different levels, of which an economic response is none other than the first, albeit essential, one.

In this paper, consideration is given to a range of interventions that, together with the economic measures traditionally provided through social policies, may serve as useful means of support to disadvantaged individuals and families, given that they address social relations and people's "capabilities" and are therefore able to impact simultaneously on the human, cultural and social capital of the poor. The underlying assumption is that current public policy approaches to poverty need rethinking and partnerships need to be created with private actors capable of mobilising the necessary social resources to confront these complex issues.

### **Multidimensional poverty in Italy**

Poverty is a complex phenomenon, which is rooted in and affects numerous areas of the lives of individuals and, more generally, society as a whole. According to one of the first and most notable definitions of this phenomenon, people are said to be in poverty "when their resources are so seriously below those commanded by the average individual or family that they are in effect excluded from the ordinary living patterns, customs and activities" (Townsend, 1979, p. 32). Although referring purely to economic considerations, there is an implication within this definition that other elements are at play beyond the straightforward concept of disposable income; one need only think, for example, at other resources needed to sustain "ordinary living patterns, customs and activities": what can fall within such a broad and indistinct definition? We are dealing with a plurality of elements concerning, by way of example, the health conditions of each family member, the use of consumption strategies, the decisions and practices behind the education of one's children, the lifestyle choices and their impact on health. The compounding of inadequate resources, especially when associated with the emergence and interconnection of "negative" events, such as, for example, the breakdown of family ties, becoming unemployed or underemployed, which are critical elements impacting on housing conditions (eviction), may have combined effects

that risk making temporary difficulties permanent and that force the family unit into a downward spiral of social exclusion (UNDP, 2009).

In all cases, one is faced with having to make specific choices in the use of the limited means available within the family, which bring into play one's rational ability to allocate these resources. In the 1980s a well-known and influential contribution that helped change the perspective on this point exactly was made by Amartya Sen (1985), who defined poverty as the lack of individual and fundamental capabilities, rather than the mere insufficiency of income. The debate that ensued gave rise to the concept of poverty as a multidimensional phenomenon, resulting from the interweaving of various factors that, together with income flows and asset stocks, impact on a person's quality of life (Sen, 1992; Osberg and Sharpe, 2003; Nussbaum, 2008). This complex vision relates to the attainment of numerous elements that help give value to human life. It is precisely on this front that one finds the most critical dimension, which calls into question a person's cultural capital resources and, at the same time, requires interventions that are able to introduce an educational factor into the economic dimension.

Following on from these considerations, a variety of approaches have been taken in the analysis of poverty, adopting a wide range of theoretical definitions and statistical methodologies and becoming increasingly multidimensional in nature (Paci, 1996).

Naturally, one of the key elements is the choice of the sphere of deprivation that are to be examined: this decisional process always involves an element of subjectivity that is, moreover, structural in nature, and this would be the case in any attempt at defining poverty, as it itself is such. Referring to previous work on this subject (Pesenti and Accolla, 2012), the poverty domains considered in that specific study were selected from the list of dimensions identified by the *Equality Review* in the process of measuring inequality (The Equalities Review, 2007; Burchardt, 2006; Burchardt and Vizard 2007a, 2007b)<sup>3</sup>.

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<sup>3</sup> The advantage of the methodology adopted by the *Equality Review* academics lies in the use of a transparent process for the selection of the dimensions that is not conditioned by the availability of data sources. To begin with, domains are selected from a master list drawn from the Universal Declaration of Human Rights; this list is then supplemented and refined through a form of democratic participation.

In particular, the study addressed six domains: economic capacity, basic needs satisfaction, health, education and access to information, employment, and perception of physical safety. A series of deprivation indicators were examined for each of these domains (22 indicators in total<sup>4</sup>), according to which it was possible to identify an individual profile for each of the individuals (aged 18 to 64) based on the symptoms of deprivation each possessed. Indices<sup>5</sup> were then used to measure the poverty level within each of the six domains under consideration. These indices reflect the total number of deprivations (with respect to each domain) recorded in the total population compared to the maximum number of deprivations that could be experienced (in the hypothetical case where all individuals suffer all the symptoms of deprivation considered within that spheres). Finally, consideration was given to the co-existence of symptoms in multiple domains, recording the number of cases in which there was a compounding of different deprivation symptoms in multiple spheres of life. Table 1 provides a summary of findings by geographical region for the year 2010.

An analysis of the co-existence of symptoms of poverty in a number of the individuals' spheres of life enables one to identify those cases in which there is a compounding of multiple hardships. The lack of income, which naturally plays a central role in the definition of poverty and which registered the highest percentages of frequency within the indicators examined, is in fact a necessary but not sufficient condition to regard a person as poor. The findings in Table 1 illustrate, for example, that the environmental conditions in which we live, an illness, the loss of a job, the inability to adequately warm our homes are all elements that indicate the seriousness of a household's living conditions, better defining the context of a condition that would otherwise be unclear. The compounding of multiple difficulties exacerbates both the individual's and family's circumstances, with the risk of the condition becoming chronic, leading one to fall into the so-called "poverty trap" (Rovati, 2009b).

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<sup>4</sup> The indicators considered were estimated from the data of the 2010 ISTAT IT-SILC Survey on "Income and living conditions".

<sup>5</sup> The measurement methodology adopted was that proposed by the Oxford Poverty and Human Development Initiative - OPHI (Alkire and Foster, 2009). Thanks to Gisella Accolla for the statistic elaborations.

Table 1. Indices of deprivation in Italian families, 2010 (% change)

	Italy	North	Centre	South
<i>Economic capacity</i>				
1.Low-income family	17.0	9.1	12.5	29.8
2.Unable to personally face unexpected expense of 1,000 Euro	32.6	24.1	30.6	44.8
3.Weight of rent/mortgage costs on income is excessive (>30%)	4.1	4.1	4.7	3.8
4.No savings made during year and debts incurred/increased	5.0	4.6	3.7	6.3
<i>Overall deprivation index in economic capacity</i>	<i>8.1</i>	<i>4.2</i>	<i>6.0</i>	<i>14.3</i>
<i>Basic needs satisfaction</i>				
5.Unable to afford eating meat, poultry or fish every other day	6.4	4.5	5.1	9.6
6.Experienced moments when lacked money for medical expenses	10.4	6.7	8.5	16.1
7.In arrears on mortgage or rent payments	4.7	5.3	4.3	4.0
8.Lives in crowded conditions	1.1	0.7	1.0	1.6
9.Lives in a home that is in poor condition	1.9	1.3	1.5	2.8
10.Unable to keep the home adequately warm	10.9	4.8	7.7	20.6
11.Unable to afford a washing machine and dishwasher	0.3	0.2	0.3	0.5
12.Does not own a car because unable to afford one	2.2	2.0	1.8	2.8
<i>Overall deprivation index in basic needs satisfaction</i>	<i>4.7</i>	<i>3.2</i>	<i>3.8</i>	<i>7.3</i>
<i>Deprivation in health</i>				
13.Health status self-declared as low or medium-low	4.3	3.7	4.3	5.0
14.Reduced autonomy due to chronic illness or disability	2.6	2.5	2.7	2.7
<i>Overall deprivation index in health</i>	<i>3.4</i>	<i>3.1</i>	<i>3.5</i>	<i>3.8</i>
<i>Education and access to information</i>				
15.Has non completed compulsory education and is not enrolled in a course of study	5.4	3.8	4.6	7.9
16.The household cannot afford a computer (but would like to have)	4.3	3.1	2.9	6.6
17.The household cannot afford an internet connection (but would like to have)	4.5	2.8	3.2	7.5
<i>Overall deprivation index in education</i>	<i>4.7</i>	<i>3.2</i>	<i>3.6</i>	<i>7.3</i>
<i>Deprivation in the work environment</i>				
18. Is unemployed	7.7	5.2	7.0	11.2
19.Precarious employment with low professional profile (income below 1,000 Euro a month)	1.7	1.2	1.9	2.3
20.Works less than 30 hours a week, does not have fulltime job	2.2	2.1	2.8	2.2
<i>Overall deprivation index in employment</i>	<i>6.4</i>	<i>4.6</i>	<i>6.2</i>	<i>9.0</i>
<i>Perception of physical safety</i>				
21.Pollution, grime, other environmental problems caused by traffic or industrial activities	16.6	16.8	18.3	15.3
22.Crime, violence or vandalism in the area	12.6	10.2	12.1	15.8
<i>Overall deprivation index in safety</i>	<i>14.6</i>	<i>13.5</i>	<i>15.2</i>	<i>15.6</i>

Source: Processing of data from ISTAT, IT-SILC Survey on "Income and living conditions".

Table 2 shows the trend over the 2006-2010 five-year period in relation to the compounding of deprivation symptoms. Firstly, one can see that 2008, the year in which the Eurozone economic crisis began, showed the best performance of the period: the decline from 2006 is most evident in the numbers relating to the single economic dimension (down from 5,1% to 4,4%) and in the numbers relating to poverty amongst individuals with at least three domains of deprivation (the two bottom rows of the table), which dropped from 7.6% in 2006 to 6.6% in 2008. Instead, the effects of the economic crisis on the living conditions of families are more apparent in the last two years, although the increase is not generalised across all categories: as can be seen, in fact, only the economic dimension registered an increase (+0.5%), whereas the trends in the multi-domain forms of poverty were not uniform, characterised primarily by stability over time.

*Table 2 – Percentage of Italians aged 18-64 in relation to the number of domains in which at least one symptom of deprivation is recorded. 2006-2010.*

	2006	2007	2008	2009	2010
Economic domain only	5.1	5.4	4.4	4.7	5.2
Economic domain + 1 domain	5.1	5	5.2	5	5.2
Economic domain + 2 domains	4	4.2	3.7	3.9	4
Economic domain + 3 or more domains	3.6	3.2	2.9	2.9	2.6

*Source: Processing of data from ISTAT, IT-SILC Survey on "Income and living conditions".*

### **How to respond to poverty: theory and policy practice**

The interpretation of poverty in multidimensional terms implies the existence of an inner complexity to the problem that cannot be accounted for merely by the dimension of available economic resources. This is particularly evident when we shift from the quantitative dimension to a qualitative analysis, recognising poverty as a process of becoming increasingly fragile (Lunghi, 2009; Rovati, 2009). These analyses imply a broader theme, which deals with

the choices that individuals are required to make and the actual capacity (as well as the possibility) of making choices that are rational. If we move beyond a static, purely economic interpretation, we discover the dynamic nature of the phenomenon, which involves, not so much the amount of available resources, but rather the use that people make of these resources. This aspect of the argument brings us back to the theorisations of Amartya Sen. The Indian economist sustains, in fact, that material resources cannot be considered the only factor affecting a person's standard of living. What counts more is the ability people have of using the resources available to them, within the environmental and social context in which they find themselves. In order to define a person's condition, Sen does not look at their basket of goods but at their actual quality of life. Considering not only the individual as such, but also the set of characteristics that help determine the person's capacity to convert available resources into "functionings", that is, courses of action aimed at achieving specific goals. These characteristics not only relate to the person (age, gender, physical condition, psychological state, ability), but also to the family and social relationships they develop, as well as the environmental conditions (social, economic, natural, cultural, institutional) that impact on all the other relationships. The set of these contextual characteristics represent just as many "conversion factors" of the available goods and resources, whose influence determines the set of objectives that may potentially be achieved (*capability set*). The dynamics of converting disposable goods into capabilities represents a primary and crucial element for a person's wellbeing, but in order to arrive at achieved objectives (*functionings*) the person is required to choose from a series of options: consumption-related choices, which is not an easy matter to deal with when coupled with the often inevitable need for social recognition that is generated by the ownership of specific luxury fashion or high-tech goods (Bovone and Lunghi, 2009; Accolla and Rovati, 2009); or the choices regarding a child's education between the various options available (towards a professional qualification or otherwise).

Therefore, the needy need what? Not simply material goods, but also the ability to escape their disadvantaged condition and the competences to use the resources available to them. This is the key that stakeholders and social policies on poverty must bear in mind in the proposals put

forward and subsequently implemented. It is clear from the straightforward examples mentioned above (choices regarding consumption and education) that there is a need to rethink the policies and services on fighting poverty. *Policy* interventions that only envisage structural measures (economic resources) would appear to be indispensable primarily along the initial steps of the downward slope taking a condition of “provisional” poverty (Siza, 2009) towards more resistant forms of deprivation potentially at risk of developing into social exclusion (Rovati, 2009b). It is becoming increasingly crucial that what is needed alongside these measures is due consideration to the reinforcement of a person’s capabilities (and those of families), intervening equally on conversion factors as on abilities to choose. As a first step, these initiatives must be aimed at reinforcing the “forms of capital” found within the family unit or held by the individual (social, cultural, human and relational capital), thereby increasing the set of potential capabilities through a qualitative improvement of the conversion factors, in this way developing an ability to choose that is better geared to achieving a state of wellbeing.

#### *Minimum income schemes in Europe*

Are welfare systems able to intervene at this second and more demanding level? The application of progressive retrenchment-oriented reforms, already described in the literature since the late nineties of the last century as a necessary response to the progressive unsustainability of the traditional welfare measures (Pontusson and Clayton, 1998; Pierson, 2001), has dramatically changed the structure of many policy areas (pensions, health and social care), assuming radical dimensions over the last few years (Vis, van Kersbergen and Hylands, 2011; Bonoli and Natali, 2012; Hemerjick, 2012; Palier, 2013). Nevertheless, the cuts adopted and the contextual “recalibration” in functional, distributory, regulatory and institutional terms (Ferrera, Hemerjick, Rhodes, 2000), are considered insufficient to ensure the long-term sustainability of welfare systems. As it points out the risk of a progressive retreat of the welfare system from their traditional function of protecting the citizenship rights (Bonoli and Natali, 2012).

Into this complex contest, the most widespread approach in current years, associated with so-called “active welfare” (Vandenbrouke, 2003), actually has a strong individualistic element: in fact, the primary objective of the

initiatives is to promote the individual's responsibility, achieving however a sort of "institutionalisation" of the individualising process, which only treats the symptom (economic poverty, lack of employment), leaving, however, all other personal and surrounding conditions unaltered. In fact, we are dealing with measures that are unable to exert sufficient influence on the conversion factors of the resources (including any added through public income transfer schemes) or on the ability to choose. An analysis of various policy systems in countries comparable to Italy found that all minimum income schemes, targeting people without work or with insufficient income, make concession of the benefit conditional on the beneficiary's participation in programmes fostering re-entry into the work force and/or social integration, as well as in active job search efforts. The granting of benefits is conditional (with some exceptions) on compliance with certain conditions, such as participation in vocational guidance or training programmes and the conducting of an active job search (France, UK) or even the obligation to accept the job opportunities proposed (Spain, Germany, Denmark, UK). Furthermore, over the years certain countries have enhanced the set of mechanisms designed to avoid the so-called "property trap", namely, the risk of remaining dependent on public benefits, even when there are conditions conducive to restoring a state of economic independence. The aim of these mechanisms has been to minimise the appeal of the social benefits through the provision of back-to-work incentives, in line with the *workfare* model, for the individual to re-enter the workforce in the shortest time possible, regardless of the quality of the work, thereby limiting (or perhaps avoiding altogether) those initiatives aimed at eliminating those factors contributing to low degrees of capability (Colasanto and Lodigiani, 2008). In France, there is a provision for a cumulation of a portion of the benefits with one's salary, thereby making it much more convenient than the sole receipt of government aid (this mechanism is an improvement to the previous minimum wage system). Instead, in Denmark, the granting of welfare payments is conditional on the local job centre being assigned as case manager of the individual.

Involvement of the third sector in these support programmes is practically non-existent, except for the possibility of utilising non-profit organisations as a "shelter" for the reintegration of disadvantaged persons into the labour

market. The only exception is in France, where, subject to approval by the administrative county council president, it is possible for those persons claiming earned income supplements (*Revenu de solidarité active*, allocated in accordance with the personalised action plan for the purpose of supporting an individual during the social or labour reintegration phase) to be taken on by a third sector organisation that is assigned as case manager overseeing the process of any social and labour reintegration.

*The Italian “Carta Acquisti” (Social Card)*

In the case of Italy, the mechanism is quite different from the others analysed, mainly due to the absence of a measure designed specifically to support minimum income levels. As is well known, the welfare system in Italy has a categorical income support structure, that also impacts partially (but not exclusively) on the poor: the income transfers associated with the so-called “enforceable rights” (minimum social security pensions, disability benefits) represent the dominant share of the government’s passive income spending, whereas tools safeguarding job security, such as the “Cassa Integrazione” (Social absorbers), are evidence of active welfare measures. However, in 2009 the “Carta Acquisti” scheme was introduced, initially on an experimental basis and then rendered structural. It is directed to individuals over the age of 65 and to families with children under the age of 3, having *ISEE* (equivalent financial situation index) indicators (for the year 2013) of up to 6,701.34 Euro, which rises to 8,935.12 Euro for those over 70. The beneficiaries of this card must be Italian citizens resident in Italy and duly registered at the Registry Office, as stated in Legislative Decree no. 112/2008. The card is topped up every month with 40 Euro and can be used to pay for foodstuffs and toiletries or utility bills. The beneficiary population was initially estimated at around 1.2 million people but about 730,000 cards were actually issued and roughly 450,000 were in use in 2010, for a total cost of just over 200 Million Euro. This discrepancy can be explained in many ways. It is likely that a portion of those entitled did not actually have a real need, because they were able to rely on, for example, personal resources over and above their pensions or the financial support of their family network. A second component comprises individuals who did not have the necessary information and were therefore unaware that such a

scheme existed. Finally, it is likely that a percentage of those entitled refused to access the card for reasons tied to the risk of being socially stigmatised.

The card, as designed, presents a number of drawbacks, especially if one has regard to the theoretical and methodological assumptions presented earlier. First of all, the requisites to obtain the card are too rigid and the pertinent information is not always well received by senior citizens. Furthermore, poverty also affects individuals that are older than 3 and younger than 65, especially in families with more than two dependent children, as has already been amply demonstrated by national statistics and in the relevant literature<sup>6</sup>. But the most critical element relates to the individualistic nature of the measure, which does in fact increase the individual's purchasing power, however, without acting on the central elements previously mentioned: the conversion factors and the ability to choose.

This critical issue was precisely the focus of a proposal to test the use of a second card, introduced by the Berlusconi Government's 2011 "Milleproroghe" Decree. According to this proposal, packs of cards would be assigned directly to the relevant social service associations, once these had been accredited by the regional authorities. The associations would assume responsibility for this initiative, including identification of the card's beneficiaries, in accordance with the ISSE limits set by the national legislature, which would be differentiated to reflect territorial differences in regards to the cost of living. The innovativeness of this proposal as envisaged could be seen in the following three areas: in the proposed change to the logic behind public policies, no longer subsidised by the third sector but subsidising it instead; the possibility of managing the card system within a relational network, as an integral part of a wider initiative addressing the multidimensional problems linked to poverty; the possibility of a targeted selection process of those individuals truly in need of support, thereby also including the homeless, who would otherwise remain untraceable.

Mario Monti's technocratic government subsequently amended the proposal, ordering the testing of a new social card within 12 major Italian

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<sup>6</sup> Atkinson (1998); Campiglio and Rovati (2009); Pesenti and Accolla (2012) .

cities (Rome, Milan, Palermo, Genoa, Turin, Naples, Venice, Verona, Bologna, Florence, Catania and Bari). From this year, the new trial social card (which does not replace the card adopted in 2009) is directed to families suffering severe hardship in terms of income and employment, with a maximum, ISEE-indexed annual income of €3,000 and dependent children. The minimum value of the contribution is set at €231/month for two-member households, increasing to €281 for three-member households, €331 for four-member households and €404 for households with five or more members. The scheme shall be overseen by the Municipalities and no structural assistance by the third sector is envisaged.

### **The third sector initiatives as a multidimensional response to poverty**

In practical terms, therefore, *welfare* policy has been entrusted with extending social inclusion as part of citizenship rights, through more or less widespread state involvement aimed at poverty reduction. The examples described in the previous section illustrate a phenomenon of institutional “isomorphism” (Powell and Di Maggio, 1991), in which the political subsystem (the state) is given exclusive responsibility for promoting and safeguarding homogeneity through “statutory citizenship”. Acknowledging the multidimensional nature of poverty also substantially redefines the issue of the response that society as a whole is called upon give. If, as has been seen, poverty is not only interpreted as a lack of economical resources but also in terms of structural deficits relating to social, cultural and human capital, it would follow that the conceptual framework needs changing, through a modification of the social status, starting with the necessary transition from the “statutory” citizenship as described above (individualistic and politically-based) to a “social citizenship”, namely, one that is founded on the acknowledgement of a social pluralism that is structured within the public sphere according to the principle of subsidiarity (Donati, 2000; Donati and Colozzi, 2005).

It is at this point and in this context that consideration is given to the fundamental issue of the role and recognition of the third sector and, in the specific case of the fight against poverty, of the volunteering, which appears distinct from the other organisational forms comprising the sector,

especially in terms of the pro-social motivation evident in one's actions, which can be seen particularly within the central role played by elements relating to non-remuneration, altruism, donating and reciprocity (Rossi and Boccacin, 2006). The voluntary sector can therefore be considered the most original form of civic organisation and it is relevant to note that, whilst there is progressive differentiation within the organisational forms comprising the third sector, which have come to assume increasingly complex configurations, such as the recent forms of social enterprise, an extensive voluntary sector perseveres within the core of European societies and this represents a major phenomenon within the reconfiguration process of the welfare systems. In certain respects, the volunteer component is not envisaged within many of the models proposed within the social and economic sciences, but, above all, it has not yet been fully understood in terms of its potential as a partnership agent in developing social policies. So much that, as was clearly seen in Italy in the course of the debate mentioned above regarding subsidiarity and reform measures of the social card, even today it seems quite difficult to imagine that social solidarity can be achieved more effectively via social entrepreneurship through intermediaries than via bureaucratic institutions, which, even the most efficient ones, are nevertheless incapable of generating those relational assets that are needed within an appropriate educational process designed to impact on the conversion factors and ability to choose of the poor. The relevant literature clearly illustrates how non-profit organisations give their best in the personal management of social welfare interventions (which require more flexible organisational frameworks than those that are realistically feasible within public institutions) and how they are more timely in responding to emerging needs and in proposing equally innovative responses (Rossi and Boccacin, 2006). In particular, research has shown how this is especially true in the case of the fight against poverty and social exclusion: in fact, this is where it becomes fundamental to intervene not only in regards to economic capital but also (or perhaps above all) in regards to the reconstruction of social capital and the restoration of capacities that in the past had either been poorly or never utilised (Campiglio and Rovati, 2009).

The evidence that non-profit organisations producing relational assets play a fundamental role in the fight against poverty results in a broadening of

the significance given to the relationship between education and capabilities. Robeyns (2006) identifies education as a fundamental *capability input*, that is, a set of possibilities for individuals to develop and realise their capabilities. The meaning of the term education refers primarily to formal educational institutions and settings, whereas the central role in this context of organisations that are able to recreate relational and social capital in conditions of extreme poverty and social exclusion does not seem to have been adequately thematised. The acknowledgement of this significant educational contribution enables one instead to reconsider the connection between *education* and *capabilities* that are operating within a complex process, in which personal conversion factors, institutional conversion factors, family relationships and the relationships created through the volunteer organisations all come into play (Otto and Ziegler, 2006).

*An innovative good practice: the case of “Banchi di Solidarietà”*

In order to illustrate the important role played by the informal relationships that are created between the poor and volunteer associations, it would be useful to recount (albeit very briefly) an example we believe to be particularly significant, which has developed in this country over recent years in a rather highly innovative manner<sup>7</sup>.

The *Banchi di solidarietà* (BdS) initiative began in 1993, as an offshoot of a pre-existing catholic association (the *Centri di Solidarietà Association*) involved in providing hunger relief. The initiative, which involved 17 local organisations located predominantly in northern Italy, was launched through the creation of partnerships with the *Banco Alimentare* (the Italian Food Bank Network)<sup>8</sup>, which has always been responsible for collecting the food production surplus for the redistribution activities of the BdS. The *Federazione Italiana dei Banchi di Solidarietà* was founded in 2006 and became a separate entity from the *Centri di Solidarietà*. Legally speaking,

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<sup>7</sup> This information are elaborated from interviews with representatives of the organisation and from an analysis of the Association’s original documentation, collated by Ms. Anna Belli for her thesis towards her Master’s Degree in Education, entitled “Measures in the fight against poverty: the case of Banchi di Solidarietà”.

<sup>8</sup> Campiglio and Rovati, 2009; Pesenti, 2009.

therefore, the Federazione Italiana dei Banchi di Solidarietà is an association of associations, bringing together organisations that are primarily involved in responding to the needs of the poor through hunger relief efforts by providing home deliveries of foodstuffs to individuals and/or families suffering from serious economic hardship. Currently, there are more than 200 *Banchi di solidarietà* across the country, with a strong presence in the Lombardy region, where the organisation was started. They involve about 7,000 volunteers bringing food aid to some 100,000 needy individuals. A large majority of the food (more than 80%) is provided by the Food Bank Network's supplies. An additional 10% is collected from donations by shops and supermarkets, whereas donations from the public are extremely minimal (less than 5%).

The method of operation of the BdS involves collaborative efforts with organisations that are already invested in the social fabric: parishes, associations, volunteer groups. Over time the BdS have amplified their drive in establishing relationships and partnerships, involving schools through the "Donacibo"<sup>9</sup> (Donate Food) initiative and proposing the participation of families and work colleagues as food donors.

Since their establishment, the explicit intention of the BdS has never been to eradicate food insecurity; theirs has been an attempt to re-establish relational networks that would enable the people being assisted to confront their difficulty in its multidimensional entirety: the job search, the fragility of family ties, the educational needs of one's children and so on. Therefore, the focus has never been purely on welfare but rather a decision to accompany the needy in a process of personal growth and reinforcement of their capabilities. This approach was made possible, first and foremost, by an organisational element that is innovative in its simplicity, compared with the current practices in the voluntary sector. In fact, the delivery of foodstuffs is no longer provided through "food counters", as is the general case in the initiatives of the *Caritas* help centres or the distribution centres run by other organisations (for example the St. Vincent de Paul charities)

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<sup>9</sup> This is a one-day food drive carried out during the Easter season, involving the principals and teachers of area schools. The first edition of "Donacibo" took place in 2007. In 2012 311,852 students from 1,469 schools, ranging from nursery schools to upper secondary institutions, participated in this initiative.

within parishes: instead, the food bank volunteers provide a home delivery service, bringing the food packages directly to the homes of the individual or family. This feature helps establish a relationship of trust between the person in need and the volunteer, enabling the latter to progressively evaluate the multidimensional needs present in the household and identify (albeit in a purely informal manner) a personalised support and assistance plan structured along four lines: education on consumption choices, nutrition education, guidance on educational and training choices (for one's children but, in certain cases, for adults as well), guidance and support for re-entering the job market (for the unemployed). In order to achieve this, various types of local partnerships are created with actors specialised in matching job supply and demand, with family support associations, with professional training centres. In some cases, actual formal relationships are established with private social welfare organisations, or with public actors (especially the municipalities) to create synergies in dealing with the needs at hand. However, the underlying feature continues to be a relationship of support and care that is guaranteed by the volunteers, leading progressively (in the success stories) to an empowerment of the individual's capacities to the point (where possible) of liberation from a condition of need through the departure from a condition of social assistance.

### **Conclusion. Reconnecting the public and private sectors for truly multidimensional solutions**

What has been described in the preceding pages leads, in conclusion, to a reflection on what the construct of social policies and interventions should be so that they are also able to produce "capacitation" effects within the area of poverty reduction. It has been seen that the most widespread measures across Europe tend to favour one-dimensional responses, that impact primarily on the structural dimension (income), and bureaucratic services of "activation" and reintegration into employment of working-age people. However, the "welfare to work" logic from which these measures draw their inspiration, albeit with national differences, does not invest in the full recovery of the person's autonomy, thereby foregoing the possibility of influencing those capacities that are necessary for converting

choices on consumption, education, nutrition, health, employment, etc. into responsible courses of action.

In the case of Italy, which, for that matter, does not have a uniform “welfare to work” instrument addressing the poor, the social welfare system has historically been characterised by rigid functional differences between the state and private social welfare agencies, preventing (apart from a few rare exceptions at local level) the development of an authentic and comprehensive relationship bringing together the prerogatives of the state to provide a universalist remedy for the economic needs of the poor in order to meet citizenship rights with the typical methods utilised in the voluntary sector, aimed at a personalised approach to the response and the use of non-standardised methods of intervention (Rossi and Boccacin, 2006). The example of BdS, described briefly above, is just one of the many possible responses capable of illustrating the capacity for “social innovation” that is typical of non-profit organisations (Pesenti, 2009). Being innovative in the field of social welfare signifies satisfying social needs that currently lack a solution, as well as supporting and modifying social relationships and, in doing so, opening new avenues towards social inclusion (Moulaert *et al.*, 2005). Therefore, this capacity for innovation acquires validity in social economic terms, which translates into an increased ability to respond to needs in ways that go beyond the mere formal and economic dimension in order to impact on multiple needs where the primary response involves relational competences by the social actors in providing educational support to enhance the skills of adults.

In acknowledging these forms of social innovation it becomes necessary to define a means of *governance* that can be roughly interpreted within the mould of the principle of subsidiarity. According to this approach, the state and the local public administrations relinquish their role as direct administrators of the services and acquire a specific governing style shaped around a *governance* of the social networking system, that is, the set of projects in which the public and private actors propose to join forces to resolve social issues or create new opportunities within the social sphere (Donati and Colozzi, 2005). According to this interpretation, the concept of “public” loses its classic characteristics to become the semantic space identifying the set of goods and services produced by all citizens, regardless of the legal nature of the producing agent. Clearly, this

arrangement may have a large number of gradations, from the pure forms of deliberative democracy (Elster, 1998) to more structured forms of partnerships: in the latter case, the *governance* is based on a relational and collaborative approach centred on creating social partnerships (Boccacin, 2009).

In order to ensure the effectiveness of a poverty reduction strategy designed to provide economic support, it is necessary to intervene on the capabilities of the individuals to help them become more independent and rational through relational settings able to enhance their social, human and economic capital, which are essential for the proper utilisation of the added economic capital received from the state agencies. The improper application of subsidiarity through forms of low-cost, or no-cost, service contracts with the municipalities, which was found to be a fairly common practice within local welfare initiatives (Paci, 2008), involves the risk that the voluntary sector is called to cover the inefficiencies and lack of resources of the public authority with its generosity. Here we are looking at an overturning of the subsidiarity logic, which has driven the voluntary sector into an inappropriate position, leading to the typical prerogatives of the public actor being freed of responsibility. In the framework of the new generation of social policies, which, as stated, can no longer be conceived as being within the exclusive jurisdiction of the political and administrative sphere, but rather as open, pluralistic policies that are devised by networks of actors of different legal nature, considerable importance is given to the ability of these actors to coordinate efforts to find innovative models in which the unique nature of each actor can come to light. The challenge posed to the public authority on the one side, and the voluntary sector on the other, lies ultimately in the ability to define innovative ways in which to give full sense and meaning to the logic of subsidiarity and responsibility.

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