ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

Urban Poverty in Europe – Poverty Reduction Policies and Measures

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Abstract. *This paper analyzes poverty reduction strategies and programs in 22 West-European cities. With the help of triangular-method-approach, the first results are presented. While major differences between cities can be seen in the aspects of poverty definition and measurement, the main risk groups are similar regarding urban poverty. The main causes of poverty (family structures, lack of labor market integration, migration, etc.) are mainly addressed at the micro-level. A big problem area in European cities is affordable housing. The fight against poverty is a multi-actor endeavor. On the local level, horizontal networking is essential. Nonprofit Organizations are a very important partner for reducing urban poverty. Concerning the success of poverty reduction programs both, poverty reduction, as well as prevention, is addressed. In addition, in the interviews with the city representatives, certain aspects that are important in the context of poverty reduction can be identified.*

Keywords: Anti-Poverty Policies, Best Practices, Networking, Poverty Measurement, Urban Poverty

JEL Codes: H75, I32, I38, I39

1. Introduction

Poverty is a much-described phenomenon and constitutes a complex fact, both scientifically and politically. As Nolan and Whelan (1996) show, poverty is not only an issue in undeveloped and developing countries, poverty also exists in rich European countries.

According to the European Union Statistics on Income and Living Conditions (EU-SILC[1]) data 112.9 million people or 22.5% of the population in the European Union (EU-28) were at risk of poverty or social exclusion (AROPE rate) in 2017 (Eurostat 2018). The AROPE rate uses the following criteria: at risk of poverty after receiving social benefits (income poverty), material deprivation, or a household with very low work intensity. A reduction in the number of persons at risk of poverty or social exclusion in the European Union is one of the key targets of the Europe 2020 strategy for jobs and smart, sustainable, and inclusive growth. One of the five headline targets is to reduce poverty by lifting at least 20 million people out of the risk of poverty or social exclusion by 2020. It is unlikely that the European member states will meet this target in 2020.

The fight against poverty is a multi-level government endeavor. In European member states, political responsibility is with the central government. However, in practice, an increasing number of responsibilities

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[1] EU-SILC is "a cross-sectional and longitudinal sample survey, coordinated by Eurostat, based on data from the European Union member states. EU-SILC provides data on income, poverty, social exclusion and living conditions in the European Union" (European University Institute 2019).

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for social policy and social services are transferred to local governments (Kazepov 2010; Martinielli et al. 2017). There is a long tradition that local governments collaborate with Social and Solidarity Economy actors on the local level in European cities. Nonprofit Organizations (NPOs) have a very long tradition in providing services for the poor as well as giving the poor a voice in their advocacy activities in their role as Non-Government Organizations (NGOs).

In six EU-countries (Austria, Belgium, Denmark, Germany, the Netherlands, and the United Kingdom), EU-SILC data show in ma more year trend higher poverty rates in cities than in rural areas. This serves as motivation to focus on the local government level with the aim to identify municipal best-practice cases and to derive policy implications for Austria. The research questions are:

- How do local governments measure poverty?
- What are the central causes of poverty and challenges when fighting poverty?
- How is the configuration of the interaction between network actors implementing successful municipal approaches?
- What are the characteristics of successful urban strategies and interventions?

Urban poverty has not only substantial economic and budgetary implications but also endangers social cohesion. It is about making people live a better life in growing cities. A successful approach in reducing poverty is, therefore, also vital for local, sustainable development in line with the United Nations Sustainable Development Goals.

2. Research Design

The multidisciplinary nature of the research project demands a triangular-method-approach. The research project applies as research methods the systematic literature review, document analyses as well as expert-interviews with representatives from local government and administration, associations, NPOs, and academics.

Since the project had started in March 2018, 132 interviews with 173 different interview partners were conducted so far. At the European Level 6 interviews (6 people), in Austria 55 interviews (72 people, including 23 city representatives), in Germany 16 interviews (29 people, including 13 city representatives), in Belgium 15 interviews (25 people, including 14 city representatives), in Denmark 8 interviews (8 people, including 3 city representatives), in the Netherlands 20 interviews (21 people, including 18 city representatives) and in the UK 12 interviews (12 people, including 7 city representatives) were conducted. Additionally, we analyzed the best practice documents that were provided by our interview partners.

For interpreting the data, the project follows a qualitative-interpretive paradigm. Case studies are conducted in Austria, Belgium, Denmark, Germany, the Netherlands, and the United Kingdom. Individual municipal approaches are compared based on deductive, as well as inductive identified characteristics. Recommendations of appropriate municipal approaches are retrieved from best practice cases. Due to the fact that the data collection is supported by an Austrian research grant, the findings from Austria are contrasted with the findings in the other five countries.

3. Results and Discussions

The findings, presented in the following, concentrate on the interview results of the city representatives – with city representatives, we mean persons from the city politics, the city administration, or from municipal enterprises. At the time of submission of the paper, 49 out of 78 interviews with city representatives were coded. The following table shows the cities from which the already available information comes from.

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Table 1: Analyzed interviews, differentiated by cities

Austria = 19	Belgium = 10	Denmark = 3	Germany = 8	The Netherlands = 7	The United Kingdom = 2
5x Graz	5x Antwerp	2x Aarhus	1x Berlin	3x Amsterdam	0x Birmingham
2x Innsbruck	1x Brussels	1x Copenhagen	3x Duisburg	0x The Hague	2x Glasgow
5x Linz	1x Ghent		3x Cologne	3x Rotterdam	0x London
7x Vienna	3x Liège		1x Leipzig	1x Utrecht	0x Norwich

(Source: self-compiled)

3.1. Local governments' definitions and approaches to measure poverty

Within the literature, two main concepts of poverty exist: absolute and relative poverty. While the concept of absolute poverty is based on the idea of the subsistence level and is still used in the development context, the concept of relative poverty is used predominantly in affluent societies. Relative poverty means that poverty is always related to the level of prosperity of a society (Foster 1998). When speaking of poverty in Europe, it is relative poverty.

Concerning the **definition** of poverty, there are various approaches. The narrowest approach is one, which exclusively relates to income poverty. For example, the city of Utrecht uses the social minimum (WSM) – if the income is 125% of the WSM or lower, they speak of a low income (or poverty). In many EU states, 60% of a country's medium income serves as a cut of rate. In quite a few cities, the number of recipients of social benefits is used as a proxy variable. A broader approach includes social participation chances and, therefore, social inclusion. This approach is used in EU-SILC, which focuses on the risk of poverty or social exclusion. The broadest approach, which was no topic in our interviews, focusses on well-being and happiness. Additionally, to high reliability on proxy indicators, our interviews showed that even on the level of individual cities (e.g., Duisburg, Utrecht), local government agencies differ in their definition of poverty.

With regard to the **measurement** of poverty, two main approaches can be classified based on the interviews – a (narrow) pure financial one and an extended one, because of the inclusion of the social dimension.

Within the financial measurement of poverty, the following can be distinguished:

- ***Income***: What counts as a low income varies greatly across the focus cities; some cities use the EU-SILC quota of a country's 60% medium income. Differences arise if income poverty is measured before or after housing costs. Most cities measure income poverty before housing costs. Notable examples are Glasgow and Cologne. In Glasgow, the family-size adjusted cost of social housing is deducted from the income threshold. In Cologne, the EU-definition of income poverty is adjusted in order to include the higher cost of living in Cologne.
- ***Social benefits***: This approach focuses on the number of people receiving conditional social benefits. In all four Austrian cities analyzed (Graz, Innsbruck, Linz, and Vienna), as well as in some other cities (Amsterdam, Liège), the persons who are receiving social benefits are counted as poor. Duisburg and Berlin use an extended social benefit approach. People who are dependent on transfers from SGB II[2] (in Berlin additionally, SGB XII[3]) are used for their poverty measurement.

[2] Unemployment benefit II is the basic social security benefit for employable persons in Germany, according to the Second Book of the Social Code (SGB II).

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- ***Combination of income and social benefits***: In Leipzig, the two indicators (income and social benefits) are combined for measuring poverty. Also, the city of Duisburg uses a combination of these two aspects.
- ***Combination of income and savings***: In Aarhus, as well as in Copenhagen, the income aspect is linked to savings. While the municipality of Aarhus has decided to use the OECD (Organization for Economic Cooperation and Development) definition in determining poverty, and added the criteria of family savings; in the city of Copenhagen, poverty is captured by people who three years in a row have: a) an equated disposable income under half of the median equated disposable income (nationwide), b) net saving per adult in the family beneath 100.000 DKR[4] and c) no adult students in their family.

The second and wider approach also includes the social dimension. This approach can be found in Ghent, Utrecht, and Brussels. Poverty measurement in the city of Ghent also starts with financial poverty (= people have less income to live a normal life standard), but then extended its measurement to the risk of poverty, and also the social inclusion. However, since there is no city-related data, they use the Belgian EU-SILC poverty rates. The city of Utrecht uses additionally to the income limit of 125% of the WSM whether people and families are able to pay for their basic living costs (basic package) and if they are able to pay for social participation (like birthday presents, participation in social activities, costs of traveling, etc.). In Brussels, poverty is recorded very comprehensively. In our focus cities, Brussel has the most elaborate statistical approach in the form of a Social Barometer. Poverty and at risk of poverty is measured in many dimensions. This includes indicators on income poverty, job market participation, educational status, health, housing, and also social participation and integration. Together with a socio-spatial analysis, the Social Barometer reveals strong and significant differences between municipalities and neighborhoods in the Brussels-Capital. In Antwerp, according to the interviewees, there is no measure of poverty in the city in general, but for evaluating poverty-reduction related services, the social administration uses a matrix that includes for the service recipients data in several domains: work, housing situation, finance, health, social network, activities of daily life, and domains in which people are working with individuals.

Irrespective of how wide the definition of poverty and how extensive the measurement approach is, a common finding is that the focus cites mainly have a statistical approach for evaluation poverty. The cities differ, how extensive the statistical approach is, and what local decision-makers' use as the main proxy (e.g., social benefit recipients, income poverty). The mere statistical approach provides several challenges for the cities. This starts with the issue of data availability. Although the EU-SILC data at the European level provide a basis for a comparison of the member states, there are often no corresponding figures for municipalities available. The full set of EU-SILC data is only available for the largest cities (e.g., London, Vienna, Berlin). The second point of critique is that indicators about the growing number of homeless people are not part of the EU-SILC data set. The figures on housing costs are also not city-specific enough. Another shortcoming is how social inclusion is operationalized and how the provided city infrastructure is accounted for. The Brussel example shows that for a more holistic statistical approach, a lot more dimensions should be included. Last but not least, it is necessary to move beyond a mere statistical approach. In order to guide urban anti-poverty policies, it is necessary to evaluate regular how successful the cities are in their fight against poverty.

[3] Social assistance is a state benefit to which people in need are entitled under certain conditions according to the Twelfth Book of the Social Code (SGB XII).
[4] Currency in Denmark: Danish krone.

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3.2. Central causes of poverty and the main challenges

The causes, risk groups, and problem areas in terms of poverty are very similar across the cities studied. Our interview partners addressed the **causes of poverty** almost exclusively at the micro-level and therefore focused on the main risk groups. Exceptions were Leipzig and Glasgow. In Leipzig, the interviewee stressed the system change from the German Democratic Republic (GDR) to the Federal Republic of Germany (FRG), which resulted in high unemployment rates. The social welfare reform – ten years of austerity with substantive welfare cuts, the introduction of universal credits with its benefit caps, and the changing labor markets, resulting in an increasing number of working poor – were identified as a major risk in Glasgow.

The first and most frequently mentioned **problem area** is **employment and employability**. Loss of job, long-term unemployment, (too) low income, temporary jobs, low work intensity, inadequate labor market skills, lack of qualification, and education are very crucial poverty drivers. The risk groups are the (long-term) unemployed, the low-skilled and those with a low level of education (e.g., early school leavers), especially so-called NEETS (= Not in Education, Employment or Training). Especially the transition between school and work/education is seen as a critical event. Also, the difficulties of people with physical or psychological disorders to get a job were addressed. The limited labor market integration of mothers with young children, or relatives needing care, was also a topic. In-work poverty is increasingly a problem, which was mentioned by the interviewees from the Austrian, British, and German cities. Also, in the Netherlands, there is a rising awareness that in-work poverty presents a challenge.

The second critical topic is **housing**. Affordable housing, housing overburden rates, and rising housing costs are very big challenges in many cities. The increase in rents and prices for apartments and houses are well above the increase in the average income and the inflation rate. Compared to the other countries, the situation was seen by the Austrian interviewees as less dramatic than in other focus cites. Affordable housing was only identified as a major challenge in Innsbruck. In Graz and Linz, the situation is in the middle range. Linz has a long tradition of cooperative social housing, Vienna, with its hundred-year tradition of social housing, is seen as an international best practice example, due to the high number of social housing. The most dramatic aspect and often referred to as the most visible of poverty is the situation of being homeless. All cities are confronted with a growing number of homeless people, despite their initiatives, prevent homelessness.

The third topic concerns the two ends of the age pyramid: **children and old people**. Almost every interview focused on child poverty. Child poverty is usually defined as children growing up in a poor family. According to interviewees (nearly in all cities), children are born into poor families, and therefore, there is the social challenge of inherited poverty. Growing up in a poor family increases tremendously, the risk of persistent poverty that is usually passed on to the next generation. The poor children of today are the poor adults of tomorrow. Regarding child poverty, the situation of the parents is usually referred to. Here main risk groups are single parents and families with three or more children. There are large country differences with respect to old-age poverty. While the topic seems to have arrived in other European cities (Antwerp, Duisburg, London), it is mainly addressed as a future challenge in Austrian cities. Minimum pensioners are the main risk group here. Unlike in the case of children and teenager poverty, the situation of minimum pensioners was portrayed by some interview partners as hopeless. For children and teenagers, education and labor market integration are seen as key drives to get out of the vicious poverty circle. Old-age pensioners do not have these options.

Occasionally divorces/separations, debts, addiction problems, and high living costs were mentioned as causes. Drug abuse was a particular topic in Denmark as a cause of poverty in Aarhus and Copenhagen. Aarhus also identified problems of social and cultural integration as a major cause of poverty in the city. In

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Copenhagen, also social inequalities in health care are mentioned. According to different city representatives, also migrants and refugees have a big chance of ending up in poverty. In the Dutch cities, the self-employed were also identified as a key risk group. When it comes to the gender issue, the interviewees refer to the women as a vulnerable group. Especially in conjunction with other factors such as e.g., migration, the risk is higher. In general, the interviews pointed out that the causes of poverty are usually linked.

3.3. Interaction between network actors on the municipal level

In the interviews with the city representatives, **the importance of horizontal and vertical networking** was always emphasized. The fight against poverty is a multi-level governance endeavor, as well as a multi-stakeholder endeavor. Anti-poverty policies are designed by the regional or central states, and the cities often lack policy-making competencies. With respect to the collaboration with the higher up government levels, the city representatives often felt quite powerless. This was stressed by most interview partners in Austria, Belgium, Germany, and Great Britain. The British interview partners felt particular powerless. Cities are often executing agents without sufficient human and financial resources. Other obligatory local government tasks, debt ceilings, and tight city budgets often leave very little room to finance their own programs.

Concerning the local level, the interview partners often emphasized the importance of good cooperation between the different local actors, namely the political actors, the different departments within the city administration, local government-owned enterprises, the social and solidarity economy in the form of NGOs and NPOs, citizens as volunteers and private sector actors. Concerning the relationships between the actors, it can be said that the cooperation of individual actors in the interviews was frequently classified as good but nevertheless as worthy of improvement with respect to resources, frequency of interaction, and the degree of collaboration.

Irrespective of the underlying welfare state concept, i.e., the liberal, the corporatist, or the social welfare state, there is a long tradition of collaboration with partners of the social and solidarity economy. In the focus cities, **NPOs** are the **most important system partner** of local governments in implementing anti-poverty policies by providing social services. NPOs have different roles in the fight against poverty. They carry out programs commissioned to them by the cities and higher up governmental levels, they augment the services provided by the public sector providers or they act as advocates for the poor and as a lobbyist to improve the effectiveness of anti-poverty policies.

Across the cities, great variations exist, how the responsibility for reducing urban poverty is divided within local governments, and how the collaboration with the local civil society actors is organized. The local governments see themselves as lead-stakeholders and, therefore, in steering or coordinating role.

The differences between the cities and how the other local actors are involved in the **local policy design** and service provision process start whether a city-wide plan to reduce poverty exists or not, and how such a plan is developed. Only a few cities have such a city-wide plan in one or across the relevant policy areas. City-wide plans exist in Amsterdam, Glasgow, and Leipzig. Since 2017, local governments in Great Britain must have a homelessness prevention strategy. Some Belgian cities have special anti-poverty networks for reducing child poverty. Additional to the involvement of social and solitary economy actors, a few cities also involve those who have experienced poverty in the local design of anti-poverty programs. Belgian and British cities are more advanced than in other countries.

Within the local governments, many cities still have a silo approach when it comes to the **intra-administrative division of labor**. One city department is responsible for poverty-related services, for children and young people, another one for social benefits, the third one for labor market-related issues, and

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another one for housing issues and fighting homelessness. The various city departments or agencies often have long-established partnerships with (selected) area-specific NPOs. Only a few cities have a more compressive approach, although poverty reduction should be integrated as a cross-sectional communal task. For example, in Innsbruck, a social coordinator is responsible for improving collaboration across the city agencies and beyond.

On the **service provision level**, the collaboration approaches between the cities and the other local civil society actors can be clustered as follows. The narrowest one is regular or event-driven information exchange meetings between city departments and other service providing actors, in particular, social service NPOs. The New Public Management approach is the second option. Here the provision of social services is contracted out to private partners, predominately in the area of poverty reduction to NPOs. A third one is the Public Governance approach. The responsibility for implementing anti-poverty programs does not mean any longer rest exclusively with the local administration but involves the engagement of many local actors, ranging from NPOs to volunteers and support by service clubs (like Lions and Rotary) and private companies in their community engagement activities. The different actors provide complementary services in line with their particular expertise. In the interviews, there are divergent opinions regarding the involvement of volunteers in the fight against poverty. On the one hand, NPOs and city representatives did draw the attention to the lack of (professional) expertise of volunteers and the limits of volunteering to compensate for budget cuts in the NPOs. On the other hand, interview partners addressed the special position (an anchor function) that a professional cannot and should not take. Compared to full-time employees, volunteers can go further and build friendships, while full-time employees must maintain a professional distance. Some anti-poverty initiatives, like the foodbanks or the mentoring and buddying projects for pre-school and school children or families with a migration background, would not be possible without the voluntary engagement of citizens.

3.4. Characteristics of successful urban strategies and interventions

According to city officials from Rotterdam, there are two approaches for combating poverty: fighting the causes of poverty and mitigating the consequences of poverty. For both, not only the financial aspect should be considered, but also other areas of life, such as health, work, education, etc. This brings us to the first point for successful poverty reduction strategies and programs. The fight against poverty is a cross-cutting issue and therefore needs a **holistic approach**. The cities of Amsterdam (Plan of Attack on Poverty), Glasgow (People Make Glasgow Fairer Strategy) as well as in Leipzig (Urban Development Strategy 2030) have implemented city-wide anti-poverty strategies. According to the city representatives in Antwerp, it is also necessary to think along the cross-sectional dimensions, which are not necessarily associated with poverty. The holistic approach to combating poverty is also addressed in the interviews in Vienna with regard to the accessibility and extensiveness of services offered.

The central role of **networking** was addressed by many interviewees. The city representatives from Liège stressed the importance of establishing poverty reduction as a cross-cutting task for improving the effectiveness of poverty reduction programs. According to the city of Leipzig, it is also important for the sustainability of anti-poverty initiatives that experts from different thematic areas collaborate in order to move beyond the high degree of fragmentation. A successful public action network needs the involvement of many local actors, among them local government/municipal companies, NPOs, and private companies. The underlying concept is the idea of public actions by a collaborative public governance network. Belgium is a showcase for collaborative governance approaches to reduce child poverty. In recent years, Belgium has established collaborative governance structures in which specialists and generalists in the fight against child poverty work closely together. In Belgium, the organization for public welfare services often acts as a

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principal, and the networks are steered by a professional network coordinator. Some interviews also addressed the importance of those affected by poverty (as experts in their own situation). According to the interviewee from Glasgow, the involvement of those affected is the 'key to success'. In Aarhus, it was pointed out that cooperative arrangements are also desirable in the financing of poverty programs, which contribute to relieving the burden on the local budget. The continuous provision of funds is an important factor in the financial sustainability of (successful) programs. British cities are experimenting with social value baskets. The guiding idea is to link public procurement with voluntary initiatives of private companies for the neediest ones. **Broad political support** is another important ingredient for successful approaches.

In an interview in Utrecht, the **exchange** with other countries, with regard to the success factors and failure factors of poverty reduction programs, was identified as a success factor. The improved data exchange between the actors involved in the fight against poverty is considered important in the interviews with city officials in Glasgow. Successful EU-funded urban model projects, like for example, housing first for combating homelessness or the information exchange of cities engaged in the Eurocities, were referred to by the other interview partners as opportunities to learn from other cities.

As mentioned above, a reoccurring topic was the misalignment of the de facto responsibilities of the cities and the **policy-making competencies of cities**. The lack of decision-making competencies was particularly criticized in the area of housing policies, labor market policies, and the design of the social benefits system (including corresponding austerity measures). An interview partner in Glasgow illustrated that in the area of labor market integration. In Liège, the interview partner stressed that the fight against poverty in Belgium is a federal competence and that the city is limited to implementing programs designed at up government levels. According to interviewees in Rotterdam, it is important for that reason that the municipal targets are also designed in such a way that they are within the communal sphere of opportunity. Berlin and Vienna as city-states are in a better situation, due to the fact that they are cities and regional states at the same time.

In terms of sustainability, the **long-term implementation of poverty reduction programs** is something our interview partners would like to see. Changing political priorities at all levels of government creates structural tensions for a sustainable social inclusion policy. Politicians want to see success before the next elections. Cities also complain between a mismatch about the delegated responsibilities and the budget provisions for the anti-poverty programs. Furthermore, according to the city representative from Leipzig, there is often a "projectoritis". Successful initiatives are often running out after a too short period of time. The project character prevents the sustainability of the initiatives, according to the interview partners in Graz. In the case of short term projects with a duration time of up to three years, a lot of time is initially lost with lobbying for the projects, their conceptual design, establishing service provider networks, and the creation of access to the target group. The requirement that it is an innovative model project, which is included in many funding programs, prevents effective projects from continuing. Failures can be reduced according to Leipzig city representatives, by funding programs that are planned over a longer period and by building on the experience of previous successful projects.

As another aspect that is linked to the sustainability of local anti-poverty reduction programs is the way of financing and the institutionalization level of **everyday facilities of the welfare state**, e.g., the provision of childcare facilities. Even if institutionalized childcare facilities are not directly linked to poverty reduction, the risk groups in particular profit from institutionalized childcare services, according to our interview partners in Linz and Leipzig. A sufficient mastering of a country's language is essential for a good start at primary school. The ambitious European aims for social inclusion cannot be achieved without a well-established social infrastructure at the level of the cities.

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When it comes to social benefits, **accessibility** is important. The non-take-up rates have been a reoccurring topic in Austria, Belgium, Germany, and Great Britain.The requirement for this is that people know the range of services and what they are entitled to. The bureaucratic burden of obtaining (especially financial benefits) is a major obstacle for those affected. For this reason in Leipzig and in many other cities, the importance of the low-threshold access to the benefit reference is addressed. This aspect is central to reach the target group.

City representatives in Graz stressed that the 'distribution of charity' is helpful in the acute crisis situation, but in the long run, it does not lead to a sustainable approach. – With regard to sustainability, **prevention** is very important. A re-occurring welfare state paradigm was that of the **social investment state**. The anti-poverty policy must start very early to prevent unsuccessfully educational careers, or in the areas of housing that people are becoming roofless. In Linz and in other analyzed cities (Vienna, Amsterdam, Antwerp, etc.), the focus on poverty prevention is very strong. In Berlin, Cologne, Ghent, and Rotterdam, there is a desire to increase prevention activities. As an essential element, education is seen here. Education should help prevent poverty, especially among the group of children and young adults. The interview partners in Ghent stressed, 'if you work with the children, you are working on the future because you are helping people at this moment, which will have an impact on these people's actions and lives in the future.' The poverty spiral can be broken through education and qualification. These early investments should take place through institutionalized childcare. This also allows parents, especially mothers, to increase their labor market participation or have time for qualifying for the labor market. This indicates a change in the welfare state towards the social investment state with its target groups, primarily children and women (Dobrowolsky 2002; Hemerijck 2013; Morel et al. 2012). It is about strengthening people's opportunities by investing in human capital to ensure their participation in society and the labor market. Another critical transition period, referred to by the city representatives, is the transition from school to the labor market. Cities have here a complementary role, as labor market policies are designed at the federal government level and are predominately executed by federal and regional labor market agencies. Cities carry out quite a few (qualifying) projects for young people up to 25 years in order to improve their employability. The interview partners also stressed the importance of programs for the long-term unemployed. Here most interview partners stressed the responsibilities of the higher up levels of governments. Regarding skills and abilities, the topic of e-inclusion in connection with digital illiteracy was also addressed, even though digital skills are not automatically associated with poverty. Since today's society handles a large number of areas via the digital network (including applications for social benefits[5]), the area is quite relevant.

Additionally, to a preventive anti-poverty policy in line with the social investment state paradigm, the interview partners also saw a particular need to address to lack of **affordable housing**. Today, in nearly all cities, the lack of affordable housing is a challenge not only for the poor but also for middle-class persons. With respect to housing policies, the market-oriented paradigm, with its high trust in the private sector provision of affordable housing and its focus on homeownership as an effective poverty prevention strategy, has failed. With respect to affordable housing, the British cities are in performing the worst ones, followed by Germany. In Germany, tax benefits for social housing were abolished in the 1980s. Many cities have privatized their housing stock in the last decades (e.g., on a large scale, German and British cities). The UK is rated by the European Commission as a country with the most overheated housing property market. A holistic approach includes the prevention, or homelessness and mitigating the consequences of being roofless. Amsterdam, Copenhagen, Glasgow, and Vienna were first-movers with respect to the 2011 EU-

[5]. A city representative from Linz adds that the high bureaucracy involved in applying for social benefits means that people arrive and stay in poverty.

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funded “Housing first”-initiatives that combine getting people off the street with intensive social counseling. To reduce the lack of affordable housing, an increase of the market share of social housing is necessary by building new apartments. Depending on their financial situation, cities can either increase their activities as owners of council houses, support nonprofit housing cooperatives, and have policies in place that when a city sells the land, a certain percentage is earmarked for social housing projects (e.g., in Vienna 60%). In our sample, only the cities of Amsterdam and Vienna can look back on a century-old tradition of social housing. This shows that a very long term approach is necessary. "Wiener Wohnen" is an international best practice example with its 100-year history of social housing. Most of our interview partners who focused on affordable housing also stressed the importance of a mixed social structure in the city quarters. The trends of the gentrification of the inner cities need to be reduced. Nonprofit housing cooperatives are also seen as a relevant provider of social housing. Some cities are also experimenting with new forms of housing cooperatives. Additionally, an interview in Antwerp suggested a kind of area-specific ‘Tinder’ – People who want to live together can find each other through this platform and thus save money on rents. Nearly all interview partners called for legislative reforms, which substantially reduce the building costs.

Summing up, a successful local government approach to reduce poverty is a multi-level and multi-stakeholder endeavor. The municipal approaches are embedded in the national welfare state arrangements, the risk group-specific policy design competencies as well as the fiscal and regulatory autonomy delegated to the local governments. On the local level, it is necessary to establish a holistic anti-poverty policy, addressing the specific challenges the particular city has to deal with. Under sustainability aspects, long-term orientation and a focus on prevention are called for. In line with the public governance approach, successful urban initiatives are a collaborate undertaking of the local civil society actors.

4. Conclusions and Recommendations

Summing up, the findings show that cities define poverty primarily as income poverty, and mainly use the number of social welfare recipients for measuring poverty. More elaborated approaches are based on a broader set of indicators for measuring social inclusion and for capturing central causes of poverty. In order to get a better picture of the effectiveness and trends in urban poverty, it is required to move beyond the statistical measurement approach. Additionally, to the statistical approach, it is necessary to evaluate on a regular basis the success of a city's specific anti-poverty strategy.

With regard to the causes of poverty, the interviewees focused primarily on the micro-level. Single-parent families, families with at least three children, un-skilled persons, long-term unemployed persons, migrants (first and second generation), and refugees were frequently mentioned as main risk groups. The three most frequently mentioned urban poverty challenges are the lack of labor market integration (unemployment and in-work poverty), the lack of affordable housing (social housing and homelessness), and child poverty. Old-age poverty is more pressing outside Austria. However, in Austria, old-age poverty is seen as a future challenge.

Means-tested conditional social assistance payments are one side of the approach to how welfare states deal with poverty. The British cities operate under the most restrictive welfare state system, in line with the ideas of the liberal welfare state. Corporatist welfare states, like Austria, Belgium, and Germany, rely to a varying degree on labor market integration. Denmark, with its tradition of the social-democratic welfare state, has a very restrictive policy against non-EU migrants when it comes to the entitlement towards social assistance. In line with the social investment state paradigm, education and labor market integration are key drivers to reduce poverty. Therefore, the fight against poverty must start very early at the level of pre-school children. Quite a substantial number of local in-poverty initiatives are targeted at children and unemployed

ISSN: 2247-6172, ISSN - L: 2247-6172
Review of Applied Socio- Economic Research
(Volume 18, Issue 2/ 2019), pp. 118-128
URL: http://www.reaser.eu
e-mail: editors@reaser.eu

young people (up till the age of 25). Mitigating the consequences of homeless is another main area of municipal programs. The lack of affordable housing in urban areas needs a multi-government approach across all government levels. Those cities which have not sold their social housing stock to private investors now have better conditions to tackle those particular challenges.

Successful local approaches to reduce poverty is on many shoulders. The social and solidary economy is the most important system partner at the city level, by providing its expertise on the structural and individual causes of poverty and for designing local anti-poverty strategies. Furthermore, they are carrying out government-commissioned social programs and by complementing the city-run programs with their own initiatives in the areas of social service provision and social housing.

5. Disclosure Statement

Supported by funds of the Oesterreichische Nationalbank (Austrian Central Bank, Anniversary Fund, project number: 1 7 6 4 8).

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Manuscript received: 15.09.2019

Manuscript received in revised form: 14.10.2019

Manuscript accepted: 16.10.2019