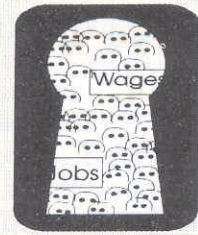


# WORKING NOTES

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FACTS AND ANALYSIS OF SOCIAL AND ECONOMIC PROBLEMS

## Can We **LEVEL** the Playing Field?

When Education Minister Donough O'Malley introduced 'free' secondary education in 1967 there were high hopes that it would lead to greater equality in educational opportunities. Certainly the scheme did lead to a greater proportion of children, about seventy per cent at present, staying on to attempt the Leaving Certificate.

However, in spite of the wider availability of Third Level grants since 1968, the increase in poorer children taking Leaving Certificate has not translated significantly into more of them entering Third Level. The most recent Report of the Higher Education Authority reveals the shocking figure of 41 as the total number of children from an unskilled manual background who entered Third Level Education in Ireland in 1989, the last year for which we have records. This is actually 135 fewer than the number from this socio-economic group who enrolled in Third Level education in 1984! The total population of this socio-economic group (adult and child) is estimated to be about 250,000. (see Fig 2)

The problem is that while it is open to any child, regardless of prior academic achievement, to attempt the Leaving Certificate, the same is not true of entering Third Level. At this stage the child comes up against the points barrier, and regrettably children from the lower socio-economic groups achieve, on balance, poorer results than those from higher socio-economic backgrounds (assuming they have stayed for the Leaving). There are several reasons for this, but one very important (and partly treatable) cause is simply lack of money. The notion that we have 'free' education is a myth. From the very start of primary education and right through secondary education the poorest children are handicapped by inadequate resources for books, equipment, grinds, extras, trips, proper nutrition, space and quiet and warmth to do homework, uniforms and good clean clothing (lack of which encourages absenteeism), and transport to school. Figure 1 illustrates the kind of spending constraints of the many families living on social welfare.

It can be observed that where the financial circumstances of poor families improve (through emigration, for instance), this usually translates in the

longer term into better educational opportunities for the children. It is striking in these cases how quickly, often within a single generation, many formerly poor families have produced accountants and other professionals. Somehow all the supposed handicaps of the poor, such as inferior genetic stock, absence of work ethic, or lack of regard for education, are swept aside by the simple application of a little money. This suggests of course that many of the cultural differences between families which affect education (such as reading habits or 'future time orientation') may be immediately or ultimately related to differences in income.

Incidentally, this analysis of the situation appears to be at variance to that proposed recently by in the Irish Times (Brendan McCabe, March 23, 1993). This gives the impression that schoolchildren are divided into two permanent classes, those whose parents have a job, and those whose parents don't have a job. The children whose parents don't have a job are bored and watch TV endlessly and indiscriminately while they look forward to a life of unemployment. Time should not be wasted, the writer argues, teaching these children much more than basic numeracy and the ability to handle money, how to use a phone directory and a public phone, how to fill forms, and the ability to distinguish between good and bad television.

While it is true that there may be homes without what the Irish Times refers to as "some degree of recognisable work ethic" it is certainly going beyond the evidence to suggest that this is a characteristic of all children "who have been reared in homes where they have never experienced the routine of regular employment". With 300,000 people currently out of work that would be a counsel of despair. That kind of analysis would render it inexplicable how a Britain of 4,000,000 unemployed in the thirties became a Britain of full employment in the fifties. How could the "work ethic", extinguished in all these homes, have been rekindled? Perhaps simply by the availability of jobs, a possibility that the Irish Times writer does not seem to make allowance for.

It is true that because the poor have less access to good education they are much more likely to become



unemployed. The unskilled manual group comprise 8.5 per cent of the population, but fully 20 per cent of the unemployed. Professionals comprise 5 per cent of the population, but only 0.5 per cent of the unemployed. This suggests that a child from an unskilled manual background is about twenty times more likely to end up unemployed than someone from a professional background.

The basic root of this gross inequality of opportunity is a gross inequality in wealth and income in our society. The poorest 20 per cent of the population own 0.2 per cent of the total wealth, and earn 5.5 per cent of the total income, in the state. The richest 20 per cent own just 60 per cent of the total wealth, and earn 43 per cent of the total income.

### The PAUL recommendations revisited

It would be wishful thinking to believe that any major equalisation of wealth or income is likely to take place in our society. However it would not require a great deal of redistribution to enable poorer children to get much more out of their primary and secondary education, substantially improving their employment prospects, as well as giving more of them the chance of going on to Third Level. The PAUL partnership in Limerick (1991) estimated that additional government spending of £71m. a year would enable even poor parents to pay school-related expenses. This money would be paid under expenditure heads of Clothing and Footwear, School Books, School Meals, Communion/Confirmation, and Double Child Benefit in certain months. In the context of annual expenditure of £1bn. on primary and secondary education, £71m. would be a modest price to pay for some levelling of a very uneven playing field.

## RELIGIOUS IN DEPRIVED AREAS:

### MINI-SEMINAR

There are now many members of religious orders living in poorer areas. Not all are equally clear how they can contribute to the local community, or how they themselves can benefit from living there.

In the Jesuit Centre for Faith and Justice we do not have any easy answers to these questions, but we have decided to host a mini-seminar where religious in this situation can discuss the issues together.

This meeting will be on 29th May 1993, 10.30 a.m., in the Jesuit Centre for Faith and Justice, 26 Upper Sherrard Street, Dublin 1 (round the corner from Gardiner Street Church). It is hoped to finish before 1.00 p.m.

If you are interested please phone or write to Bill Toner S.J. (740814/626-7413) or leave a message on the Centre answering machine and we will get back to you.

FIGURE 1  
COMPARISON OF EXPENDITURE BETWEEN  
AVERAGE FAMILY\* AND WELFARE FAMILY\*\*

ITEM	AVERAGE FAMILY	WELFARE FAMILY
	£	£
Food	60.08	44.95
Alcoholic Drink	9.04	5.02
Tobacco	8.44	8.23
Clothing & Footwear	10.29	2.69
Fuel & Light	14.30	11.55
Housing	45.65	15.76
Durable Household Goods	9.20	5.63
Other Goods	13.72	9.00
Transport	31.61	14.86
Services & Related Expenditure	43.65	13.91
Total all Items	242.17	130.93

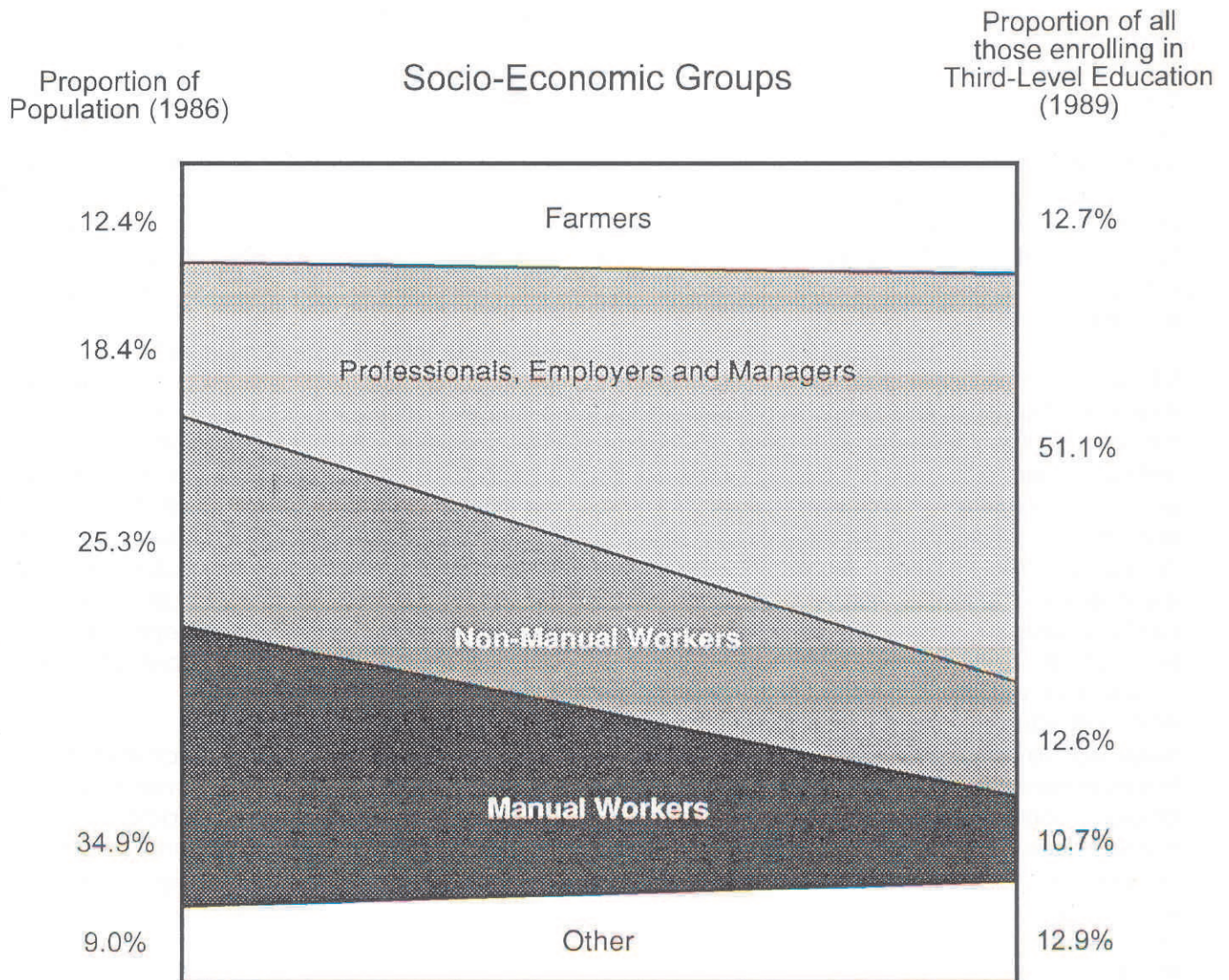
\* Average Family - Two adults and two children whose earned income matches the average adult male industrial wage.

\*\* Welfare Family - Two adults and two children whose only source of income is unemployment assistance.

Source: The Adequacy of Income and Family Expenditure - Jo Murphy-Lawless, Combat Poverty Agency, 1992



# Figure Two : The Un-level Playing Field



Distribution of Socio-Economic Groups in the Population compared with their distribution in Third-Level Education

sources: CSO, H.E.A.



# EXPORTING OUR PROBLEMS

## Book Review:

### The Irish Economy in a Comparative Institutional Perspective.

Lars Mjoset. NESCC, December 1992.

Norwegian sociologist Lars Mjoset was commissioned by the National Economic and Social Council to compare Ireland's economic performance with that of several other more successful small European economies such as Finland and Denmark. Mjoset identifies in Ireland a basic vicious circle which rotates around two facts: a weak national system of technical innovation, and population decline via emigration.

Mjoset identifies emigration and our attitude to it as the most important factor in understanding Irish economic development over 150 years. Rather than emigration being viewed as undermining society it was seen as necessary to ensure the wellbeing of those who remained in a largely static society. Mjoset contrasts the experience of Sweden in the early part of the century when it was also experiencing high emigration. In the Swedish case a coalition of social and economic forces came together and introduced policies which ultimately reversed the emigration trend. No such coalition has ever emerged in the Irish context. Ministers and economists do not talk about the failure of the economy to produce sufficient jobs for all our people. Instead they see the shutting off of emigration opportunities as being at the core of our current high unemployment. In fact emigration has had two baneful economic effects: most potential entrepreneurs chose to emigrate; and emigration prevented any pressure building up to improve social and economic policy.

Mjoset points out that patterns of growth and development tend to vary as between industrialised countries and Third World countries. Ireland shows characteristics of both types. Its lack of innovation and technical progress, and failure of import substitution, is characteristic of the Third World. This would normally lead to poverty and marginalisation. In Ireland's case this did not happen because so many emigrated. A major factor in preserving the vicious circle of

lack of innovation and emigration was the pattern of Ireland's trade. The Republic started with a minimal manufacturing base, and the loss of Belfast was a major blow. The dominant activity remained the exports of live cattle to Britain and very few industrial activities could relate to these exports. The prosperity in the cattle trade reinforced a conservative rural society which itself became part of the vicious circle. Moreover in comparison to other European countries Ireland hitched its wagon to the wrong star, tying itself to Britain's decline rather than Germany's economic miracle.

Since the late 1950s Ireland has tried to import a foreign system of innovation. Ireland has provided mostly labour to this system, but very few native Irish firms interact with it. It is possible to import industry but it is not possible to import development. Mjoset stresses that a major task for Ireland in the 1990s must be to stimulate a system of innovation which is truly home-grown. This is of course also a major thrust of the Culliton Report, as it was of the Telesis Report, and is also strongly underlined in the bishops' recent pastoral, Work is the Key.

Mjoset's study comes as a crucial time for national economic development given the recent painful experiences associated with our membership of the EMS. Many voices have been raised in favour of a return to the British sphere of influence on the basis that we never really left it in the first place. Mjoset's analysis suggests that this would be a disaster. However there are no easy choices. Many now speculate that Germany will increasingly look eastward rather than westward in determining its policies. However the choice of trading partners seems irrelevant compared with the task of tackling our structural problems.

Interestingly, Mjoset warns against any talk of consensus being the core of the success of the other small countries studied. He rightly points out that a long run consensus has operated in Ireland but it has been built around ongoing emigration and the perpetuation of a static society. The issue is not consensus as such but what the consensus is built around.





Over the coming year there will be an announcement concerning the availability of significant E.C. funding to "local community bodies".

The funding for this initiative is from the European Structural Funds in the form of a Global Grant. The purpose of this global fund is to:

"Support the development of indigenous potential at a local level. It will focus on measures which encourage and support local economic development initiatives, stimulate new economic activity, and support for local community based socio-economic development. In particular, the grant will aim to support and tap fully enterprise initiatives and to promote integrated economic, social and community development at local areas. It will aim to support the main forces of local development by providing funds to develop leadership and capacity where required."

The following bodies have been identified as recipients of the global grant:

The Area Based Partnerships set up under section VII of the PESP agreement.

Other local community bodies (outside the 12 PESP areas).

Global funding has been allocated to a Special Traveller's initiative.

The Global Grant will be administered and monitored by an independent intermediary Company called Area Development Management Ltd. (ADM). The Board of ADM include the following:

Gerry Ward	County Manager
Philip Mulally	Enterprise Trust
Des Fahey	Business Innovation Centres
Brian Geoghegan	Social Partner -Employers
Tony Garahy	Social Partner -Farmers
Brendan Hodges	Social Partner - Trade Unions
Mary Dorgan	Area Partnerships
Philip Watt	Area Partnerships
John Burns	Area Partnerships
Anastasia Crickley	Community Workers Co-op
Bill Farrell	Irish Rural Link
Helen Landers	Community Development Programme (outside PESP areas).

#### ADM COMPANY

The establishment of the ADM Company to administer and monitor the global funds has been specifically required by the European Community as a prerequisite of receipt of global funds. This is a particularly welcome development as for the first time community representatives will be able to participate in decisions related to the administration and monitoring of E.C. funds.

The ADM's role may also be expanded to cover global fund allocation to the proposed County Enterprise Partnership Boards in the near future.

#### FINANCING

The global funds have been allocated as follows:

ECU 5m - Area based companies

ECU 4.2m - To other local community bodies

ECU 0.5m - For technical assistance and feasibility support to local groups

ECU 0.3m - Operating costs of the ADM Company  
(note - ECU 1 is equivalent to IR £0.66)

#### INTEGRATED AREA ACTION PLAN

Before approving any funding from an eligible group, including the 12 area based partnership companies, the recipient of funding will have to submit an integrated area action plan drawn up in consultation with local groups and bodies, public agencies and local representatives of the Social Partners. Some of the measures which maybe considered eligible for funding include:

Enterprise creation and development, including financial assistance and information services for small enterprises, skills training, "diagnostic work" and promotion of the local area.

Training/Education and small scale infrastructures and environmental measures and measures designed to build the "capacity" of community organisations, including training and advice for the management of local development, inter-area networking and exchanges and the funding of community development workers.

Funding may be provided for technical assistance and feasibility support to local groups which can be helpful in drawing up the area action plans.

The detailed criteria for funding qualification have yet to be drawn up, and an advertisement explaining how local groups can apply for funding will appear in the media.

#### DOES YOUR COMMUNITY ORGANISATION NEED HELP?

Many organisations have difficulties with management, organisation and planning. With the advent of County Enterprise Boards, and the proliferation of schemes directed at the voluntary sector, these problems are becoming more pressing. Although a lot of expertise is available at community level, it is sometimes a good idea to bring in an outsider to take a fresh look at the situation. The Jesuit Centre for Faith and Justice offers an affordable consultancy service in the areas mentioned. Staff from the Centre, who have experience in community work, planning and management, can visit your area, meet with representatives, and advise on strategy and implementation.

If you would like further information contact

Bill Toner or Mick Creedon at 740814.



# CENTRALISATION UNDERMINING AREA PARTNERSHIPS?

Unemployment is the most serious social and economic problem facing our society. In particular Ireland like the rest of Europe has a growing problem of long-term unemployment. In Ireland long-term unemployment as a percentage of total registered unemployment has increased from 37% in 1983 to 67% in 1990

Given the particular problem of long-term unemployment the Government and the Social Partners as part of the Programme for Economic and Social Progress (PESP) accepted the idea of a local area based strategy as the principal policy response to the problem of long-term unemployment. This has taken the form of Area Based Companies, twelve of which were established, on a pilot basis, under proposals contained in Chapter Seven of the PESP.

The boards of the companies are made up of a 'Partnership' of the local representatives of State Agencies such as FAS, VEC, IDA etc., employers, farmer and union organisations (Social Partners); such as ICTU, IFA, CIF, IBEC and community based organisations. All the companies are located in areas of high unemployment and disadvantage. According to Chapter Seven of the PESP, the overall objective of the Partnerships Companies is to integrate the actions of the various organisations at a local level in a planned way. This type of approach was advocated by both NESC in their document 'A Strategy for the 90's' and more recently by the EC ERGO Action Research Programme which was established to examine the community-wide problem of long-term unemployment. The principle of local Partnerships has received support from various sources and would therefore seem an ideal policy from which to address long-term unemployment.

The principle of a local area response should entail the development of actions designed to meet the needs of a given local area, particularly in terms of the profile of the unemployed and the nature of the employment opportunities available in the area. Any labour market measure therefore has to be flexible to respond to local conditions. If one accepts this as an underlining principle an important question that must be asked is - have the partnerships as presently structured the capacity to develop and implement flexible local labour market measures?

Under the proposals contained in Chapter Seven the role of the Partnerships is primarily that of co-ordinating the activities of its constituent organisations at a local level. But the proposals states that the design of, and the budgets to implement, labour market measures for the long-term unemployed are

to remain within the relevant Government Department or State Agency at a national level, for example, the Department of Enterprise and Employment and FAS, the Department of Education, VEC's and third level institutions and the Department of Social Welfare. With such a proposed structure the Partnerships would appear to have the ability to design a local area action plan but lack the power or financial resources to implement this plan.

Despite the limitations of this structure the Partnerships have made efforts to respond to the needs of a given local area. For example, they have all received small amounts of global grant monies. (see article on page 5). The activities undertaken by the various Partnerships with this money vary, but in general, cover community and enterprise development, training and education activities. As well as being able to implement small scale programmes of their own, the Partnerships have proven of value in highlighting anomalies in State Policies which undermine participation in programmes or the takeup of employment by the long-term unemployed. However, it must be pointed out that the Partnerships are powerless to develop local actions to address these anomalies since they are dependent on a response at a national level by the relevant Government Department or Agency.

A major benefit of the partnerships is the opportunity they provided to create a dialogue between various agencies at a local level. Though this is good in itself the effectiveness of local dialogue, in terms of its impact on the local long-term unemployed, is again dependent on a national response and a willingness for individuals, at a national level, to become involved in and respond to the dialogue.

The important lesson from the experience in Europe is that neither labour market measures nor community development programmes alone can address the problem of long-term employment but that action in both areas is required to be implemented in an integrated local response. In Ireland we have accepted this principle by the establishment of structures in the form of local partnerships. Unfortunately we have still not developed labour market and community development policies/actions which have the capability to respond in a flexible manner to the needs of a local area. Irish labour market and community development policies are still far too centralised and particularly in the case of community development activities underfunded. This continuing insistence on developing and controlling policies at a national level is clearly restricting the development of a local response to the problem of long-term unemployment and undermining the potential of the local partnerships.

WORKING NOTES: Produced by the Jesuit Centre for Faith and Justice, Upper Sherrard Street, Dublin 1. Phone 740814. Use these working notes in any way you like, but please acknowledge the source if you are reproducing them.