

Andreas Birner, Hermann Fried, Andreas Novy, Walter B. Stöhr

**Local Development Initiatives -
an Intercultural Comparison:
Life Strategies and Global Structural Change**

IIR-Discussion 51

1995

Andreas Birner, Hermann Fried,

Andreas Novy (project coordinator), Walter B. Stöhr (project leader)

"Local Development Initiatives - an Intercultural Comparison: Life Strategies and Global Structural Change"¹

1. Introduction

For almost two decades, the analysis of local and regional development processes has been a central topic of research at the Institute for Urban and Regional Studies (IIR) of the Vienna University of Economics and Business Administration. At the beginning, the reorientation from centralized state regional planning - "top down" - to decentralized regional development policy - "bottom up" - stood in the foreground (Stöhr/Taylor, 1981). During the course of the 1980s, research interests shifted toward an integrated analysis of local and regional development processes (Muegge/Stöhr, 1987) and then finally to the analysis of case studies of local development initiatives (Stöhr, 1990a). With this final approach, local actors are the focal point of research, as they were also in Andreas Novy's dissertation at IIR (Novy, 1994).

The need to address the interaction between local initiatives, government policy and global structural change led to the conception of a new research project: "Local Development Initiatives - an Intercultural Comparison: Life Strategies and Global Structural Change", which sought to understand both local development and the effects of local action (Kacirek et al., 1990), as well as their interplay with global structural development (Fröbel et al., 1986).

Through the use of both case-based and structural-theoretic approaches, an attempt was made to strengthen the basis of local development theory. Instead of limiting this project to describing case studies (as is often done), it used empirical findings from two study areas to improve the theoretical understanding of local development. In this context, frequently used key concepts such as "periphery" proved to be too imprecise, so it was necessary to reformulate them during the course of research. This need becomes clear when one examines the particulars of the two cases dealt with here - the districts of Gmünd and Waidhofen an der Thaya in the Waldviertel in Austria (see Baum, 1991, Komlosy, 1988, Waldert, 1992), and the Parque Paulistano in São Paulo, Brazil (see Brant, 1989, Dedecca, 1989, SEADE, 1992) - both of which could admittedly be described as peripheries, although in many respects they differ. During the course of this project, a new conceptualization arose, based on a distinction between geographic and social peripheries. There are interrelations between these two concepts, but they are not identical. The Waldviertel and the Parque Paulistano are

¹ Translated by Elizabeth Hilkemeyer. We thank the Fonds zur Förderung der Wissenschaftlichen Forschung in Austria, who financed the study as Project No. P8091 S0Z.

geographic peripheries, in which socially peripheral groups are more frequently found.

The following summary starts by presenting the theoretical basis of the project: a conceptualization of local initiatives, types of peripheries, and power relations based on Hirschman's well-known concepts of "exit" and "voice" (Hirschman, 1970). The second section closes by presenting the research program and the main hypotheses underlying it. The third section presents the main results of the survey on the resources of initiative leaders, initiative members, and local inhabitants.

2. Theoretical Basis

2.1. Periphery

This section analyzes the basic theoretical concepts of local and regional development. It starts by defining the crucial concept of periphery. The following figure shows four ideal types of regions in a two dimensional center-periphery model.

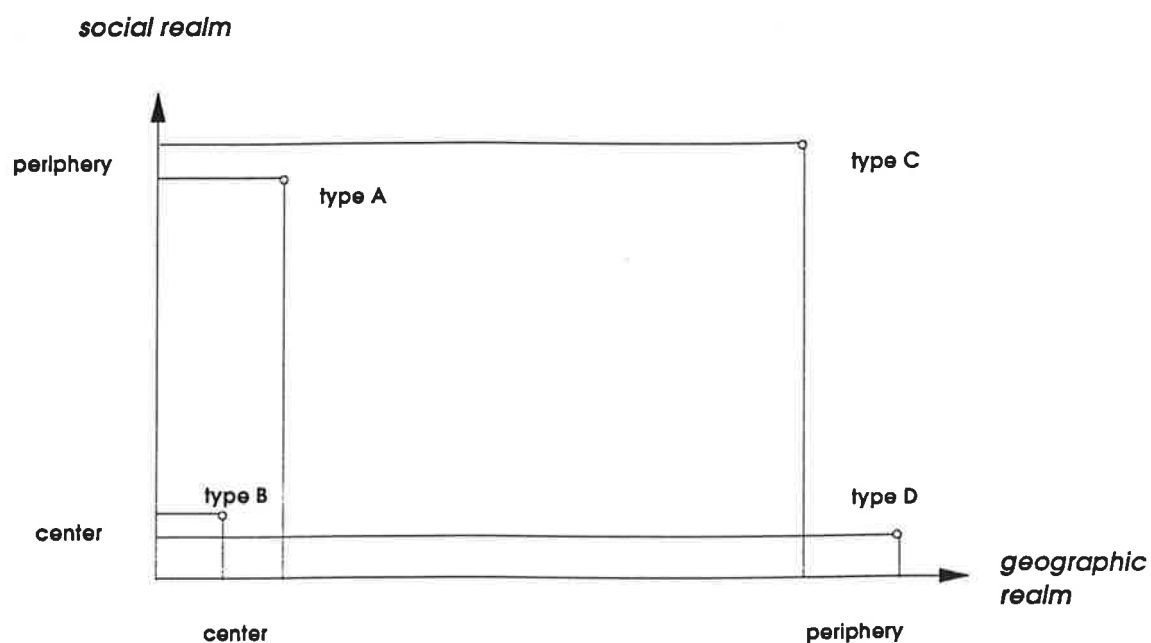


Fig. 1: Ideal Types in the Two Dimensional Center-Periphery Model

The Type A community is clearly found geographically in the center, although from a social standpoint it contains underprivileged socially marginalized groups. With this comes a lack of access to economic and political power. One example is the poor quarter of a large city center. The Type B community occupies a place in the center for both dimensions. A typical representative is the upper middle class occupant. The exact counterpart to this is the Type

C community. An occupant of a peripheral region, where regional development is strongly affected by an unpropitious geographical location and through the pull-effect of the city center, must every day fear the loss of a poorly-paying job. His or her access to political and economic power is extremely low. The Type D community is of particular importance in this respect. The residents of this idealized type clearly live in a problem region, however they have at their disposal inordinately large amounts of resources, and are well prepared to complete and to carry out their personal life strategies.

For the endogenous development of a peripheral region in the geographic-spatial sense, Type D plays a large role. It is distinguished by a relatively high resource potential (education, contacts, etc.). With this often arises a property structure that is further influenced by local key persons. Type D regions can be considered seed beds for the development of local initiatives, in the original sense of the term.

In the research project we used this socio-spatial concept of periphery. Based on three premises, two study areas were chosen: (1) in both regions the majority of the population is socially and geographically peripheral, (2) one periphery should be urban and the other rural, and (3) they should more generally differ economically and culturally in order to facilitate the identification of specific mechanisms in these two types of regions. Both regions were known as peripheral areas where many local initiatives could be found. The Waldviertel is a region where the concept of endogenous regional development has already existed for a long time (Baum, 1991). São Paulo, the main city of Brazil, has since the early 1980s been a key region in the resistance to the existing economic and political order, which has its roots in military dictatorship (Brant, 1989). As a pair, they lend themselves well to comparison and contrast within the framework of the central research questions. For this research project we chose the two northwestern districts of the Waldviertel - Waidhofen/Thaya and Gmünd - with 70,000 inhabitants (ÖSTAT, 1993) and the Parque Paulistano, a poor quarter in northeastern São Paulo with 109,000 inhabitants. The choice of the latter has also been influenced by previous research done there by A. Novy (1994).

2.2. Power and "Voice"

One central interest was an improved theoretical basis for understanding local development processes. This was achieved through the incorporation of key ideas of the sociological theory of power within regional development theory (Clegg, 1990, Sandner, 1990). Important work in this area has been done in recent years by John Friedmann. Friedmann presents in his book "Empowerment - The Politics of Alternative Development" (1992:67) different resource types that form the basis of social action. They enable action, or in Friedmann's sense: they empower the owner of these resources to act. The more resources an individual has at his or

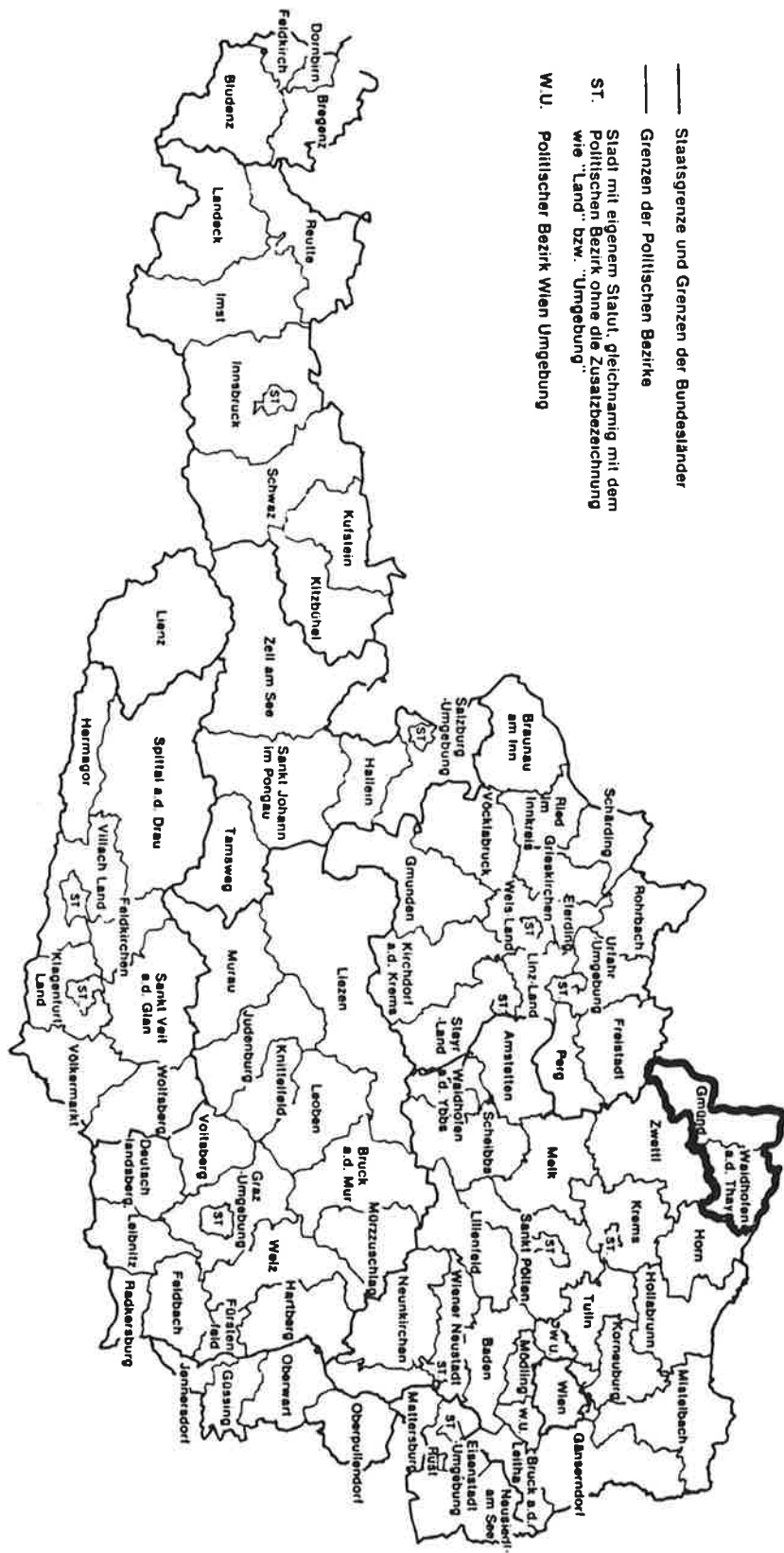


Fig. 2: Study area in Austria (Gmünd and Waidhofen/Thaya in the Northeastern Waldviertel)

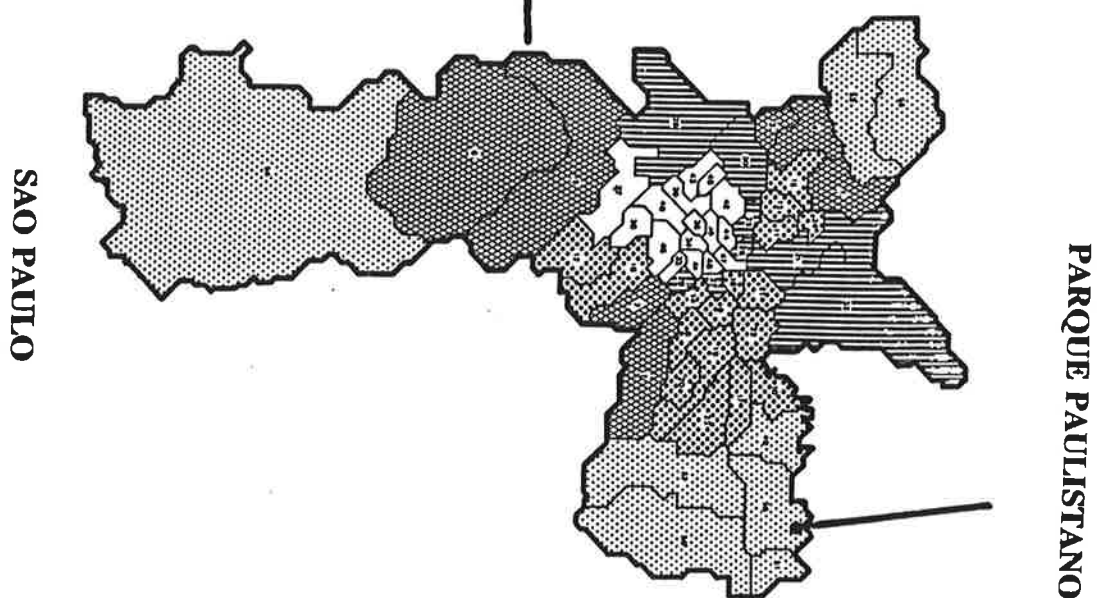
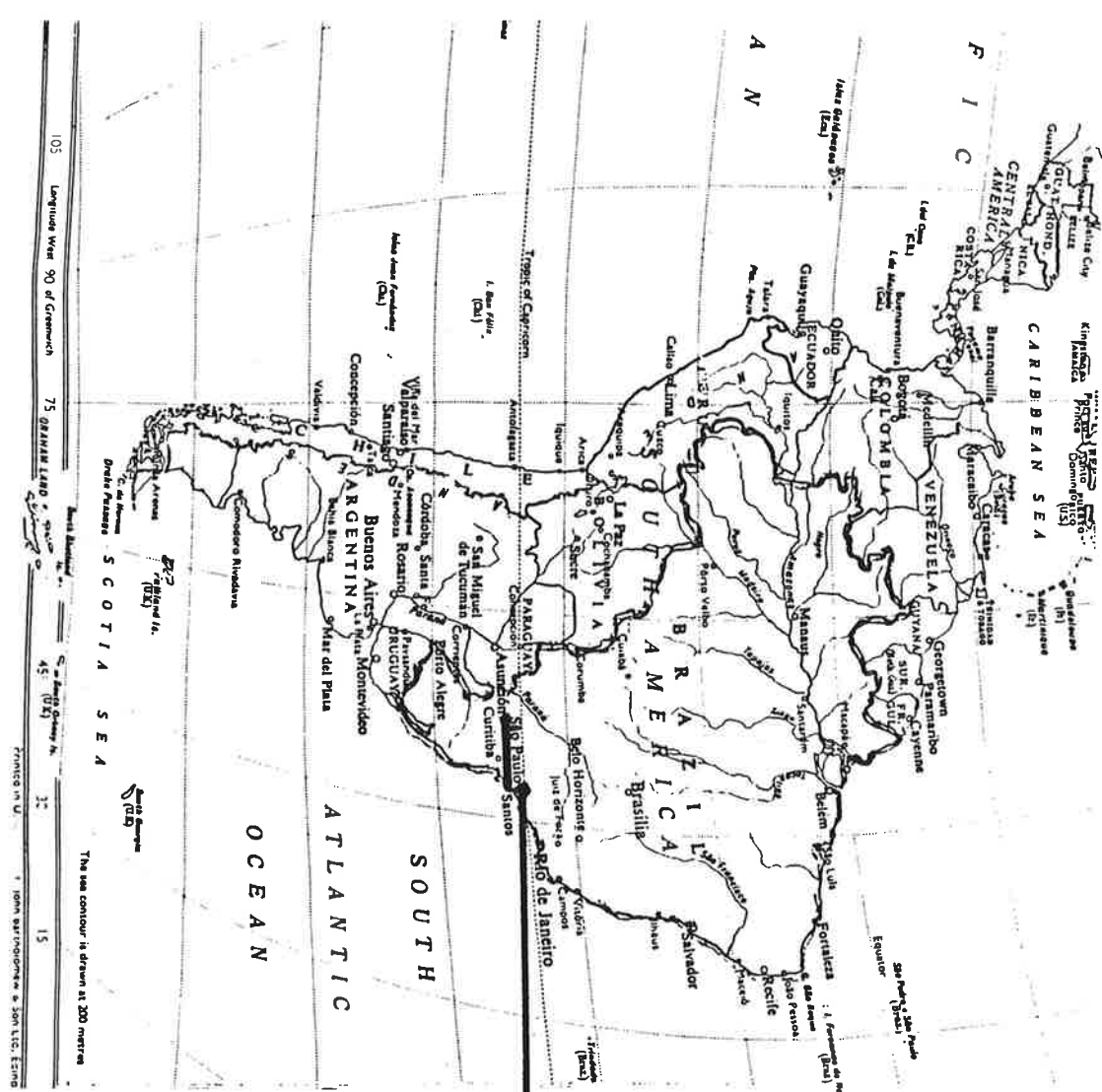


Fig. 3: Study area in Brazil (Parque Paulistano in the City of São Paulo)

her disposal, the clearer that person's position in the power network is. One option for action is participation in local initiatives that, borrowing from Hirschman (1970) can be considered "voice," in contrast to the market economic/individual strategy of "exit." The participation in local initiatives as a form of "voice" stands at the center of our research interests. Against a neo-liberal zeitgeist, that declares "exit" to be the only legitimate form of action, this project researched the conditions under which the democratic-communicative form of human action, of "voice," can be found in local initiatives together with the "exit"-option, and how it can be supported or hindered.

Power analysis claims that the exercise of power is only possible when adequate resources are available and - if necessary - used. A solution for underprivileged groups is opened by the building of countervailing power through the collective empowerment of those discriminated against. In this way, local initiatives can make a noticeable contribution directly in the spatial and social periphery areas. Novy (1992) and Kriesi (1988) claim that it is not those who suffer from social ills who make up the bulk of those following this path, but rather members of the privileged social strata who build countervailing power. This is because actors need a sufficient resource-mix, most importantly education and the ability to communicate. This public path of change that Hirschman called "voice" is in part very resource-intensive and stands in contrast to the option open to the higher social strata: "exit". The latter is an individual and private possibility for the solution of problems that normally causes no societal change. The empirical results show to what extent one finds these strategies in peripheral areas.

Power analysis emphasizes actors. Privileged local actors that use the "voice" option are local initiators. They are the actors that this research analyzed in detail.

2.3. Local initiatives

Stöhr characterizes local initiatives by four dimensions: control, benefit, input and initiative (1990b: 31ff.). Following this definition, it is not essential that every attribute of an initiative is local in a given situation. More important are the overall features of the initiative, which reflect the concrete application of these criteria. Stöhr notes as particularly important the predominance of *local benefits and local control*. The concepts "local" and "initiative," as applied here, are further explained below.

The word "*initiative*" has basically two meanings. One is to initiate, in the sense of the Aristotelian understanding of action. Under this conception, building on the ancient model of the three human activities (to labor, to work or fabricate, and to act) an initiative exists "*without the use of matter, material and things; occurring directly between men*" (Arendt,

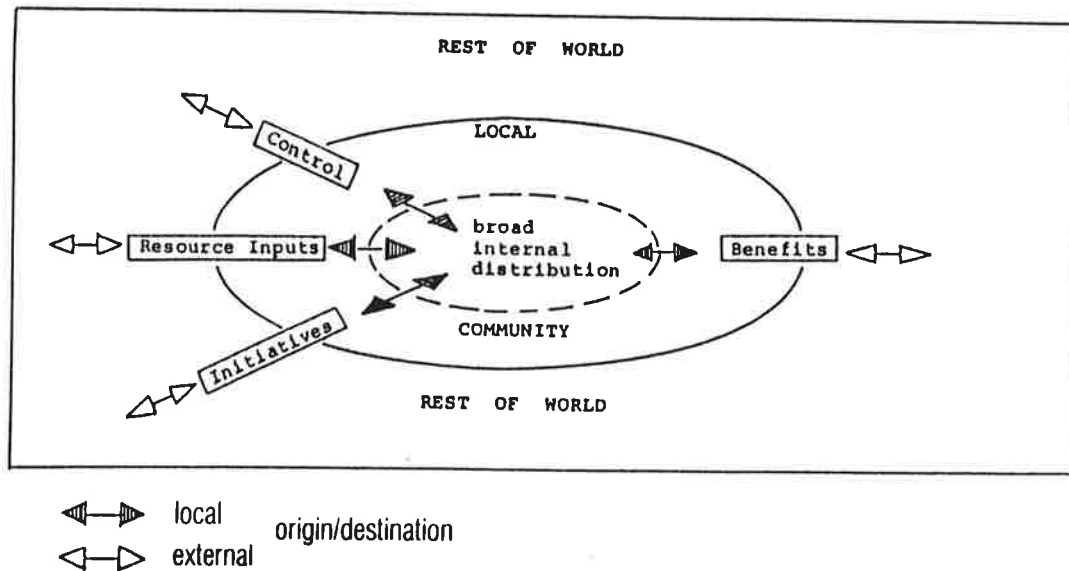


Fig. 4: Definition of Local Development Initiatives (Source: Stöhr, 1990b: 32.)

1981: 14f.). This conception of "occurring directly between men," brings the requirement that an initiative needs more than one person, that means a communal or collective element. The second approach derives from the general use of the word "initiative." Initiative means a beginning, an initiation, something newly begun. It is here that the innovative element of the word initiative can be seen. It follows that for activities to be called initiatives in the sense of the project, both communal and innovative elements should be found.

The word "local" brings an additional dimension to the definition: that action takes place within a particular location and that it has a particular place-related origin, although it is not limited to its physical dimension (Stöhr, 1990b: 33).

Empirically, lists of local initiatives developed by local key persons were used in order to approximate the theoretical concept of "local initiatives" as closely as possible. This provided a representative portrait of local activities as the basis for an intensive examination of all local initiatives in both the study areas. A total of 34 local initiatives were identified: 23 in the Waldviertel and 11 in the Parque Paulistano. Key persons from each were interviewed. The local initiatives in the Waldviertel were concentrated in the areas of job creation and economic initiatives (13), culture (4), energy (3) and transport (2). The explicit objective of one local initiative was to provide incentives to other initiatives. In the Parque Paulistano there were three initiatives with neighborhood activities such as requests for sewage systems or better streets, one initiative concerned with health, five with education and development, and two with culture.

2.4. Research Program

Taking the theoretical concepts described above and a basic knowledge of the region and its local initiatives as its starting point, the project posed three central research questions. The first two covered the actions of the local actors, and the third the structural interrelationships. In respect to the local actors, the questions "Why do local initiatives exist?" and "Who participates in them?" were asked. In respect to structural development, the question "Are local initiatives an answer to global structural changes?" was posed. The figure below presents a conceptualization of the project.

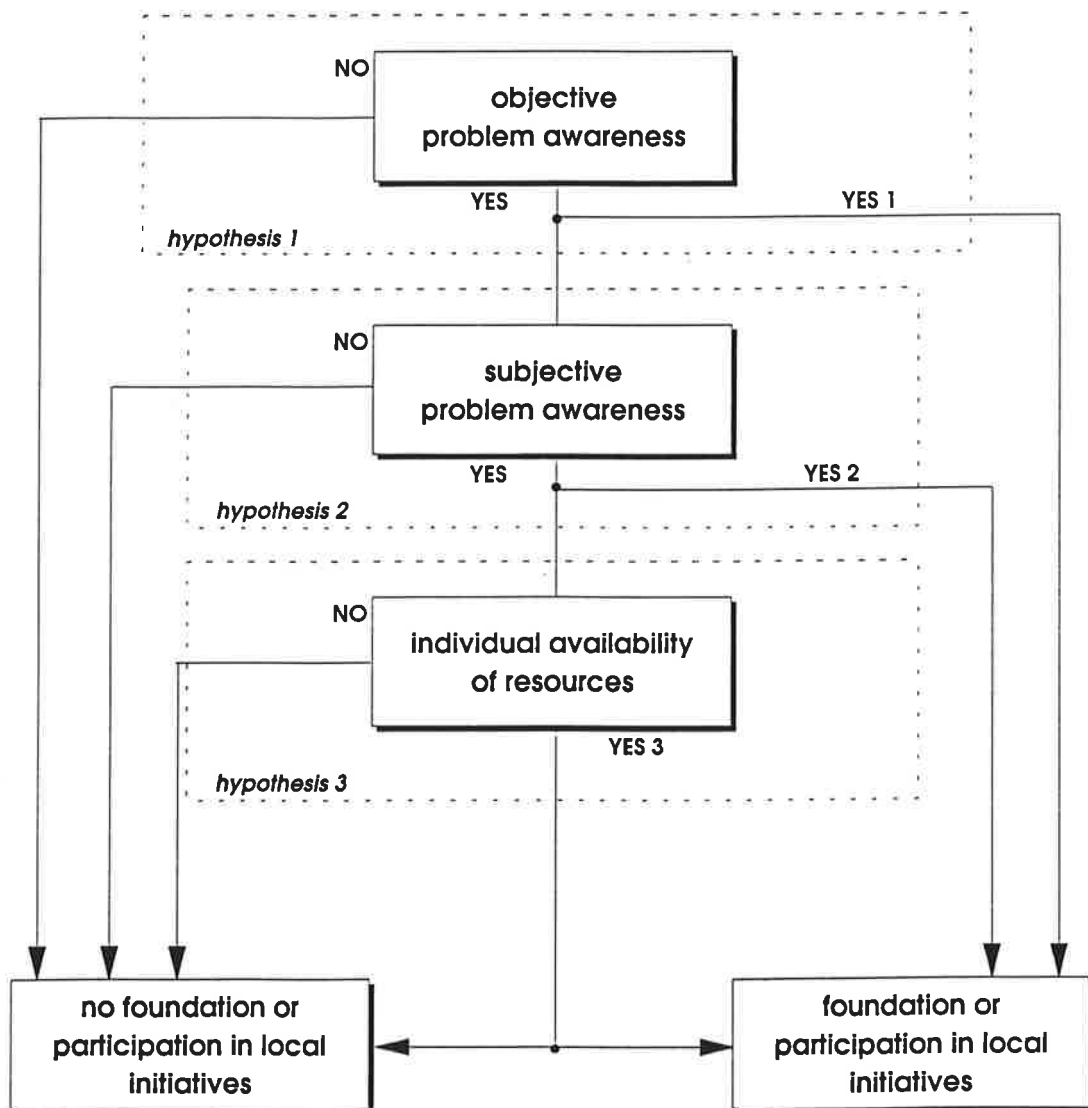


Fig. 5: The Origin of Local Initiatives

As can be seen in the figure, the first research interest is whether there are objective problems or not. The second one, whether there is a subjective problem awareness. If these

two items are responded to positively there is a third set of explanatory variables related to individual resources. Following the figure, there are five hypotheses underlying research:

Hypothesis 1: In order for a local initiative to be founded and for people to participate in it, there must be an objective problem.

Hypothesis 2: In order for someone to found a local initiative or to participate in one, it is not necessary that he or she be directly affected by the problem. It is much more crucial that he or she is aware of the problem.

Hypothesis 3: The factors leading someone to found, lead, or participate in, a local initiative are not only the existence of clear objective or subjective problems, but much more importantly the possession by the concerned individuals of the resources needed to exercise countervailing power.

Hypothesis 4: The individual resources belonging to those who participate in/found/ or lead local initiatives is above the regional average.

Hypothesis 5: Local initiatives represent a local reaction to global challenge.

3. Empirical results

Empirical results relating to each hypothesis are presented in this section. Each hypothesis was elaborated in a standardized questionnaire in Austria and Brazil². The above mentioned hypotheses, especially hypotheses 2, 3 and 4, were tested through 1,041 interviews (514 in Austria and 527 in Brazil). The interviews were conducted during July and August 1992 in Austria, and in September 1992 in Brazil. In each study area, three groups were distinguished: the leader and founder of the local initiative (who was given a complete interview), participants (all of whom were interviewed in Brazil; only a random sample in Austria), and lastly the complete study area population (by means of random samples in both study areas).

3.1. Objective Regional Problems and Local Initiatives

The first question on the origin of local initiatives is addressed by hypotheses 1-3.

² Only in exceptional cases research questions were different; e.g. by taking the informal labor market in Brazil into consideration.

Hypothesis 1 is that *an objective problem leads to the initiative*. This hypothesis was checked through regional analyses, by comparing whether the central regional problems in each area correspond with the orientation of the local initiatives active in that area.

The Waldviertel is characterized by its poor access to regional and national centers. This is changing only recently and slowly due to the fall of the Iron Curtain. But commuting on a weekly basis remains a widespread response to the lack of local employment opportunities. The regional labor market is characterized by low-income jobs, which results in low local revenue. One can observe the vicious circle of outmigration by young qualified people. This might even be reinforced by the local educational system, that is comparable to the Austrian average in quantitative respects. Its output therefore often exceeds regional job opportunities. Health care, like the educational system, does not differ significantly from the Austrian average.

In the Parque Paulistano, on the periphery of São Paulo, it can be shown that there is a clear social segregation that expresses itself geographically. In housing, health care, and education, and in the social, cultural and physical infrastructure in general the Parque Paulistano has worse indicators than the urban average. Only every fifth inhabitant works within the region, causing daily commuting and the identification of the region as a dormitory quarter.

Looking at the local initiatives, one observes that more than two-thirds of them are active in areas where there are great objective problems. However, objective problems are not in any way a guarantee for the appearance of a local initiative.

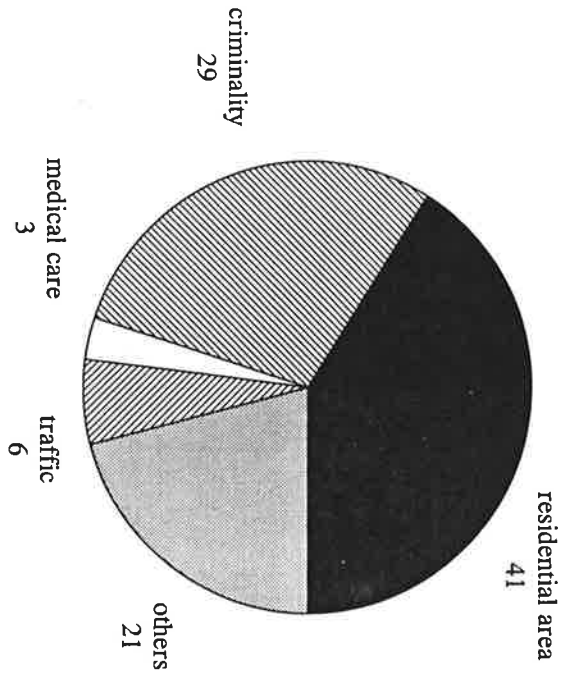
3.2. Assessment of Problems and Existence of Local Initiatives

The second hypothesis states that subjective problem awareness leads to the creation of local initiatives. This was tested by asking about the main personal and regional problems. Taking the percentage of respondents as an indicator for *subjective problem awareness*, hypothesis 2 was only partially supported. It was confirmed only among the founders, who had an essentially higher awareness of regional and subjective problems than participants and the general population. Among the participants, there was a higher awareness only for personal (Austria) or only for regional (Brazil) problems. A connection between the subjective awareness of a problem and the creation of local initiatives cannot be found at a higher level of aggregation, either. Only one-third of all initiatives are active in an area with a large subjective problem pressure.

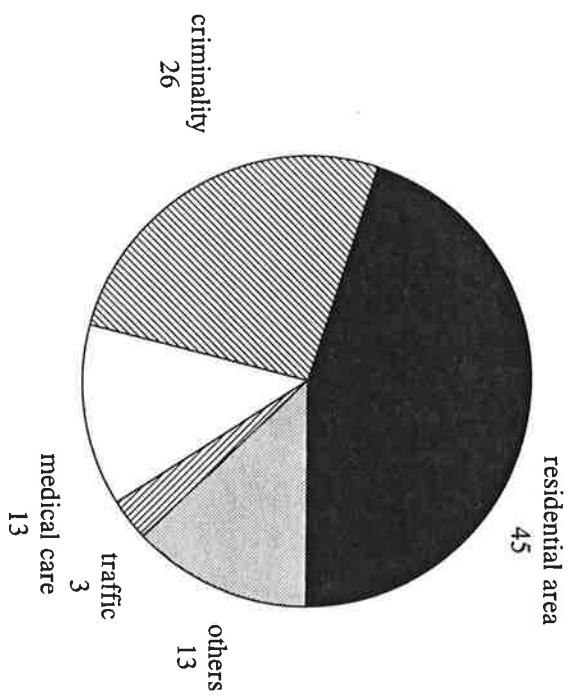
Another aspect concerning regional problems is of considerable interest, namely the type of regional problems mentioned.

In the Parque Paulistano problems in the neighborhood, concerning the sewage system or paving, were considered the main problem by all interviewed groups, followed by criminality.

Population



Founder



Members

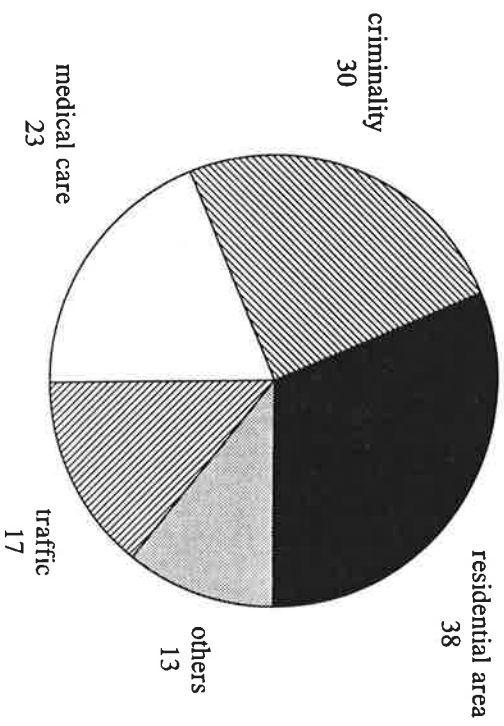
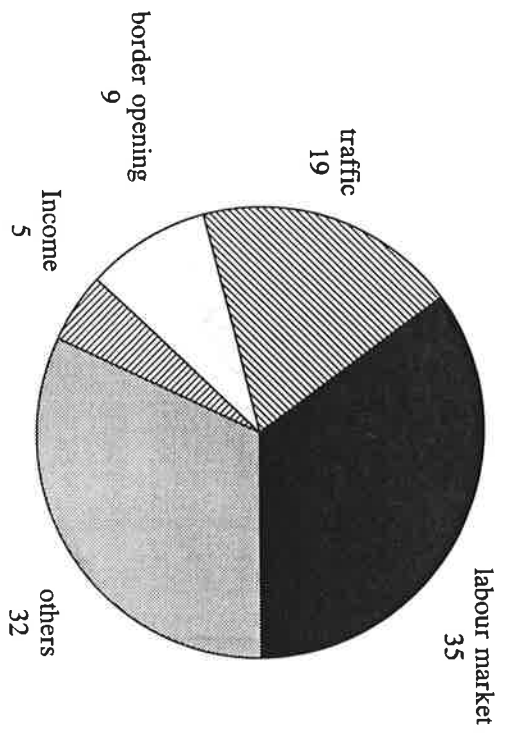
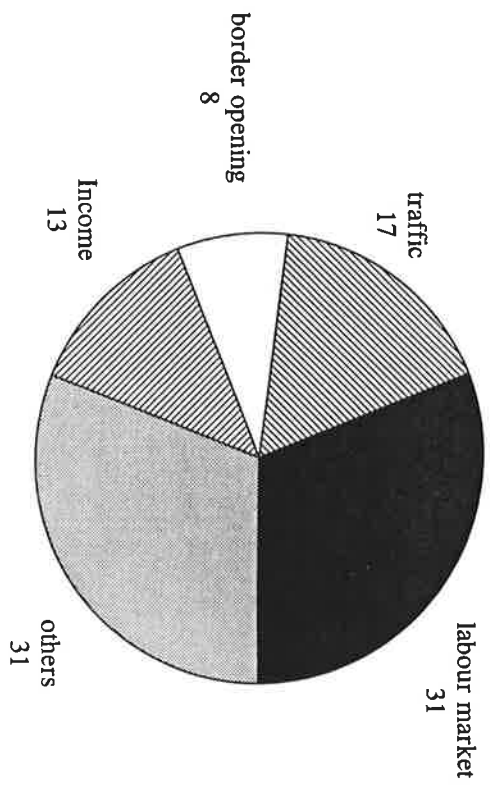


Fig. 6: Regional Problems - Parque Paulistano

Population



Founder



Members

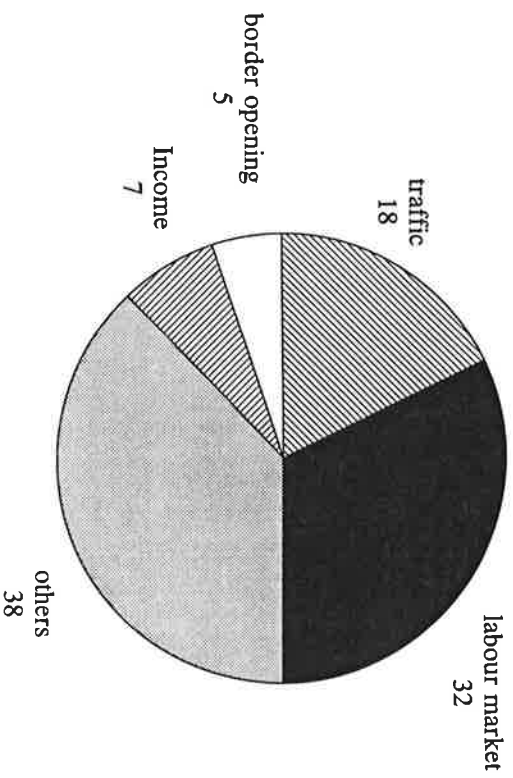


Fig. 7: Regional Problems - Northern Waldviertel

This predominance of "life world" problems stands in apparent contrast to the results in the Northern Waldviertel. The main regional problems mentioned by all groups are the labour market and, second, the transportation problems.

Some points can be made about these differing answers. First, the mentioned problems have been identified in the regional analysis as crucial objective problems. Second, there is a dominance of "life world" initiatives in São Paulo and of "work world" initiatives in Northern Waldviertel. Third, the region is identified as a dormitory quarter, that means a "life world"-sphere in São Paulo, whereas the Northern Waldviertel is a region that is considered to fulfill economic needs too.

3.3. Resources and Membership in Local Initiatives

The third hypothesis derives from Friedmann's work. Following his ideas, one expects that sufficient individual resources are a prerequisite for the formation of local initiatives. The basis for the questionnaire for the local population, members and leaders of local initiatives was the empowerment model of Friedmann (1992: 67) in which he defines *poverty as the lack of access to bases of social power*. He identifies eight types of resources important for a household. On this basis a questionnaire was developed to gather data about these eight types of resources³:

- * surplus time
- * defensible life space
- * knowledge and skills
- * appropriate information
- * social organization
- * social networks
- * working conditions (instruments of work and livelihood)⁴
- * financial resources

* surplus time:

In the Parque Paulistano as well as in the Northern Waldviertel, the *founders and leaders work more than average*, thus confirming the present hypothesis: *A higher activity level in*

³ In addition there were some other questions asked. These were similar to the above mentioned one about personal and regional problems.

⁴ Instead of centering only on the instruments of work and livelihood, as Friedmann does, in this research the work sphere in general was analyzed.

private life as well as at work correlates positively with the participation in and the founding of local initiatives. The multitude of commitments increases one's integration into a diverse social network, and with that brings as well the probability of participation in a local initiative. With this participation, the demands on an individual's time grow even more. In detail, however, there have to be made some specifications.

First, in Austria leaders have an additional burden: they more often live alone and/or more often have additional dependent children. Second, there are differences between the regions concerning the participants. In the Austrian study area, the time demand profile of participants mirrors that of founders (higher percentage of married persons, overly high commuting time) in a somewhat weaker and altered form. In the Parque Paulistano, the participants in local initiatives show no conspicuous deviation from the regional average.

* defensible life space:

The literature gives a lot of emphasis to housing and neighborhood as explaining variables for participation in local initiatives. However, concerning the quantity and quality of housing and the type of neighborhood, no relation could be observed with the participation in local initiatives. Only concerning real estate property was there a positive correlation in both case study areas.

* knowledge and skills:

The indicators for analyzing this resource were occupation, education level, continuing education, frequency of reading the newspaper, and frequency of reading quality newspapers. In the Northern Waldviertel all of the indicators for the acquisition of knowledge and skills are clearly higher among the founders and leaders than for the regional average population. The use of the same indicators in the Parque Paulistano shows, in any case, better access to knowledge and skills among the leaders. Access of local initiative participants, however, was contrary to expectations: a few percentage points below the regional average.

* appropriate information:

The willingness to found or lead local initiatives increases with *access to information at the household level and with the frequency of acquisition of this information.* For mere participants in local initiatives there appear to be, besides occupation, knowledge, and skills, other factors (such as the frequency of maintaining contacts) that are important for the appropriation of information. The relevance of this resource was confirmed in both study areas.

* social organization and social networks:

The following table shows the questionnaire results on what kind of help the interviewed persons obtained in constructing their own house. The answers are divided into two categories: friends and family.

Table 1: Help in Home Construction, in percent

	Population		Participants		Founders	
	Wald-viertel	Parque Paulistano	Wald-viertel	Parque Paulistano	Wald-viertel	Parque Paulistano
Family	87.9	41.1	91.8	61.0	72.2	47.6
Friends	44.4	8.9	45.1	5.2	61.1	4.8

Two things are remarkable: first, the prevalence of assistance is much higher in Austria than in Brazil. Second, in Austria help from friends is more frequent among founders than among the other researched groups. In contrast, in Brazil friends were of less help to founders than to the other groups. Occupational activity, frequent attention to contacts, and active participation in organizations of varying kinds leads to an increase in social connections and to their reinforcement. *Social networks are a resource that the participants in local networks, especially the founders, are well positioned to influence. An alternative to this are connections to relatives*, but because of the limited extent of families, they cannot be of comparable importance to the development of local initiatives. They seem to be *mutually exclusive networks*, the first one public and the second private.

* conditions in the work sphere:

Competitive pressure and the frequency of contacts are used as indicators of solidarity. In the Northern Waldviertel, the *competitive pressure drops clearly from the general population to the founders and leaders, while the frequency of contact at the work place rose strongly*. In the Parque Paulistano the data show similar trends. The competitive pressure on local initiative founders and leaders is about equal while the pressure on both other groups is clearly higher.

As an indicator of the control of changes in work life, the individual's ability to organize his or her work, as well as the ability to introduce one's own ideas were used in the Austrian study area. In the Northern Waldviertel, the proportion of persons who could organize their work and as well introduce their own ideas, is clearly higher among the founders and leaders

of local initiatives than among the general population. In the Parque Paulistano, the local initiative leaders are, in any case, the group with the greatest ability to control changes in their own work sphere. Only negligible differences between the local initiative participants and the regional average can be identified. Persons who are able to control change in their work process have more contacts with their colleagues, and have a higher willingness to participate in local initiatives.

Employment in enterprises active only within the home region can favor the willingness of persons to found or lead local initiatives there. Concerning the predominance of regional or interregional contacts and concerning commuting, the data does not provide useful results.

* financial resources:

Net personal income of those questioned, net household income, and the method of financing housing are used as indicators of financial resources. Net personal income in both study areas is highest among the founders of local initiatives and lowest for the average population. This structure is apparent also for net household income in the Northern Waldviertel. In the Parque Paulistano, the participants in local initiatives have the highest net household income and the leaders and founders have the lowest, a fact which is due to their larger households.

Concerning the use of credit, the Brazilian data show a rise from the regional average, to the local initiative participants, and then further to the founders who make the most use of credit. In the Northern Waldviertel, the peak lies with the participants, while the founders hardly vary from the regional average. With personal access to financial resources, there is an increase in the participation in local initiatives.

To sum up, three of the perceived resource characteristics correlate conspicuously closely with the local initiative participants and founders. They are therefore resources that, in the sense of the third hypothesis, are important in determining the participation in a local initiative. These resources are:

- * social organization and networks
- * personal control of financial resources
- * real estate property

These characteristics appear much more frequently among the participants in local initiatives both in Austria and in Brazil, than among the general populations. *The more active a person is at the work place and in the household, the more likely that she or he also participates in additional activities relating to local initiatives. The less active, the less likely that she or he participates in these activities.* Borrowing from Pahl (1984), this phenomenon can be

described as a process of "*polarization of activities*" (see Harrison/Bluestone, 1988, Natter/Riedelsberger, 1988).

It is not possible to provide a general assessment of the "participants" group; although many parallels can be drawn between the samples in both countries, differences dominate. While the Austrian test area has more male participants, in the Brazilian one women dominate. There is a group of resources in which the Brazilian participants are worse off than in their general population, whereas the Austrian participants are better off than their regional average. These dissimilarities between population and participants are present in the following areas:

- *appropriate information (education, continuing education, reads (quality) newspapers)
- * working conditions (government employment, intraregional employer)

The following table summarizes the main empirical results.

Table 2: Resources and Participation in Local Initiatives

RESOURCE	RELATIONSHIP WITH PARTICIPATION IN LOCAL INITIATIVES
free disposable time	negative
housing, homeownership	no relationship
real estate	
(ownership of developable land)	positive
knowledge and skills	positive (with the exception of members in Brazil)
appropriate information	positive (with the exception of members in Brazil)
social organization and networks	positive
working conditions	positive
financial resources	positive

3.4. *Personality profiles of leaders of local initiatives*

Besides analyzing the relationship between individual resource endowments and membership in local initiatives, the elaboration of personality profiles of leaders, members and non-participants was of special interest. One can observe a much larger involvement at work by leaders and founders than by participants or by the average regional population. This concerns the participation in the labour market as well as the weekly working time. Furthermore leaders and founders are principally employed in the public sector (38,9% in the

Waldviertel and 52,6% in the Parque Paulistano) and in locally headquartered firms (71,4% in the Waldviertel and 89,5% in the Parque Paulistano).

Surprisingly, only in the Austrian case leaders have a higher percentage of self-employment (33,3% compared to 12,5% in the Brazilian case). The high share of leaders and founders of local initiatives being employed in the public sector might be explained by their public interest and concern for the common good. Employment in locally headquartered firms seems to incentivate people to found and lead local initiatives which might be interpreted as strong local personal ties. A further characteristic is the much larger amount of personal contacts of leaders as well in the Waldviertel as in the Parque Paulistano. This is both cause and effect of participating in local initiatives. Leaders also read more quality newspapers and journals and their net income is higher than the average. A further characteristic of those founding local initiatives proved to be important: the average founder of local initiatives in the Waldviertel was 30 years old, in Parque Paulistano 34 years.

In summary, the ideal-type founder/leader of local initiatives may be described as being between 30 - 34 years old, with a higher probability of having a job, having an above average net income, reading more quality newspapers, and participating to a higher degree in continuing education than the average regional population. In general these characteristics are similar for Austrian and for Brazilian founders/leaders of local initiatives, although the statistical medians for Brazilian founders are about 30 percent lower than the corresponding values for Austrian founders.

While the ideal-type leader of local initiatives can be easily described, a similar profile can not be detected concerning the participants of local initiatives. Here the Austrian and Brazilian samples are characterized by differences rather than by similarities. The main explanation can be found in gender differences and in the "life or work world" orientation of local initiatives. This is analyzed in detail further below.

3.5. Local Initiatives as a Reaction to Global Change

The effectiveness of local initiatives was examined through an assessment of each initiative according to operational success and contribution to the solution of the regional problem through attainment of strategic goals. In the Parque Paulistano as well as in Northern Waldviertel, only 8 to 9% of the examined local initiatives can be categorized as ineffective. Local initiatives can therefore fundamentally be considered an effective local answer to global change - which supports a positive answer to the final hypothesis.

Besides testing the main hypothesis, the research provided some conceptually interesting results that might stimulate future research.

3.6. *"Life World" and "Work World" Initiatives and the Role of Women and Men*

In the Parque Paulistano, local initiatives are primarily active in what Novy (1994: 85ff.) calls the "life world" and the percentage of women among the participants (63.2%) and founders (59.4%) is clearly higher than in the regional population (52.9%). In the Northern Waldviertel local initiatives are primarily active in the "work world" which results in a male share of 69%. Among participants and the regional population this percentage is approximately 55%. The interest in participation in local initiatives for "life world" problems is stronger among women, while for "work world" initiatives it is stronger among men. In Brazil, women were more often participants (see Caldeira, 1984 and 1987); in Austria, men. But this is not all.

Another explanatory factor is significant: the activity area of the local initiatives, and gender and the activity area are closely correlated. The activity areas of local initiatives differ fundamentally between the two study areas. As mentioned above, in São Paulo the majority of the local initiatives deal with "life world" problems, in the Waldviertel they deal with the "work world". These differing emphases lead to very specific participant groups, whose characteristics are more clearly visible in the regional context. "Work world" initiatives are tied to money-earning work, the market, and better resources. "Life world" initiatives are tied to unpaid work, market independence, and consequently, fewer available resources. These connections can also be made among the different resource levels of participants in Brazil and Austria. Furthermore, a correlation between the resource level of participants and the contents of local initiatives can also be shown within Austria. Participants within "life world" initiatives on average have an essentially lower resource availability than participants in "work world" initiatives. No judgement should or can be given here, however, on the causal relationship. This difference is caused and intensified by different social factors in each study area. Founding correlates to a large extent with objective problem pressure. This problem pressure is, however, very different in the two areas. The lack of a public social security system in Brazil is of importance here. A majority of the initiatives in Brazil carry out activities that in Austria are already provided for by the state, or indirectly through state support of social services.

In Brazil, therefore, local initiatives for the most part help to satisfy basic needs. Based on this fact, it is easy to understand the differences in personal resources between the Austrian and the Brazilian case study areas. In Austria it is assumed that the satisfaction of basic needs is provided for by the state, and so the local initiatives can concentrate on other areas, namely, the "work world."

The activity area of a local initiative is to a large extent dependent on the resources of individual participants. This may explain why the participants in life-world-oriented initiatives

have fewer resources, and those in work-world-oriented initiatives have more than the average population.

3.7. Local Initiatives and the "Voice"-Option

How effective the "voice" strategy of the local initiative is depends strongly on its connection to the regional but also to the national network. Here, the founders and leaders play an important role as *functional centers and representatives of the local initiative*. They give "voice" to the populace of a region and bring existing regional problems to public awareness. If the internal organization of the local initiative is good, a favorable form of delegation of central functions can be achieved. But by this the key person's vertical power increases. The more she or he is successful, by itself or by tying together different action arenas, the stronger the control of strategic factors within this network and consequently the horizontal power of the leader, that means the power within the local initiative. The latter results from her or his concentration of resources.

The disadvantages of this delegation of power to the key person is the loss of countervailing power of the initiative through reciprocal participation. The leaders bring outside interests of other organizations into the local initiative, instead of the interests of the initiative being advocated outside. A particularly significant danger to local initiatives is a close relation to powerful supra-regional organizations. Only if the local initiative has sufficient autonomy, is it possible to prevent a colonization by the ruling system of countervailing power activity, and to put into place endogenous processes which bring lasting social change.

4. Final considerations

If one now returns to the originally posed power theory considerations of Friedmann, one sees that these prove to be extraordinarily helpful to the understanding of local initiatives in both study areas. They further a rethinking of the basic assumptions of local and regional development processes. The research results confirm the importance of communication as well as of economic factors, most importantly financial resources, for the participation in local initiatives. They show that, in addition to other factors which until now have not entered into the theoretical model, they are important explaining variables for the participation in initiatives. Most significantly, these other factors include the knowledge about local and supra-local contexts and especially social and public networks, through which people within a region are bound together.

The latter consideration is rarely given attention in regional policy. This project showed the importance of these non-economic resources for the life strategies of the inhabitants of

peripheral regions. The influence of Hirschman's "voice" strategy on the development of a region was investigated only at the margin. There was, nevertheless, a group of indicators positively related to this phenomenon.

The interdisciplinary social science approach of this project has been supported by recent results on an archetypical example, namely Italy. Putnam (1992) explains vividly why the decades-long efforts to dismantle the center-periphery differences in Italy will not be successful without an analysis of the organizations, initiatives, and associations of a region. The organizational diversity of a region is - as shown also by the Italian example - not the result, but rather the prerequisite for local economic development.

The authors hope that the research project, with its analysis of local actors, underlying organizations, and initiatives, and a power-theoretical approach, will prove to be a useful contribution to a new conceptualization of development processes in peripheral regions. The participation in local initiatives with "voice" is the answer of responsible citizens to the process of social polarization, which is particularly evident in the geographic periphery. The provision of non-economic resources for its citizens through regional policy instruments (besides economic ones) is an essential help that regional policy can give to the life strategies of the inhabitants of peripheral regions.

Bibliography

ARENDT, Hannah, 1981: Vita Activa oder vom tätigen Leben. München: Piper.

BAUM, Josef, 1991: "Die regionalwirtschaftliche Entwicklung des Waldviertels in den achtziger Jahren", Das Waldviertel, 40.Jg., Heft 3, S.201-212.

BRANT, Vinícius Caldeira et al., 1989: São Paulo: Trabalhar e viver. Comissão Justicia e Paz de São Paulo. São Paulo: brasiliense.

CALDEIRA, Teresa Pires do Rio, 1984: A Política dos Outros: O Cotidiano dos Moradores da Periferia e o que Pensam do Poder e dos Poderosos. São Paulo: Editora brasiliense.

CALDEIRA, Teresa Pires de, 1987: Mujeres, cotidianeidad y politica. In: JELIN, Elizabeth, Ciudadanía e identidad: Las mujeres en los movimientos sociales latino-americanos. Ginebra: Unrisd.

CLEGG, Stewart, R., 1989: Frameworks of Power. London: SAGE.

DEDECCA, Claudio Salvadori, 1989: Areas homogeneas: Carateristica ocupacional, diferenciais de renda e desemprego. In: SEADE, Mercado de Trabalho na Grande São Paulo: 21-33. São Paulo: SEADE.

FRIEDMANN, John, 1992: Empowerment. The Politics of Alternative Development. Cambridge MA & Oxford UK: Blackwell.

FRÖBEL, F., HEINRICHS, J., KREYE, O., 1986: Umbruch in der Weltwirtschaft. Reinbek bei Hamburg: Rowohlt.

HARRISON, Bennet, BLUESTONE, Barry, 1988: The Great U-Turn. New York: Basic Books

HIRSCHMAN, Albert, O., 1970: Exit, Voice and Loyalty; Responses to Decline in Firms, Organizations, and States. Cambridge-MA and London: Harvard University Press.

KACIREK, W.; CORTOLEZIS, K.; STROHMEIER, G., 1990: Unternehmensentwicklung in peripheren Regionen (Projektendbericht), St. Pölten: Interuniversitäres Forschungsinstitut für Fernstudien Projektzentrum "Bildung und regionale Entwicklung".

KOMLOSY, Andrea, 1988: An den Rand gedrängt. Wien: Verlag für Gesellschaftskritik.

KRIESI, Hanspeter, 1988: The Mobilization Potential of New Social Movements: Its Structural & Cultural Basis. In: Friberg, ed., 1988: New Social Movements in Western Europe. Gothenburg: Padrigu. S 57-97.

MUEGGE, Hermann, STÖHR, Walter B., eds., 1987: International Economic Restructuring and the Regional Community. Aldershot/UK: Gower.

NATTER, Ehrenfried, RIEDELSPERGER, Alois, eds., 1988: Zweidrittelgesellschaft. Wien: Europaverlag.

NOVY, Andreas, 1992: Gegenmachtstrategien: Sprechen und Handeln von Bürgerinitiativen in Brasilien und Österreich. In: Kurswechsel 2/92. S 28-46.

NOVY, Andreas, 1994: Lokaler Widerstand und struktureller Wandel in Brasilien: Lokalinitiativen der Armen an der Peripherie von São Paulo. Frankfurt/Bern/New York/Paris: Peter Lang Verlag.

ÖSTAT - ÖSTERREICHISCHES STATISTISCHES ZENTRALAMT, 1993: Volkszählung 1991 - Wohnbevölkerung nach Gemeinden. Wien: Heft 1030/0

PAHL, Raymond, 1984: Divisions of labour. Oxford: Basil Blackwell.

PUTNAM, Robert D., 1993: Making Democracy Work. Civic Traditions in Modern Italy. Princeton: Princeton University Press.

SANDNER, Karl, 1990: Prozesse der Macht. Zur Entstehung, Stabilisierung und Veränderung der Macht von Akteuren in Unternehmen. Berlin Heidelberg: Springer.

SEADE (FUNDAÇÃO SISTEMA ESTADUAL DE ANÁLISE DE DADOS), 1992: O Novo Retrato de São Paulo. Avaliação dos primeiros resultados do Censo Demográfico de 1991. São Paulo: SEADE.

STÖHR, Walter, B., ed., 1990a: Global Challenge and Local Response. Initiatives for Economic Regeneration in Contemporary Europe. London: Mansell.

STÖHR, Walter, B., 1990b: Introduction. In: Stöhr, Walter, B., ed., 1990: Global Challenge and Local Response. Initiatives for Economic Regeneration in Contemporary Europe. London: Mansell. S 20-35.

STÖHR, Walter B., TAYLOR, Fraser D.R., eds., 1981: Development from above or below?

The Dialectics of Regional Planning in Developing Countries. Chichester/UK: Wiley.

WALDERT, Helmut, 1992: Gründungen. Starke Projekte in schwachen Regionen. Wien: Falter.

Publikation gefördert durch das
Bundesministerium für Wissenschaft,
Forschung und Kunst, Wien



Institut für Raumplanung und Regionalentwicklung
Wirtschaftsuniversität Wien
Vorstand: o.Univ.Prof. Edward M. Bergman, PhD

Augasse 2-6
A-1090 Wien, Austria

Tel.: +43-1-31336/4777 Fax: +43-1-31336/705 E-Mail: iir@wu-wien.ac.at
<http://www.wu-wien.ac.at/wwwu/institute/raumpl/tafel.html>