

*The outcome is a thought-provoking new approach towards combating poverty. Poverty and the Third Way uncovers how New Labour's employment-focussed approach causes, rather than resolves, poverty.*

Such neighborhoods also tend to be racially segregated, with high rates of crime and disorder and low quality public services. Put differently, the concern is that poor families who are living in high-poverty neighborhoods are doubly disadvantaged because of the additional adverse effects on their life outcomes from the neighborhood environment itself. The most famous articulation of this theory came in when sociologist William Julius Wilson published an influential book called *The Truly Disadvantaged*, arguing that the growing geographic concentration of poor minority families in urban areas contributed to high rates of crime, out-of-wedlock births, female-headed families, and welfare dependency. Housing policy affects the geographic concentration of poverty in a variety of ways, including decisions about where and how to build government housing projects for the poor,<sup>4</sup> whether to provide housing assistance to low-income families in the form of housing projects versus housing vouchers that let families rent units in the private market,<sup>5</sup> and policies that affect the availability of housing for poor families in lower-poverty areas, such as suburban zoning rules. Rather the impacts are seen in areas such as physical and mental health, and the overall sense of well-being or happiness of poor families. *Concentrated Poverty in America* The concentration of low-income minority families in highly-segregated urban neighborhoods that Wilson wrote about remains easy to see in most American cities. This is particularly true where I live—on the south side of Chicago, in the Hyde Park neighborhood that is home to the University of Chicago. Abandoned buildings, crime, and poverty are all far more common in these neighborhoods than in Hyde Park. Indeed the stark differences across neighborhoods in social composition and social conditions are among the most striking features of American cities. While our cities remain extremely segregated, it is encouraging that levels of racial segregation peaked in and have been declining ever since. New research by Harvard professor Edward Glaeser and Duke professor Jacob Vigdor<sup>8</sup> shows that levels of racial segregation are, by some measures, as low as they have been since. Given the strong correlation across neighborhoods at a given point in time between racial and economic composition, it is natural to assume that if racial segregation is declining, income segregation must be declining as well. But, surprisingly, that is unfortunately not the case—since the poor are increasingly likely to live in neighborhoods populated by lots of other poor families. For example, the construction of high-rise public housing projects that became notorious nationwide—like Pruitt-Igoe in St. At the same time, many suburban townships used zoning rules to keep out low-cost housing. Yet empirically isolating the independent effects of neighborhood environments on the life outcomes of residents turns out to be quite challenging, because most people have at least some degree of choice regarding where they live. A large body of research dating back to the 17th century shows that people who live in relatively more distressed neighborhoods tend to have worse life outcomes than do those people living in less disadvantaged areas, even after statistically adjusting for the characteristics of the individuals and their families that we can measure in our social science datasets. What remains unclear is the degree to which these patterns reflect true neighborhood effects—that is, the causal influence of neighborhood environments on the life outcomes of residents—or instead reflect the influence of hard-to-measure characteristics of people or families that lead them to wind up living in different types of neighborhoods—what social scientists call selection bias. The first quasi-experimental evidence to support the idea that neighborhoods may exert large effects on poor families arose from a discrimination lawsuit against the Chicago Housing Authority CHA filed on behalf of a black public housing resident named Dorothy Gautreaux. Follow-up research has provided some support for this concern and has tended to find smaller impacts on family outcomes. Eligibility for MTO was limited to low-income families with children living in selected distressed public housing or project-based housing in five cities: These projects were also extremely racially segregated. Almost all of the MTO participants from the Baltimore and Chicago sites are African-American, while the other three sites are split about evenly between blacks and Hispanics. There were very few white families in these housing projects, and as a result there are very few whites in the MTO study

sample. Between and , MTO enrolled a total of 4, families. Surveys collected at baseline Table 1 show just how disadvantaged these families were when they signed up for the MTO program. Fewer than two of five MTO household heads had a high school diploma, while three-quarters were on welfare. It is perhaps not surprising, then, that far and away the most important reason families signed up for MTO was safety. Three-quarters of MTO applicants said getting away from gangs and drugs was the first or second most important reason they signed up for MTO. The families that volunteered for MTO were then randomly assigned to one of the following three conditions: The Low-poverty voucher group was offered the chance to use a housing rent-subsidy voucher<sup>16</sup> to move into private-market housing in lower-poverty areas. Families had to stay in these neighborhoods for one year. If they moved before the year was up, they would lose their voucher. But after their initial one-year lease was up they could use their housing voucher to move again, including moves into a higher-poverty area. Families in this group also received housing search assistance and relocation counseling from local non-profit organizations. Families in this group also did not receive any special housing mobility counseling beyond what is normally provided to voucher-holders. The control group did not receive access to any new services through MTO, but did not lose access to any housing or other social services to which they would otherwise have been entitled. Random assignment in MTO helps overcome the self-selection concerns with previous observational non-experimental studies by creating groups of families who are comparable in all respects but differ in the housing and neighborhood conditions that they experience. As a result, any differences across groups in their average outcomes can be attributed to the MTO mobility intervention itself. Not all of the families who were offered a MTO housing voucher used them. While many people outside the housing-policy research community have been surprised that these take-up rates are as low as they are, these figures are generally similar to what has been found in previous studies of other housing voucher programs. The difficulty of finding affordable housing in the allowable time may have been particularly challenging for families in the Experimental group, who were restricted to looking in low-poverty census tracts. Some families in the Experimental group did not relocate because they did not attend all of the life-skills counseling sessions that the local non-profit organizations assisting with the housing search required them to complete before looking for housing. It is worth keeping in mind that many of the proposals that have been raised to increase voucher take-up rates may create some difficult tradeoffs for policymakers. The fact that only some of the families who are offered MTO housing vouchers actually use them does not introduce any selection bias into our analyses. Our research team carried out analyses that generate two types of estimates: The tract share minority for those who moved with a low-poverty voucher was lower by a statistically significant amount, but even those who moved with a low-poverty voucher were still living in census tracts in which fully three-quarters of all residents were members of racial and ethnic minority groups. MTO also had very modest impacts on the quality of the local public schools children attended, as indicated for example by school-wide average scores on standardized achievement tests. With respect to those outcomes the MTO findings were somewhat disappointing. Figure 2 shows that adult employment rates increased overall during the year period over which we followed up with MTO families, but that the average employment rates were nearly identical across the three randomized MTO groups. We also found few detectable differences in schooling outcomes for children across the three randomized MTO groups<sup>27</sup> even for children who were very young pre-school age at the time their families moved through MTO. Quarterly Employment Rate by Random Assignment Group and Calendar Quarter<sup>28</sup> On the other hand, we found that moving to a lower-poverty neighborhood through MTO had very large beneficial impacts on several important physical health outcomes see Figure 3, which builds on results we published in October in the *New England Journal of Medicine*. For an American woman of average height five foot four this would correspond to a weight of about pounds. Moving with an MTO low-poverty voucher reduced the risk of extreme obesity by about one-third. Health Outcomes by Treatment Group<sup>31</sup> As a way to think about the size of these MTO health impacts, one of the most pressing public health problems in the U. Another way to think about the size of these impacts is to note that they are similar in magnitude to what we see from the leading medical treatments for diabetes, including medication. These sorts of comparisons are always a bit complicated because clinical trials of medical interventions typically enroll study samples that are not nearly as

economically disadvantaged as the one that signed up for MTO. But still, the fact that changing neighborhood environments has perhaps the same size effect on diabetes as leading medical treatments that are explicitly designed to reduce diabetes is striking. We also found very sizable impacts of MTO on several important mental health outcomes as well, including major depression. Moving with either a low-poverty voucher or traditional voucher in MTO reduced the risk of major depression by over one-quarter. These impacts compare favorably with what we see from best-practice medical treatment for depression. The effect on mental health from moving to a lower-poverty neighborhood is not so different from that of taking anti-depressants like Prozac. What are the net implications of this mixed pattern of results for the low-income families who moved through MTO? The lack of detectable effects on outcomes to which social scientists and policymakers often pay great attention, such as earnings or test scores, has led many observers to draw a negative conclusion about the importance of neighborhood environments for families in MTO. And it is indeed true that MTO suggests that changing neighborhoods alone may not be sufficient to improve labor market or schooling outcomes for very disadvantaged families of the sort that enrolled in MTO. But does that mean MTO moves did not make the families better off? To understand whether MTO moves made families better off as they see it, we asked them. The surveys we carried out for the year follow-up included the standard question used in the General Social Survey GSS since the s: We found that MTO moves generate sizable gains in the subjective well-being or happiness of the heads of household,<sup>33</sup> despite the fact that MTO moves did not change their labor market outcomes or the schooling outcomes of their children. Our analysis also found that the neighborhood characteristic that is most strongly associated with the happiness or self-reported well-being of families is poverty rather than racial segregation. From a public policy perspective this is important because, as noted earlier, over time the level of racial segregation of American neighborhoods has been declining, while in contrast the level of income segregation has been increasing. Our results suggest that the harmful effect of disadvantaged neighborhoods on the well-being of poor families is getting worse, not better. Implications for Public Policy MTO is one of the largest and most ambitious social-policy experiments carried out by the U. One way to read the MTO demonstration is as an evaluation of a program voucher-assisted residential mobility that policymakers might consider carrying out at scale. One thing we have learned from MTO is that this sort of mobility program can have surprisingly large, beneficial impacts on important mental and physical health outcomes. Whether these benefits from MTO are large enough to justify the costs of the mobility program is difficult to determine with the available data. Many housing economists believe the costs to government housing agencies of an MTO-like switch from public housing to housing vouchers is likely to be negative—that is, to save money. But some of the most important potential costs of MTO are unlikely to show up on any government budget spreadsheet. The whole logic behind MTO—that being surrounded by relatively more affluent neighbors could be good for the life outcomes of low-income families—raises the possibility that MTO moves could have adverse effects on other families outside of the MTO demonstration who are living in destination areas or the origin neighborhoods that MTO families left. In principle it could be that mobility programs like MTO are just a zero-sum game, with the benefits to MTO families from living in a lower-poverty area being exactly offset by adverse impacts on other families in destination areas from experiencing an increase in the poverty rate of their neighborhood. MTO is great for studying the effects of MTO moves on the movers, but is not well suited to learning anything about these larger society-wide effects. A common reaction to MTO is to conclude that since MTO-like moves did not generate detectably large gains in schooling and labor market outcomes, then more intensive mobility interventions are needed. But it is not obvious that such mobility programs will necessarily have the effects on schooling and labor market outcomes that proponents hope for, or that such policies are feasible at large scale. One reason I am not sure that more intensive mobility programs will necessarily generate big schooling or labor market gains comes from looking at MTO data across sites and groups using the quasi-experimental dose-response model described in a recent scientific paper by economists Jeffrey Kling, Jeffrey Liebman, and Lawrence Katz. One qualification here is that there is one particular type of move—namely, to affluent, mostly-white suburbs—are not very well represented in the MTO data. While MTO itself does not have much to say about those sorts of moves, follow-up Gautreaux research using longitudinal administrative records has not found large beneficial effects

from moving to the suburbs. The standard concern has to do with political feasibility, given some of the political opposition that arose to MTO itself. If we had all the money in the world, the first-best way to learn about community-level interventions is to carry out randomized experiments that test community-level interventions. But implementing most community-level programs in enough communities to provide adequate statistical power to detect effects quickly becomes cost-prohibitive. A large share of the people who currently lived in the new-and-improved neighborhood would have moved in from somewhere else. So over the long term MTO and a community-level intervention might wind up looking not all that different. Of course there is the question of how results for the MTO sample might generalize to other samples and contexts, which is always an important qualification to keep in mind with any social-science study whether that is an experiment or an observational study. Moreover given their high level of vulnerability to a range of adverse life outcomes, low-income families living in our most distressed urban areas—like the families enrolled in the MTO demonstration—have understandably and appropriately received disproportionate attention in public policy conversations. But neighborhoods may be extremely important for physical and mental health outcomes, and for the overall level of well-being for poor families. If the goal of social policy is defined narrowly as that of reducing income poverty, then the growing geographic concentration of poverty in America that we have seen since might not be at the top of our list of concerns. But if the goal is understood more broadly to be about improving the lives of poor families, then the geographic concentration of poverty is very much worth worrying about. He is an economist by training and in was elected to the Institute of Medicine of the National Academies of Science. His research focuses on housing, poverty violence, crime, and urban education. For the past 15 years, Ludwig has been involved in the study of a large-scale social experiment carried out by the US Department of Housing and Urban Development, Moving to Opportunity, which recently published a report in Science on the influence of neighborhood income segregation on circumstances such as physical and mental health.

**Chapter 2 : Defeating hunger - Third Way**

*Taking the Third Way out of its narrow party political context, this book argues that it is necessary to harness work beyond employment in order to pave a Third Way beyond capitalism and socialism. The outcome is a thought-provoking new approach towards combating poverty.*

Yet the class divide is not monolithic in its nature, causes, or geography. Housing represents a central, if not dominant, factor in the rise of inequality. Although the cost of food, fuel, electricity, and tax burdens vary, the largest variation tends to be in terms of housing prices. Even adjusted for income, the price differentials for houses in places like the San Francisco Bay Area or Los Angeles are commonly two to three times as much as in most of the country, including the prosperous cities of Texas, the mid-south and the Intermountain West. These housing differences also apply to rents, which follow the trajectory of home prices. This has a particularly powerful impact on the poor, the working class, younger people, and middle class families, all of whom find their upward trajectory blocked by steadily rising housing costs. In response to higher prices, many Americans, now including educated Millennials, are heading to parts of the country where housing is more affordable. Jobs too have been moving to such places, particularly in Texas, the southeast and the Intermountain West. As middle income people head for more affordable places, the high-priced coastal areas are becoming ever more sharply bifurcated, between a well-educated, older, and affluent population and a growing rank of people with little chance to ever buy a house or move solidly into the middle class. Ironically, these divergences are taking place precisely in those places where political rhetoric over inequality is often most heated and strident. Progressive attempts, such as raising minimum wages, attempt to address the problem, but often other policies, notably strict land-use regulation, exacerbate inequality. The other major divide is not so much between regions but within them. Even in expensive regions, middle class families tend to cluster in suburban and exurban areas, which are once again growing faster than areas closer to the core. By shutting down the production of family-friendly housing, these areas are driving prices up and, to some extent, driving middle and working class people out of whole regions. Without allowing for greater options for the middle class and ways to accumulate assets, the country could be headed not toward some imagined social democratic paradise but to something that more accurately prefigures a new feudalism. The Affordability Crunch Source: Thomas Piketty, the French economist, recently described the extent to which inequality in 20 nations has ramped up in recent decades, erasing the hard-earned progress of previous years in the earlier part of the 20th century. Today, house prices in places like San Francisco and Los Angeles are up to three or more times as high, when adjusted for income, than most other metropolitan areas. For most new buyers, such metropolitan areas are becoming exclusionary regions for all but the most well-heeled new buyers. US Census Bureau, Harvard University and Demographia data Regulations frequently diminish the supply of housing, particularly single-family homes. Houston and Dallas-Fort Worth, areas with less draconian regulations, issued three times as many permits per capita last year. New Houses Building Permits Source: US Census Bureau data California is an extreme case, but one that has national significance. By setting up greenhouse gas emissions goals as prepatory local policies, the state has now abrogated to itself to control land use and zoning across the state. For one thing, the restrictions on housing development—including urban growth boundaries, fees, and extensive controls on density and transportation improvements—have led to soaring house prices, even in places with modest economic growth, and high energy prices. The result has been to make California a state with enormous natural and human resources—the state with the worst housing cost adjusted poverty rate in the country<sup>16</sup> and home to roughly one-third of all welfare recipients. Overall during the last decade, the urban core population aged 5 to 14 dropped by ., almost three times the net gain of ., residents aged 20 to . In Manhattan, singles make up half of all households. Four decades later, they comprised just . Historian Becky Nicolaides suggests that whatever their other differences, intellectuals generally agreed about suburbia: Roughly four in five American home buyers, according to a study conducted by the National Association of Realtors and Smart Growth America, prefer a single-family home. Housing Preferences, Realtors Survey Source: US Census Bureau data Nor does this desire seem to be fading. To be sure, suburban

growth slowed in the immediate aftermath of the recession, after having been driven artificially high by the loose mortgage lending standards during the housing bubble. The real estate-tracking website Trulia reported that between and , ZIP codes that were less dense than average grew at double the rate of those that were more dense than average in the 50 largest metropolitan areas. The Brookings Institution, U. Census Bureau Fundamentally, America remains a suburban nation, and seems likely to remain that way. Core Municipality Share of Growth Source: If it were a country, New York City overall would have the 15th highest inequality level out of countries, according to James Parrott of the Fiscal Policy Institute, landing between Chile and Honduras. New York City, the densest and most influential urban environment in North America, exhibits the most profound level of inequality and the most bifurcated class structure in the United States. Urban analyst Pete Saunders has suggested Chicago is really now two different cities: During the first 10 years of the new millennium, the number of neighborhoods with entrenched urban poverty actually grew, increasing from 1, to 3., and in population from two to four million. Within the 51 metropolitan areas with more than 1 million in population, notes demographer Wendell Cox, suburban areas were less unequal measured by the Gini coefficient than the core cities in 46 cases. Census, Current Population Survey data Figure Particularly revealing has been the performance of Texas cities compared to those on the coast between and A modest loss was posted in Austin, which ranked 13th, while Dallas- Fort Worth placed in the top half, at 25th. Texas ranked 10th among the states, with a gain in its combined middle-income and upper- income segments, while California ranked 26th and saw a decrease in its combined middle-income and upper-income population. Whereas roughly a quarter of urban core residents own their own homes, over three- fifths of residents in older suburbs and more than seven in 10 of those in newer suburbs and exurbs own theirs. The increase in homeownership, notes historian Stephanie Coontz, between and was greater than that achieved in the preceding century and a half. Homeownership Rate, Source: Census Bureau Ownership provided a cornerstone in this process. As sociologist Robert Lynd noted: Homes represent only 9. Makeup of Assets by Household Wealth, Source: Research for the Woodrow Wilson Center has indicated that homeownership was generally considered more important after the housing bubble than it was beforeâ€”even after the damaging housing crisis, Americans still continued to sanctify homeownership. Merrill Lynch â€” Age Wave, Millennials are proving more like their parents in their purchases than commonly assumed. The National Association of Realtors surveyed the housing types that had been purchased by homebuyers in and House Purchases Under Age 35 Source: National Association of Realtors, In recent years, Millennials, seeking reasonable rents and the possibility of purchasing a home, have also begun to move to more affordable areas. A recent account by the magazine Techcrunch traced the percentage of income paid by generation in California. Changing Migration of Millennials Source: In relatively slow-growing California, they represent four out of five new buyers. In New York, the immigrant portion of housing growth is two-thirds. Home Ownership Rate, Source: Census American Community Survey, Overall, the geography for upward mobility is changing. Gerard Mildner, the Academic Director of the Center for Real Estate at Portland State University, notes that a high rise over five stories costs nearly three times as much per square foot as a garden apartment. FBI Statistics , Major metropolitan areas average. Census American Community Survey Some researchers insist that, despite higher costs, dense urban places deliver outsized benefits to their denizens, including the poor and minorities. For example, in , nine of the 10 most affluent cities, according to Brookings Institution data, were in the United States, and all were low-density by international standards. Second-ranked Hartford, fourth-ranked Bridgeport and sixth-ranked Boston all had urban densities approximately one-quarter or less that of European urban areas. At the same time, many of the functions of urban-centered sectors, such as finance and business services, have tended to shift their management and support services to other, less expensive regions. Big money and financial power may remain concentrated in Gotham, but jobs, particularly for the middle income worker, increasingly are not. Sometimes less than a hundred employees are involved, as opposed to the thousands that might have been located in a downtown headquarters decades ago. Finance Industry Growth, Source: Wendell Cox, based on U. Neighboring San Mateo County still holds more than five times as many jobs in software publishing as San Francisco. Suburbs Dominate Job Growth Source: City Sector Model Calculated from Census Bureau data Most STEM employmentâ€”jobs in science, technology,

engineering, or math”remains firmly in overwhelmingly suburbanized areas with lower-density development and little in the way of transit usage. Many of these same unassuming regions are creating new STEM jobs faster than the high-tech stalwart locations. One retro-urbanist author, David Owen, in his book *Green Metropolis* suggests that the planet needs to live in densities associated with his former Manhattan home, although he himself moved to bucolic Connecticut. Indeed much of the research advocating density as a solution to climate change is deeply flawed, since it usually excludes GHG emissions from common areas, including elevators, and from lighting fixtures, space heaters, and air conditioners, usually because data is not available. Improved mileage on cars, including electric and natural gas or hydrogen-propelled vehicles, would thus be far more impactful, not to mention less disruptive. The shift to home-based work, which is now growing far faster than transit use, directly addresses some environmental problems often associated with suburbs, notably issues around auto commuting. The environmental savings related to reducing office energy consumption, roadway repairs, urban heating, office construction, business travel, and paper usage as electronic documents replace paper could also be prodigious. Mark Schill, Praxis Strategy Group, [http:](http://) Without access to affordable, usually suburban homes, working and middle class families face a somewhat dismal future. Draconian attempts to limit or even eliminate suburban growth would guarantee that people without wealth will be hard-pressed to achieve upward mobility. One approach would be to draw on the successful policies enacted after World War II. The solution combined governmental activism”through such things as the GI Bill and mortgage interest deductions”with less regulatory control over development. These new suburbs, as well as in-fill projects, could open up the housing market to more minorities and Millennials, while serving to lessen the burden on rents. These new suburbs”as well as older ones”could be adapted to encourage such environmentally beneficial aspects as home-based work, solar power, bicycling, and open spaces without undermining the fundamental attractions of lower-density living. Attempts to subsidize new units in such diverse places as San Francisco, New York, and San Jose have not altered significantly market dynamics and might also have driven up prices for nonsubsidized units. Following our current path, we can expect our society”particularly in deep blue states”to move ever more towards a kind of feudalism where only a few own property while everyone else devolves into rent serfs. The middle class will have little chance to acquire any assets for their retirement, and increasingly few will choose to have children. Imagine, then, a high-tech Middle Ages with vast chasms between the upper classes and the poor, with growing dependence”even among what once would have been middle class households”on hand-outs to pay rent. Imagine too, over time, Japanese-style depopulation and an ever more rapidly aging society. Yet, none of this is necessary. This is not a small country with limited land and meager prospects. It would provide the basis for a greater spread of assets and perhaps a less divided”and less angry”country.

**Chapter 3 : Third Way - Wikipedia**

*Poverty and the Third Way uncovers how New Labour's employment-focussed approach causes, rather than resolves, poverty. Searching for another approach, the authors find the seeds of an alternative 'Third Way' in radical European social democratic and ecological thought which seeks to transcend capitalism and socialism by developing work beyond.*

As it creates wealth, it concentrates it to excess as it ensures that production rises continuously, so it tends to exclude more and more men and women from the world of work. Capitalism carries disequilibrium within itself and there is only one counterweight: There, the other day, you had a successful European social democratic prime minister not in office for very long focusing his mind on the world financial crisis. Perhaps the language is a bit too direct, a little too marxisant. And yet our Tony is evidently not unfamiliar with Karl, at least that famous passage about philosophers having to understand the world while socialist heroes are in business to change it. Change that to social democratic and liberal heroes. But is the new label really necessary? In the Eighties, under the editorship of Martin Jacques the magazine Marxism Today achieved a brilliant marketing coup by inventing the term Thatcherism. But that victory accomplished, the right is nowadays in a mess, dependent on a flow of samey ideas about poverty, race and welfare reform from the United States<sup>3</sup>. Here in Britain the Conservative Party is chasing its tail, desperately trying to re-found itself on the issue of Europe while the gales of international economic crisis blow. If what Tony Blair has to say about globalisation and Europe is vacuous, it is considerably more fibre-stuffed than what the right can muster. The trouble with trying to form ideology in an unideological age is that you end up describing what you are doing and giving it a fancy title. Third Way is a far from original label. Felipe Gonzalez, the former Spanish social democratic prime minister, remarked sardonically the other day that when he was a lad Franco claimed his was the Third Way between capitalism and communism<sup>4</sup>. It did some good things and he wants to keep it in personal relationships but it neglected social solidarity and national cohesion. Tony Crosland and David Owen have been airbrushed out of history<sup>5</sup>. Partnership is a key word. The state must not second guess employment decisions by private firms. About reciprocal obligations by private employers to the public weal, the pamphlet is silent. Yet in the Third Way citizens do have responsibilities as well as rights, including the social obligation to bring up children as competent, responsible citizens and to support those such as teachers who are employed in the task does that include forking out more in taxes so teachers get paid more? Third Way government is inherently limited. For example, on gender and the family. The Prime Minister counsels Third Wayers against fatalism and cynicism. But according to Professor Giddens some acceptance of the inevitable is in order when it comes to personal behaviour: The traditional family is dead, he says, but divorce is a bad thing. The way forward the process of deduction is obscure is family democratisation. Could the husband of Cherie Booth have said anything else? Is spending more than 40 per cent of GDP on government - a level identified as the portals of serfdom by the new right - to fall into old socialist habits? Continental social democrats would say no and cite annual rates of growth of real income per head showing how the low taxing United States achieved precisely the same figure as the high taxing Germans and Italians between and Does the Third Way help relieve us of our present discontents? Or, to put that more concretely, are controls on international investment justified when, as the New York Times said on Sunday, experts prepare to re-think systems as free flowing capital sinks nations? Professor Giddens talks about establishing an Economic Security Council within the United Nations - an intriguing proposal given the popularity still in that body of the statist and interventionist reflexes the Third Way is meant to be expunging from the domestic body politic. It is at this point that the intellectual weaknesses of the Third Way become obvious.

**Chapter 4 : Nuovo sito - comunicazione chef food**

*That is the question we are trying to answer with NEXTâ€™a project at Third Way that taps into cutting edge research by top American academics. The Low-poverty.*

Monday, September 27, Published at Seeking the centre ground Tony Blair has committed his government to treading the Third Way. But what does it really mean? On the face of it I believe we should be suspicious of political ideologies borne of practising democrats - dictators can afford to have coherent if brutal creeds - public opinion is of limited interest to them as it was of no value to the likes of Hegel or Marx or Plato or Mill, none of whom actually ran anything or had to respond to the latest poll or focus group. Their belief systems could afford to be uncontaminated by the need for pragmatism. And yet in this age when the great ideological divide which characterised the post war era has evaporated we seem to feel the need to understand our politics as a single story rather than as a set of disjointed initiatives. A government, it seems, must have at least a Big Idea underpinning its policies - simply wanting to make the world a better place will not do. Or as another remarked the third way is ethereally defined. One supporter writing to The Independent claimed it was a form of benevolent pragmatism - a philosophy that asked of each policy - is it good, does it work? For this reason he argued it was hated by the old left and the new right - the new right because they never did anything that was good and the old left because they never did anything that worked. Put at its most basic the Third Way is something different and distinct from liberal capitalism with its unswerving belief in the merits of the free market and democratic socialism with its demand management and obsession with the state. The Third Way is in favour of growth, entrepreneurship, enterprise and wealth creation but it is also in favour of greater social justice and it sees the state playing a major role in bringing this about. So in the words of one of its gurus Anthony Giddens of the LSE the Third Way rejects top down socialism as it rejects traditional neo liberalism. I would not want to disagree with that but there is certainly a tendency among some supporters of the Third Way to define it by parodying what has come before it - to suggest that Thatcherism was only concerned with the market or even that it prescribed free market solutions for all ills is surely an oversimplification - likewise to depict old Labour as if it were some form of Stalinist mantra which favoured snuffing out all forms of private enterprise is equally silly. Indeed if the Third Way were just a compromise between hard economics and social justice it would not merit much discussion. The other and related criticism of course is that the Third way is no more than a crude attempt rather a successful one thus far to construct a bogus coalition between the haves and the have nots - bogus because it entices that haves by assuring them that the economy will be sound and their interests are not threatened, while promising the have nots a world free from poverty and injustice. I suspect that argument too does not stand up to close scrutiny. So if the Third Way is not any of those things or not those things alone, then what is it? Giddens in his analysis begins by pointing to a changing world and suggests that the Third Way is a response to that change - not merely electoral opportunism then but a rational response to a new political social and economic environment. At the heart of these developments lie globalisation - such is the nature of world trade and the rapid movement of capital that modern governments are no longer in control of their national destinies - electronic money flies around the world and is 60 times the value of goods. The blur of global trade patterns lies behind the Third Way Giddens goes further suggesting that the Third Way sees the nation state as too big for small problems and too small for big ones - hence the enthusiasm for devolution in the UK and the passing of some functions to Europe. While this takes me beyond my social brief it does illustrate how one can apply these notions to other areas of policy. More pertinent is another massive change without which the Third Way would not have been conceived and certainly would not have had success at the polls. It has evaporated along with so many of the certainties that characterised this turbulent century - traditional loyalties and communities have disappeared, along with the moral direction and authority once provided by church and trade unions, the simple division of roles between genders and the deference that characterised the British class system. In its place a more uncertain world, where what is immoral today may be moral tomorrow and vice versa. A world in which family life and individual expectations have been transformed, where new fears and uncertainties have taken root - where so often

nothing is for ever - no job for life or home for life or marriage for life. To recognise the need for a moral framework and to adjust public institutions to a very different and demanding environment. So What are the Values? According to Julian Le Grand also of the LSE it is possible to discern four key values which underpin the actions of this administration and which de facto make up the Third Way. First a belief in the value of community. Unlike Mrs Thatcher who famously claimed there was no such thing as society only individuals proponents of the Third Way still believe there is or there should be more than the nuclear family at one end and the nation state at the other. Hence enthusiasm for devolved powers to Scotland and Wales, for a Greater London Authority and for mayors who will personify communities of various shapes and sizes. Community is evident too in much of the work of the social exclusion unit - the drive against social exclusion in part at least will come from invigorated and empowered communities. And as we shall see many social policies are based on the premise that institutions and individuals can be encouraged to so-operate with one another in constructive partnerships rather than competing with one another. One of the difficulties here is that community is ill defined - the very changes the government seeks to confront have eroded traditional communities and new sets of relationships often not based on geographical areas have emerged. Secondly there is a commitment to equality of opportunity - by no means a new rallying cry since both past Conservative and Labour administrations have claimed to have this at the centre of their policies - but there is something distinct here. Right wing governments have generally thought it sufficient to create a level playing field - for example by providing universal services such as health visiting or compulsory schooling but at the same time accepting as inevitable very different outcomes in terms of income, health or educational attainment. The left on the other hand has concluded that these different outcomes were simply the result of exploitation, or lack of funding or poverty - in short nothing or very little to do with the people in the affected communities who were viewed as passive victims. The left also had a degree of commitment not just to equality of opportunity but to equality itself. Or at least a commitment to reducing levels of inequality. The Third Way differs from these analyses or rather it borrows from them all. First there is a stronger recognition that equality of opportunity is denied to many and that this requires positive discrimination in the form of additional funding or even sotto voce transfers of funds from one part of society to another. Second there is a refusal to accept deprivation as an excuse for failing to provide that opportunity - so whether it is the absence of a GPs surgery on a council estate or rampant crime or poor housing or failing schools the assumption is that the cycle of deprivation can be broken. Here though the subjects are not seen as victims of an exploitative system or at least that excuse for not fulfilling their responsibilities is to be removed - so their schools will be improved, but woe betide those parents who fail to make sure their children turn up on time, their neighbourhoods will be cleaned up but those who disrupt will be kicked out, those who want to give up smoking will be helped to do so, but it will be made abundantly clear that each individual is at least in part responsible for their own health. There is a tension here within the Third Way between enforcing the concept of responsibility which can mean excluding those who do not conform and one of the other central tenets which demands that as many as possible are included. It is a problem already evident in some of the reports on the New Deal for the young unemployed where it seems some of the most needy have done least well. The main thrust though is pretty much agreed and is central to the Blair project. What is less clear is how far the Third Way seeks greater equality per se. Le Grand sees evidence of ambitions of equality of opportunity but not much evidence of wanting to close the income gap - Anthony Giddens on the other hand talks of the Third Way contesting inequality and I think it is a mistake to underestimate this aspect. Apart from a quiet but determined assault of remaining middle class tax benefits, the creation of the minimum wage, increases in child benefit and minimum guaranteed income for pensioners there is the working families tax credit - more significant I suspect than the rest put together and with the potential, whatever its downsides, of raising the incomes of very large numbers of low income and low to middle income families. What differentiates this from previous attempts at creating a more equal society is that it is based on work as the principal root out of poverty - work will be made worthwhile because work is seen as the source of dignity and worth - work for the young, for the long term unemployed, for lone parents, for the disabled. And while the state has a responsibility to help train and provide skills to enable people to acquire jobs, they have a duty take them. It is

striking how dominant this theme appears in just about every government initiative - the Third Way has a strong moral vein. And it goes much further than saying to 19 year olds that staying in bed is not an option - the criminal work is predictable, but even here there is more evidence than ever - reparations for victims, parenting orders, and curfew orders on the under 10s. Hence value four - accountability. For just as individuals are responsible to society, organisations especially public bodies will be held to account like never before. Part of this involves the creation of new democratic mechanisms here and in Scotland Wales and London and through attempts to revitalise local government. Alongside this is the apparent commitment to embrace those who use these services - to make consultation more than the period of time between announcing a policy and implementing it. Often pretty ill defined, this approach is evident in the white papers on mental health social services and to some extent in the primary care reforms planned for England. I want to return to this shortly in discussing the delivery of the third Way - suffice it to say here that there is growing suspicion among many that government action has thus far not matched government rhetoric - as one leader in the voluntary sector put it we fear we are being asked for what we can deliver not what we can shape. The Third Way relies on the public sector but its view of it complex - it shares many of its values - commitments to access and equity and service. Yet like the Conservatives there is an assumption that on the whole these institutions are currently not well run and are failing to deliver. No Ideological Commitment to Public Services The result is two key devices for changing that - first new measures of performance, new regulations and new controls across the public sector - from the Youth Justice Board who will crack down when delays in the criminal justice system are not addressed or offending behaviour not tackled early enough, to the reinforced social services inspectorate, from the regional commissions for care standards to the Commission for Health Improvement. A whole new array institutions to drive up standards. Secondly there is no ideological commitment to public sector provision - there is a willingness to contemplate private and not for profit alternatives, something manifestly different from more traditional Labour policy which at times was indifferent to the voluntary sector and often hostile to private involvement in welfare. Now though private prisons are encouraged, private companies are invited to come in when education authorities have failed, the private sector is seen as the saviour of the NHS capital build programme - PFI survives and of course Best Value implies shopping around. The one exception to this indifference so far is with the health service where a combination of Labour Party history, public regard and powerful professions have ensured that mainstream clinical services at least will stay public in every way - the quiet privatisation of sections of mental health care, nursing home care and non clinical services will stay quiet. And at its heart is social policy - shaping a new set of relationships within society and drawing together the successful businessman and entrepreneur with the lone parent - above all delivering not just a fairer society at ease with itself but a more effective one which uses the talents of all. So will it work? The Third Way is nothing if not ambitious - it believes in the power and effectiveness of government and the capacity of the public sector to deliver social goals - it believes the public sector with the right alliances can not only deliver better services it can transform society reducing social exclusion, academic failure, family breakdown. And among those at and around the top of this administration there is no doubt about the coherence or the righteousness of this strategy - they know perfectly well that they are not closet Conservatives but they are much less confident about their capacity, your capacity to deliver what they demand. The mantra education education education has been replaced with delivery delivery delivery. My own view is that they are right to be worried about delivery. The most important foundation IS in place - social reform can only ever succeed on the back of a successful economy and the crystal apparition that is the third Way will melt into a messy blob without a thriving economy - it needs the tax revenue to fund revitalised services, it needs jobs for those going through its New Deal programmes. And jobs, for the exponents of the Third Way, are the way out of poverty. Were the economy to hit the buffers the entire social policy programme would fall apart. But as there is no evidence that it will, let us assume that that modest growth can be achieved with relatively low unemployment. The realities in your own areas you know better than me - in education there is more but it is the one area where demand is not shooting way ahead of supply and where the link between the quality of service and the quantity of money is rather uncertain - meeting literacy and numeracy targets will not be achieved by throwing money at schools. Parts of the health service meanwhile

are in debt - the warnings are already coming out that in places the government will have to choose between the great modernisation projects and keeping the service running. The police mutter they cannot recruit more black officers because they are not recruiting at all. So on its own the extra money will make a difference - class sizes will fall, waiting lists too but there is not enough money and certainly not enough skilled people to bring about a metamorphosis. The second area is the sheer complexity of what is being attempted- Andrew Foster the controller of the Audit Commission produces an remarkable flow diagram which illustrates how fiendishly complicated even the most basic of Whitehall functions can be when translated on to the ground - the funding of social housing streams out of a few Whitehall departments into a multitude of quangos and local agencies and ends up as a bowl of spaghetti. I do not suggest that partnership and joint working will fail but there are signs already that in places rhetoric may be moving ahead of reality and that with massive organisational change underway in health, local government and youth justice the danger is that operational demands suffer at the expense of structural reform. The NHS and social services in England have been deluged with circulars - at the NHS confederation conference this year minister after minister acknowledged the size of the agenda and promised fewer initiatives - the NHS chief executive went further saying he did not expect managers to act on everything in every circular. Those who support the Third Way believe in the capacity of government and of planning. Yet however ingenious their methods ultimately they can only make a difference in two ways - they can create conditions in which staff either do things better or do better things. Given the current patchwork of provision delivered by an array of different professions in agencies with widely different cultures there must a chance that good words will run ahead of good deeds. What is more the tension between the need for central control and the desire to foster local autonomy has not be resolved. Already some are warning that local creativity is being snuffed out by centrally prescribed initiatives. Ministers of course make no apology for setting standards and setting directions for organisations that rely wholly or in part on government funds but with ever more outcome related measures the degree of Whitehall control in England appears greater than ever. And it will seem even greater when the new regulatory and inspection bodies are up and running. Nor is it just a concern for managers. Yet above all others it is these groups, the doctors, nurses, social workers, OTs and police officers who are expected to deliver the Third Way. Holding them to account may be overdue but it is bound to be painful and not just for those deemed to be underperforming. And the implicit assumption that it will be possible to deliver reform while continuing to embrace all stakeholders is also coming under strain. Some police authorities have indicated that they will not co-operate by diverting funds into drug rehabilitation from their already overstretched budgets. And there perhaps lies one of the main underlying weaknesses of the Third Way - it conjures up the prospect of cost free reform, where everyone is a winner- John Galbraith was no doubt overstating it when he claimed politics was the art of choosing between the disastrous and the unpalatable, but it certainly does often involve trading the interests of one group against another - to that extent John Major was right when he said there could be no gain without pain. More than this though, like so many ideologies the Third Way runs the risk of overstating the capacity of government to deliver, to change the way people are, the ways they choose to live their lives. This is not a counsel of despair but it may be good reason for greater humility and a call for both politicians and public to have lower expectations of what the Third Way can reasonably achieve within a reasonable time.

### Chapter 5 : Poverty – Sermon Topics – Third Way Church

*"Poverty and the Third Way uncovers how New Labour's employment focused approach causes, rather than resolves, poverty. Seeking to transcend capitalism and socialism for another approach, the authors find the seeds of an alternative "third way" in radical European social democratic and ecological.*

It has been advocated by its proponents as an alternative to both capitalism and what it regards as the traditional forms of socialism, including Marxist socialism and state socialism, that Third Way social democrats reject. Keating also proposed a Goods and Services Tax GST in 1996, but this was scrapped due to its unpopularity amongst both Labor and electorate. The party also desisted from other reforms, such as wholesale labour market deregulation e. WorkChoices, the eventual GST, the privatization of Telstra and welfare reform including "work for the dole", which John Howard and the Liberal Party of Australia were to initiate after winning office in 1996. Various ideological beliefs were factionalized under reforms to the ALP under Gough Whitlam, resulting in what is now known as the Labor Left, who tend to favour a more interventionist economic policy, more authoritative top-down controls and some socially progressive ideals; and Labor Right, the now dominant faction that is pro-business, more economically liberal and focuses to a lesser extent on social issues. The Whitlam government was first to use the term economic rationalism. Under the Whitlam government, tariffs across the board were cut by 25 per cent after 23 years of Labor being in opposition. Competitive markets are massive and generally efficient generators of economic wealth. They must therefore have a central place in the management of the economy. But markets sometimes fail, requiring direct government intervention through instruments such as industry policy. There are also areas where the public good dictates that there should be no market at all. We are not afraid of a vision in the Labor Party, but nor are we afraid of doing the hard policy yards necessary to turn that vision into reality. Parties of the Centre Left around the world are wrestling with a similar challenge—the creation of a competitive economy while advancing the overriding imperative of a just society. Some call this the "third way". The nomenclature is unimportant. What is important is that it is a repudiation of Thatcherism and its Australian derivatives represented opposite. It is not an easy task to find the exact political trend represented by Renzi and his supporters, who have been known as Renziani. This means that on one side he will attack the privileges of trade unions, especially of the CGIL, which defends only the already protected, while on the other he will sharply attack the vested powers, bankers, Confindustria and a certain type of capitalism". New Labour In 1999, Harold Macmillan wrote a book entitled *The Middle Way*, advocating a compromise between capitalism and socialism, which was a precursor to the contemporary notion of the Third Way. In 2000, Blair, then Labour leader and Prime Minister of the United Kingdom, described the relation between social democracy and Third Way as the following: The Third Way stands for a modernised social democracy, passionate in its commitment to social justice and the goals of the centre-left. Professor Anthony Giddens and former United States President Bill Clinton In the United States, "Third Way" adherents embrace fiscal conservatism to a greater extent than traditional economic liberals, advocate some replacement of welfare with workfare and sometimes have a stronger preference for market solutions to traditional problems as in pollution markets while rejecting pure laissez-faire economics and other libertarian positions. The Third Way style of governing was firmly adopted and partly redefined during the administration of President Bill Clinton.

### Chapter 6 : BBC News | UK Politics | What is the Third Way?

*The Third Way is a position akin to centrism that tries to reconcile right-wing and left-wing politics by advocating a varying synthesis of some centre-right economic and some centre-left social policies.*

### Chapter 7 : poverty and the third way | Download eBook PDF/EPUB

*A Third Way for the Third World. Akash Kapur. the debate over Third World poverty has been polarized. The book is*

*credited with changing the way governments handle food distribution -- for.*

### Chapter 8 : Poverty and the Third Way: 1st Edition (Hardback) - Routledge

*what's poverty and the way can it's tackled? Taking the 3rd method out of its slim social gathering political context, this booklet argues that it is crucial to harness paintings past employment for you to pave a 3rd manner past capitalism and socialism. the result is a thought-provoking new procedure in the direction of battling poverty.*

### Chapter 9 : A brief history of the third way | Politics | The Guardian

*And jobs, for the exponents of the Third Way, are the way out of poverty. Were the economy to hit the buffers the entire social policy programme would fall apart. But as there is no evidence that it will, let us assume that that modest growth can be achieved with relatively low unemployment.*