

## Chapter 9

# Social Networks, Labour Market and Policy Impact in Santa Marta de Penaguião

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### 1. Introduction

This chapter summarises the results of the thematic research conducted by the Portuguese PaYPiRD team on *Social Networks, Labour Market and Policy Impact* in a small rural county (Santa Marta de Penaguião) in the Douro region of North Eastern Portugal into how social networks help rural school-leavers both to access information about job opportunities and, indeed, to secure employment. The chapter also describes the practical functioning of these mechanisms and, in doing so, tests the validity of a broad conceptual framework that was developed at the beginning of the research (Gerry 1999).

It was hoped that, by providing an assessment of the importance of rural social networks in the study area, relative to the functioning of both the labour market and the policy environment, and the extent to which they provide a means of securing more satisfactory employment for rural youth, further insights might be gained into the way in which market, policy and the local community articulate in other localities and contexts. If so, the analysis could provide a valuable input into attempts to improve the relevance, design and targeting of policies to promote employment and combat social exclusion in rural areas, by providing policy makers, prospective 'outside' employers and investors, with additional insights into the contexts in which such rural economic initiatives are made.

### 2. Why Study Social Networks?

Our interest in researching the functioning and involvement of rural social networks derived from the recognition – based on substantial prior sociological and economic research on rural Portugal – that the combination of the market mechanisms and government/EU policy *alone* determine neither rural employment and income outcomes, nor the broader social and cultural dimensions of rural

livelihoods. It was strongly felt that rather than focusing narrowly on supply and demand, along with the policy measures ostensibly designed to improve the efficiency and equity of their interaction, it was the factors that lay behind the laws of supply and demand that demanded more detailed analysis. Intuitively, local (and local – extra-local) social networks also play a significant role in providing access – privileged or otherwise – to employment, and it is their form, functioning and relative importance that the Portuguese team sought to investigate and assess.

Rather than limiting the analysis by assuming that negative features of the structure and dynamic of rural youth employment could be largely explained by the failure of market and/or corrective policy to work properly, it was felt that greater emphasis should be placed on examining the nature of the interaction between (a) the market, (b) social network-based, and (c) policy mechanisms – along with their corresponding arrangements and institutions – so as to produce the employment and social inclusion/exclusion outcomes that currently characterise rural youth in Europe.

In tracing how rural social networks contribute to given outcomes for rural youth, and in identifying the “bridges” and “barriers” characterising the contours of market, policy and network, we have to be mindful of the fact that, directly or indirectly, in distinct circumstances of rural development, social networks, the labour market and policy measures all produce, alone or in combination, both wage-employment and self-employment opportunities. These are discrete forms of income generation, reflecting distinct social relations (in the broadest sense of the term), with correspondingly specific values, attitudes and social relations and, as such meet the aspirations of rural youth to a greater or lesser extent. Additionally, the fact that in many rural contexts economic pluri-activity (i.e. multiple employments and income-sources) is the rule rather than the exception increases the complexity of articulation between market, policy and network.

Traditionally, one of the key variables in influencing the outcome of social change and, in particular, the distribution of its benefits, has been the acts of solidarity that bound together members of the same socio-economic class. With the onset of the debate on post-modern society, the concept of class began to lose popularity and legitimacy among social scientists, and much of late 20th century sociology has placed greater emphasis on other criteria for inclusion and identity, such as common ethnicity, community, neighbourhood, family, gender or generation. Indeed, the sociological literature – in particular that relating to emigration, the persistence of smallholder agriculture, the informal economy, and ethnic minority entrepreneurship – is replete with references to the importance of networks (Portela 1988, Panayiotopoulos 1993) based on such non-class types of solidarity in determining who benefits and to what extent from the opportunities created by social change i.e. the very outcomes upon which recent concepts of social exclusion and inclusion have been constructed.

The literature on social networks that emerged in the 25 years following the Second World War is particularly rich,<sup>1</sup> though much of this tended to focus on the micro-phenomena of urban life, and/or on the persistence and adaptation of so-called 'traditional' forms of family- and ethnically-based solidarity as members of the rural populations in developing country increasingly established themselves in metropolitan settings. However, the literature on continued recourse to social networks in rural areas (i.e. the other side of the migration and adaptation 'coin') and, particularly, their functioning in the Southern European context, is less plentiful.

More specifically, the contemporary models of how the transition between school and work takes place, and how employment pathways are constructed, owe much to the seminal work of Beck (1992). However, these seemed inadequate – at least in the Portuguese case – to the task of making sense of not merely a residual persistence, but the continued vigour and indeed prevalence of social networks throughout rural society.<sup>2</sup>

The two main changes that Beck considers have marked the transition to a "risk society" are, on the one hand, the supplanting of traditional family solidarity by various types of institutional support and, on the other, the relentless penetration of the market and its attendant values. With regard to the school to work transition, Beck's conclusion is that youth, cast adrift from familiar support systems, and required to confront an ever more competitive, hostile and unpredictable labour market, are increasingly obliged to adopt a much more 'individualised' approach. It is in this context that youth are seen to be more and more constructing their own employment pathways and their own biographies.

Assuming, for the purposes of argument, that the Beckian hypothesis holds – i.e. that, in a risk society, youth do construct their own biographies, it is important to point out that the notion of choosing and constructing one's own 'biography' (as against accepting ascriptively attributed attitudes and behaviour) has two quite distinct but interrelated dimensions:

- *identity* – or the (mainly) subjective perception of self, constructed out of both subjective/internal and objective/external/structural elements, and its 'projection' onto or into concrete situations (e.g. identifying with particular groups, patterns of behaviour, norms, values, etc.); and
- *pathways* – based on the extent to which this process of 'projection', along with the context into which one's identity is 'projected', produce an outcome commensurate with expectations (i.e. job, lifestyle, prospects).

<sup>1</sup> See e.g. Mitchell 1969, Boissevain and Mitchell 1972; for more recent reviews and contributions, see Wolfe, A. 1978, Johnson 1994, Nardi, Whittaker and Schwarz 2000 and Fernandez, Castilla, and Moore 2000.

<sup>2</sup> For a recent account of the functioning of social networks, seen from the standpoint of the articulation between group and individual and between network and market, see Nardi, Whittaker and Schwarz 2000 and Molm, Takahashi and Peterson 2000.

For a number of reasons, the traditional family structure and its provision of solidarity and support still remains largely intact in some rural areas in Europe, notably the area under scrutiny here. Furthermore, while it is clear that, to a significant extent, demographic decline has retarded – or perhaps the term ‘deflected’ would be more appropriate – a fuller and deeper penetration of the market in rural areas. Finally, government policy has largely failed the rural areas and, where it has succeeded, this has often been due to the ‘lubrication’ it has received from the functioning of social networks in general, and clientelist relations, in particular. This should not be a complete surprise – as Giddens (1999) has recently argued that:

in the industrial countries (...) traditional ways of doing things [have] tended to persist, or be re-established, in many (...) areas of (...) everyday life. One could even say there was a sort of symbiosis between modernity and tradition.

Paradoxically perhaps, Giddens’ conclusion echoes one drawn by Lenin, almost a hundred years before, when he conceptualised the apparently contradictory co-existence of the modern and the traditional in Russian society in the following way:

The development of (...) social relationships in general, cannot but proceed very gradually, among a mass of interlocking, transitional forms and seeming reversions to the past. (V. I. Lenin 1967, 536)

The Portuguese team’s knowledge of and previous experience in rural and agrarian research suggested that, *a priori*, while a rural school-leaver may indeed initiate the search for employment on an increasingly “individualised” basis, with policy intervening – with more or less success – to mitigate the worst effects of labour market imperfections and/or supply-demand imbalances, a further component – namely the operation of mainly localised social networks of information, influence and solidarity – had to be incorporated into the analysis, if it were to provide a more complete assessment of market efficiency and policy effectiveness.

### 3. Methodology

The methodology adopted for the research as a whole did not generate the type of information that network analysts customarily dealt with. Both the data from the questionnaire survey, and the results of the open-ended interviews generated information, reflected the current situation and past experiences of a small sample of young people from a wide range of local communities, class backgrounds and educational levels. Due to this degree of geographical dispersion and socio-economic heterogeneity, it was not practicable to undertake detailed mapping of the social networks individuals used (or had deployed on their behalf) in pursuit of employment. Thus, regardless of the Portuguese team’s preferences with regard to established conventional methods of network analysis, an approach had to be adopted that was relevant to the type of data collected. It was felt that, given the data that the project would be generating as a result of its wider, common concerns,

and the current paucity of knowledge and analysis of how social networks operate in a rural Portuguese context, it was justifiable to limit our analysis to the following two main objectives:

- testing our initial typology and hypotheses concerning the nature and dynamics of rural social networks; and
- identifying the extent to which such mechanisms were currently used by and for youth, in substitution for, or as a complement to, market and policy mechanisms.

Nevertheless, the research into rural social networks in Santa Marta provides the basis for future, more detailed research with some or all of the following aims in mind:

- follow-up of the experiences of Santa Marta interviewees; and/or
- assessment of the performance (and recent improvements) in key policy measures; and/or
- a deepening of the analysis of preferment (*cunha*); and/or
- comparison of network forms and functioning in neighbouring counties/regions; and/or
- comparison of deployment of social networks by youth in more urban, yet non metropolitan contexts.

#### 4. Social Networks in Santa Marta: A Broad Conceptual Framework

##### *Introduction: Networks, Markets and Policies*

In Santa Marta and, by inference, in much of the rural interior of Portugal, not only do social networks play a crucial role in the search for employment in the private, public, NGO, and other sectors, but recourse to them is generalised. Indeed, their use would appear to be on the increase, mainly due to the pressures and difficulties young people experience in accessing stable and satisfactory employment.

While social networks clearly constitute one of the three key forces that determine employment outcomes – the others being the market and policy interventions – it would be inaccurate to see them as being a comparatively minor and residual factor, or merely a complementary component of the overall mechanism. All three factors interact and the relative weight and determinacy of each will vary according to the local circumstances and the prevailing economic and political conjuncture. Just as government policy is often seen as an (ostensibly temporary) imperfection that is imposed on the market with a view to achieving an improvement in overall equity and a targeted increase in welfare, so social networks can also be regarded as market imperfections brought about by local actors in pursuit of a distribution of benefits that is more favourable to them.

In the specific case reported on here, it would be more accurate to say that social networks are the predominant factor in explaining how young people find work for the first time, and how they take the first steps on a pathway leading either to stable (though not necessarily satisfactory) employment and relative socio-economic inclusion, or to precarious employment and possible socio-economic exclusion. In some circumstances they constitute the essential lubricant in the process; in others, they are the only significant force providing information, support, advice and assistance in helping youth to avoid long term unemployment. In extreme cases, they may operate to the complete exclusion, and prevail in spite of the dictates of the market and/or the targeting priorities of policy. Thus, in rural areas, it is the market and government policy that play secondary – and in some cases residual, neutral or even negative – roles in the process of matching *some* young people to the available employment.

It is therefore important to see the functioning of social networks not only in their own terms, but in their policy and market context. Access to appropriate social networks is a necessary but not sufficient condition for successfully making the transition from school to work: alone they provide no absolute guarantee of advancement. In order to be appointed to a particular position – however modest or senior, temporary or permanent, “dead-end” or promising it may be – normally a number of prerequisites will have to be met. This is all the more so when the post is filled through formal market mechanisms, i.e. open recruitment, advertised posts, interviews, ranking of formal and experiential qualifications, etc. Thus personal initiative, educational and/or technical qualifications, work experience, social networks and, frequently, luck may all combine to improve or diminish the likelihood that a given youngster will be successful in gaining a first and subsequent footholds on the employment ladder. Each of these prerequisites may be subject to limitations, and some criteria may need to be filled if others are to have influence: for example, family influence may only be invoked if the candidate for the post in question has the appropriate minimum educational qualifications.

### *Principal Features of Social Networks*

Typically, rural social networks are not homogeneous, nor do they function in a simple or mechanical fashion. Indeed, the very term ‘network’ suggests complexity and flexibility. The operational form of the social network tends to be lighter, less structured and institutionalised, its functioning more flexible, and its interests and aims broader and less explicit than that of the social group. Networks are not typically constructed between people, enterprises and/or institutions on the basis of equality, but on the supposed identity, similarity and/or complementarity of their interests. Sometimes these interests are general (e.g. family solidarity); sometimes they are presented as being quite specific (e.g. business co-operation). Furthermore, networks consist of various types of asymmetrical interpersonal relations that can be deployed continuously and/or intermittently to achieve mainly economic outcomes by non-market means.

The generational, class and gender composition of a network’s membership – be it homogeneous or heterogeneous – will have significant effects on the actions

of those that participate in it, and the distribution of the benefits that accrue to them. Indeed, network membership of itself, guarantees little or nothing: benefiting from participation in a social network requires the continuous and/or intermittent management of its aggregate resources and its potential benefits, both by the individual and by key groups operating within given networks. Furthermore, network benefits are unlikely to be distributed on an equal basis, though implicit norms of both eligibility and relative equity of treatment will apply.

There are many types of networks and many of them interact. Network heterogeneity will influence the nature and outcome of a network's interaction with (a) social groups, (b) other networks, (b) policy-related institutions, and (c) markets. However, as an analytical starting point, the types of relations and transactions in question can be thought of as a continuum, ranging from acts of intra-family solidarity, through support provided within the extended family and between close friends (either inter- or intra-generationally), and networking within work-based and professional groups, to various forms of nepotism, and traditional and new forms of clientelism, including political and/or economic preferment, graft and corruption.

While the analogy of the transaction has traditionally been used to clarify certain aspects of how social networks function, this term tends to connote an essentially short-lived, act. However, the types of inter-personal and inter-group reciprocity referred to here – be they balanced or asymmetrical – may have considerable longevity, with myriad intermittent repetitions and cumulative interactions over time. Thus rural social networks tend to be lifelong phenomena: they are constructed, cultivated, extended, managed and maintained, restructured and revised, activated, suspended and reactivated throughout their members' life-cycle, from youthful dependence, to adulthood and relative family autonomy and back again to the relative dependency of the aged.

Thus multiple 'chains' of relationships stretch from inside the nuclear and extended family, across generations and between genders, extending to the local community, institutions, polity, economy, and beyond. The activation of these chains reinforces and/or restructures the pre-existing networks of asymmetrical relations – whether they be based on relations of solidarity or clientelism – altering both the context in which additions to and management of the network may take place, and the outcomes that may be expected by those involved.

### *Managing the Network*

Neither young people, nor their older or elderly counterparts ever confront networks as ready-made structures and mechanisms. To a varying degree and, in particular, during the years of adolescence and early adulthood, networks are both subjectively construed, concretely constructed and increasingly deployed by youth as components in the exercise of some degree of control over their lives (in general), and over their employment pathway (in particular). For example, on the basis of their (albeit limited) knowledge of market and policy circumstances, and their assessment of probable outcomes, in seeking to achieve their own short term objectives or longer run ambitions, young people may perceive a clear distinction

between the use of (a) ready-made and apparently secure and predictable connections provided and activated by their parents or close adult relatives, and (b) networks made oneself at school, in training and/or placement situations, in military service, and actively manifest a preference for one over the other.

There is a further and even more important distinction to be made between *membership* and *management* of social networks, which helps to explain the scope that exists for internal differentiation – both potential and real – inherent in them. Of themselves, networks do not guarantee an ‘edge’, a competitive advantage, or privileged access either to information and/or advancement. The ability to *manage* one’s network(s), and to adapt network use to the prevailing circumstances – be they subjective (aims, aspirations, ambitions) or contextual (e.g. market conditions, shifts in politics or the balance of economic power) – is absolutely crucial to the improvement of employment, or any other sort of outcome.

Perhaps the best way of linking the subjective and objective dimensions highlighted above, would be to recognise that, over time, individuals activate and reactivate their networks, are more deeply or more marginally involved in them, and draw more heavily on or contribute more significantly to them as the circumstances dictate. Indeed, the skill with which one ‘manages’ one’s network(s), i.e. maintains contact with fellow members, even when their contributions are not being called upon, may well be reflected in the overall long-run success with which networks can be used. This continuous ‘management’ may need to be undertaken not only when no network benefits are being sought, but also during periods of often extended absence, as in the case of emigrants.

For some, this network management may be a largely natural and instinctive process, while for others it can be conscious, planned and premeditated. Not only is the temporal extent of these rural social relations considerable, but so is their spatial scope, with network “tendrils” extending out to other areas, linking young married couples’ own families, migrant relatives and friends, class mates who have moved to the city, fellow squad members from military service, fellow workers from building sites and fruit harvests in distant regions of the country or across national frontiers. The interpersonal proximity and shifting, and asymmetrical interdependency that any form of networking implies and, indeed, demands, not only has palpable benefits, but can also generate friction, and this may lead to individuals withdrawing from or even dismantling and restructuring the network, particularly in cases of (e)migration.

The notion of youth constructing, tending and occasionally ‘pruning’ their network of advisors, informants, patrons, mediators and ‘fixers’, contradicts to some extent the stereotype many adults have of youth – namely that they are typically immature and irresponsible.<sup>3</sup> Notwithstanding the prevailing image of youth culture as a ‘live now, pay later’ philosophy and practice, the reality is far more complex and contradictory. Youth not only have what we might call ‘pre-

<sup>3</sup> Note, however, that this is only half of the ‘Janus-face’ that adults attribute to youth: the other half consists of the belief that youth are creative, intuitive and the repository of humankind’s hopes for the future.

career concerns', i.e. about gaining access to employment, accumulating "credit" with potential employers that may serve them in the future, and finding the most advantageous trade-off between effort and reward. They also worry about which careers they will end up in, regardless of how closely these may correspond to childhood dreams, aspirations and ambitions. Conscious of the hardships past generations have suffered and how poorly many of the rural elderly still live, rather than simply 'living for today', they may contemplate some distant 'post-employment' future – what their pensions will be worth and who will look after them.

## **5. The Use of Social Networks in Accessing Employment: A Summary of Results**

### *The View from Below: Social Networks and the School to Work Transition*

Before looking at the extent to which social networks are used to complement labour market and policy mechanisms in Santa Marta, it would be helpful to try to picture how the contours, trajectory and direction of the youth employment pathway, and thereby, young peoples' employment outcomes, are influenced by some of the key components of social networks alluded to above.

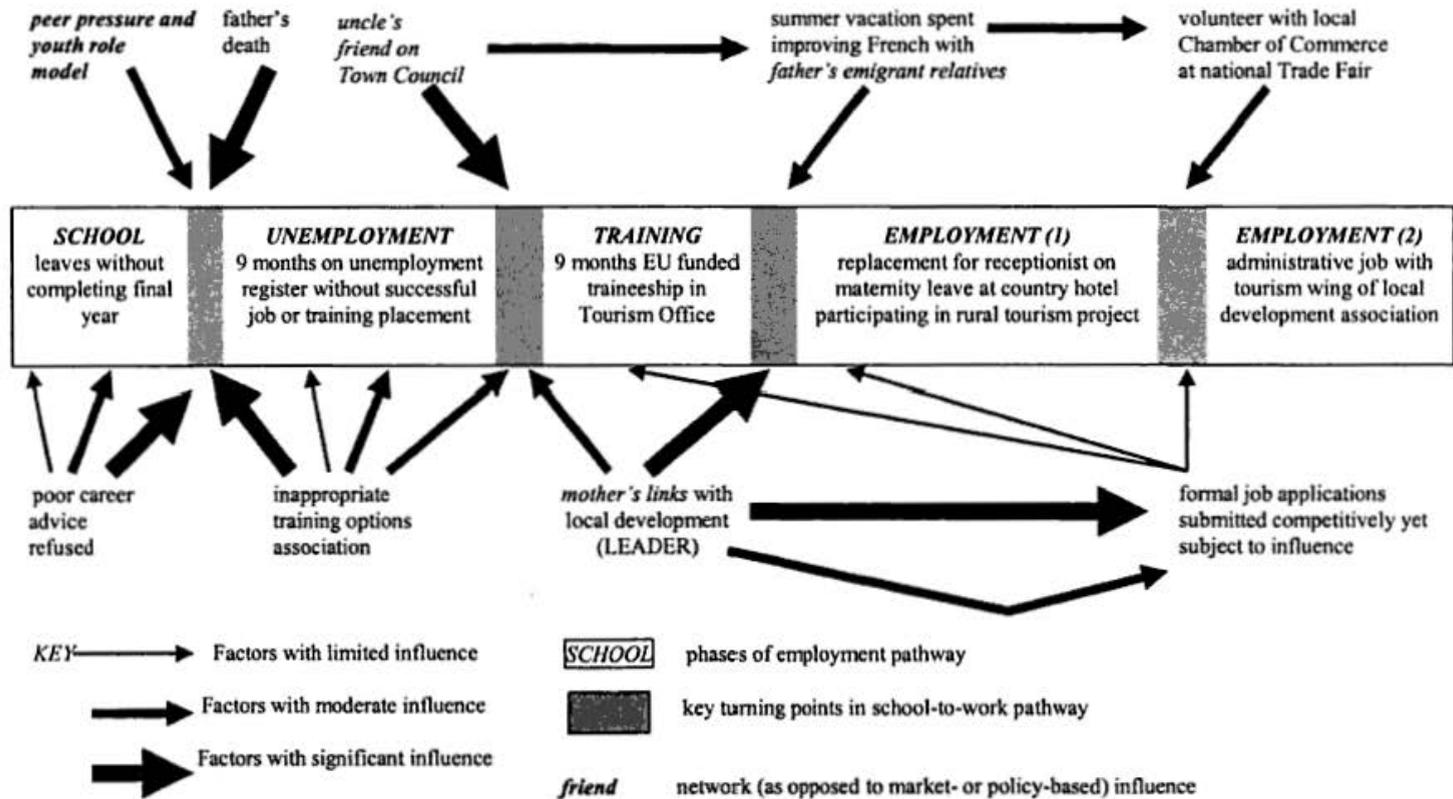
Typically social networks may link the parents of a recent school-leaver asymmetrically and intra-generationally with those who may be able to offer help, advice, information, influence, or even have the ultimate decision-making power in determining who is employed. Where such relations exist, young people themselves and/or by their parents may bring them to bear – successfully or not – on the problem of gaining a first foothold on the employment ladder.

Figure 9.1 below is an attempt to visually represent the first stages of such an employment pathway.<sup>4</sup> In this hypothetical case, not untypical of the situations encountered in the interviews and in the focus group meetings with youth from Santa Marta, an uncle acts as intermediary between his niece and a friend who works for the Local Council, with a view to securing an employment opportunity; later, the girl's mother's previous collaboration with a local development association paves the way for a temporary job in a hotel that is participating in a project to promote rural tourism, but also because the candidate, on her own

<sup>4</sup> For the sake of diagrammatic simplicity, it is assumed that the impact of factors influencing the direction and dynamic of the employment pathway is felt at the end of a distinct stage when, in reality, their impact may be felt throughout that stage and even beyond.

initiative, sought to improve her language abilities by spending time with relatives abroad. This experience, combined with volunteer work, along with her contacts, gave her the edge when applying formally for a more permanent post.

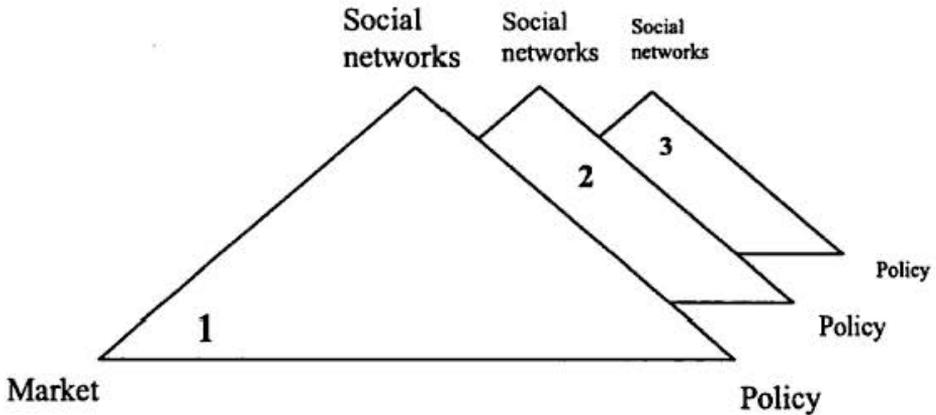
**Figure 9.1 The Influence of Social Networks on the Employment Pathway**



*The View from 'Above': Social Networks, Markets and Policies*

Networks do not exist and are not built, managed or modified in a vacuum, i.e. outside the context of market and policy, and that is why it is essential to examine the relationship between the three components of the network-market-policy "triangle", and how this articulation determines the eventual employment outcome, as Figure 9.2 below illustrates.

**Figure 9.2 Employment Outcomes and the Network-market-policy 'Triangle'**



Market forces, policy measures and social networks combine differentially to bring about overall employment outcomes 1, 2 and 3, in which the influence of market, policy and social networks predominate, respectively. Put another way, these three positions reflect three types/degrees of 'market imperfections': relatively freely operating labour, capital, land and other markets, largely policy-induced and predominantly network-induced, respectively. These three outcomes could also characterise situations in distinct territories (metropolitan, intermediate, 'marginal'/rural) or, broadly speaking, distinct periods in which different economic and/or policy paradigms predominate (e.g. neo-liberal versus interventionist).

Analysts are accustomed to looking at the interface between policies and the market, but relatively little work seems to have been done on the articulation between non-market networks (either of the 'traditional' or 'modern' type) and either the market and/or policy interventions.<sup>5</sup> The three conditioning factors are not mutually exclusive; they may complement each other or conflict with each other. In reality, the 'spheres' of network, policy and market overlap and interact

<sup>5</sup> However, see, for example, Hadjimichalis and Papamichos 1991, and Hadjimichalis and Vaiou 1992.

substantially, since networks may be used (a) to secure employment/training that has arisen out of a particular policy initiative, and (b) posts that ostensibly are to be filled via the market mechanism; furthermore, policy shifts may constrain or widen the opportunities for networking, and shifts in the labour market may make networks less effective or attractive.

Thus the interaction between market, policy and networks may be of a more dialectical nature, with outcomes more complex than mere trade-offs.<sup>6</sup> Thus it may be more helpful to base our analysis less on the concept of the trade-off and more on the notion that rural social networks are created, maintained, managed and extended, mutually articulate and interact with markets and policies on the basis of *synergies*. Thus, in principle, the use of a social network, alone or in articulation with other networks, and/or market and/or policy factors, may produce a more satisfactory employment outcome than may be expected from reliance on market and/or policy measures alone. A more complex model is called for, given that the argument that relations of interdependence between different categories of rural resident are typically asymmetrical is more compelling – both on theoretical and empirical grounds – than the assumption that inter-network permeability is uniform, and network access is evenly distributed.

There is also the question of how networks change, adapt, and reconstitute themselves over time. Does this depend on how ‘formally’ they are internally structured and operate, or is it determined more by their articulation with other networks, institutions and markets? Is there an articulated set of “modes of advancement” along the employment pathway, linking not only market place, policy measures and social relations, but also bringing together various types of networks, each differentiated by function, generation, periodicity and extent of use?

If the future growth and adaptability of enterprises (and, by extension, other types of organisations) will depend more and more on network-based synergies, as suggested increasingly nowadays by management analysts, then it would be logical

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<sup>6</sup> Some hypothetical, yet entirely plausible examples may serve to illustrate the problems of using the assumptions of narrowly-defined rational, optimising economic behaviour explicit in the concept of the trade-off and the zero-sum game approach: (a) *Young Farmers*: What are the costs of a young farmer withdrawing partially from family and/or community-based social networks in order to engage more actively/extensively in market-based initiatives via an EU subsidy and training programme (i.e. shifting from 3 towards 1 and 2 in Figure 9.2)? (b) *Youth Culture*: Is there a loss (or some kind of more complex qualitative shift) in the solidarity provided by a network of unemployed or unsatisfactorily-employed youth, when one member accepts a new job (i.e. does the shift from 3 to 1 permanently undermine the influence of 3)? (c) *Youth Training/Employment Initiatives Policy*: When rural youth participate in a given policy initiative, are there competing claims of family, friends and community (on the one hand) and of (new) policy-partners – some of whom may be peers (colleagues and collaborators), others who may be managers and/or decision-makers? (i.e. does a shift from 3 towards 2 undermine the effect of 3, or enlarge and redefine its influence?)

to conclude that networks offer opportunities that neither the market nor conventional corporate structures can provide.

## 6. Family, Friends, Classmates and Colleagues: Nurseries for Networking?

### *Introduction*

Most of us assume, on an intuitive basis, that, to an appreciable extent, policies formulated to support youth employment achieve their stated objectives. As a result of our own day-to-day experience and observations and the effects of the prevailing policy discourse, we are conscious of the activities of whole sections of the state apparatus – the Ministry of Employment, Job Centres, the Institute for Employment and Professional Training, the Portuguese Youth Institute, etc., as well as myriad non-governmental and private agencies, intervening directly and indirectly in the labour market in a variety of ways, such as work experience programmes, training initiatives, self-employment micro-credits and advertising and information campaigns.

At the risk of caricaturing an undoubtedly complex situation, the interviews conducted in Santa Marta revealed that the intervention and intermediation of a series of people was of substantial importance in bridging the gap between school and work: parents, uncles and aunts, cousins, neighbours and even relatively casual acquaintances of the family, as well young people's own friends, former classmates and colleagues on training and work-experience programmes

### *The Primacy of the Family*

One of the most important conclusions drawn from the research was that, among the local social networks to which youth had recourse, the immediate family was the foundation on which job-seekers depended for help and advice. The primacy of the family – both nuclear and extended – was reflected not only in the provision of general support (emotional, motivational, material, etc.) to youngsters, but also in attempts to maximise the employment opportunities open to them by activating any and all available networks, or by mobilising what some authors, in a somewhat differing context, have variously referred to as “social capital”, “cultural capital”, “relational assets”, “powers of association”, or “untraded dependencies” (Amin and Thrift, 1995; Storper 1995). In other words, rural families indulge in networking, deploying a complex web of relatives, close friends and even relatively casual acquaintances, with quite different socio-economic statuses, characteristics, assets and interests. Thus, typically, parents and other adult relatives were the first and crucial collaborators in the search for employment and, not infrequently, their efforts meet with considerable success.<sup>7</sup>

<sup>7</sup> This conclusion mirrored the situation found in some of the other European study areas, notably Austria (to a comparable degree, it seems), as well as Scotland and Ireland and, to a lesser extent, France.

Parents themselves make a number of direct inputs that assist their sons and daughters in finding employment or, at least, help them through the difficult period of waiting for an opportunity to emerge: principal among these inputs are:

- moral support and both “strategic” and “tactical” advice regarding both personal and employment related issues;
- continued free/subsidised food and lodging;
- child-care for offspring who have already started their own family;
- ‘on the job’ training and experience in agricultural and construction skills on the family plot and/or in the harvest, during repair/rebuilding of the family home and, in some cases in a family non-farm enterprise;
- land for own house construction;
- land, capital (including secured guarantees) and other inputs for a small business project (self-employment) to fully or partially occupy the son/daughter’s time and provide a full or part income;
- access to privileged information and/or influence (*cunha*).

### *School as a Networking Opportunity*

Its geographical position between Régua and Vila Real, and the closure of many village schools as a result of demographic decline and urban concentration, has meant that there is no secondary education beyond 9th grade in Santa Marta. Thus youngsters who wish to stay on and complete their 12 grade are forced to accommodate themselves both to new educational and social environments, with their associated benefits and distractions. There is not only a new institution to get used to, but also a new town and its extra-curricular attractions to explore, perhaps for the first time. Not only do youth have to construct a new set of peer relationships in their new environment (e.g. through new classmates and their siblings and parents), but they may perhaps also try to simultaneously maintain contact with existing friends. Despite the difficulties encountered (to which many interviewees alluded), this brief period of final schooling does provide young people with opportunities for broader-based socialisation, the building of new friendships and the widening of existing networks. To some extent, it may also enable youth to exercise greater autonomy over their use of networks.

To the outside observer, the strength of school-based friendships and classmate solidarity in Portugal may seem quite remarkable, and these values are particularly persistent in small towns and rural areas. It was quite apparent from our contact with the interviewees that attended Contact Group meetings (amounting to one quarter of the young people surveyed) that there existed strong ties between many of them: regardless of the differences in their ages, this bond was based on their attendance at the same secondary school, their same place past/present residence or employment (in the case of those from or working in Santa Marta town), complemented by common experiences, including the type of networking that has already been mentioned as one of the key sources of information in seeking and securing employment. As one interviewee explained:

There was this girl I knew from school who was there on an IPJ [work experience] scheme with two others. One left and the girl asked me if I was interested in working there instead, I said I was, went to talk to the people at the Local Council, and there we are. If it hadn't been for her, I would never have known about the job.

It is also worth noting that, with only one school providing secondary education in the county, it is at school that many young people begin to establish their first emotional relationships; as individuals develop stronger and more permanent relations with potential partners, there may be additional opportunities to expand networks that hitherto have been largely based on family/family friends. When a couple start to date regularly, their networks naturally expand, not only through mutual friends, but also through their respective families. The more permanent the relationship, the more integrated the networks become. Thus both of the young people involved gain access to specific sources of advice, information and influence, that would not have been otherwise available. Indeed, the interviews revealed a number of cases in which job opportunities were indicated and/or facilitated either by boyfriends or girlfriends.

#### *Parental Influence Over Employment Outcomes*

Continuing family support after sons and daughters have left school, clearly raises questions about the extent to which sons and daughters are involved in family decision-making, and the influence that parents and other adult relatives exert over youngsters' employment decisions. The extent to which young people themselves may participate in the deploying of connections and influence, in the discussion of options, and the taking of decisions is likely to be highly variable.

However, there was only a relatively small number of cases in which youth decisions had conflicted with parents' advice. Specific cases of disputes tended to involve leaving school against the parents' wishes. In such instances, parents may reluctantly accept their son's or daughter's decision, or try to reverse it by denying (or threatening to deny) access to family-based employment opportunities, contacts or influence, as Rosa's experience indicates:

My dad wanted me to carry on at school, and told me that if I wanted to start work, not to expect him to arrange it for me (...) [When I found a potential opening myself] my dad said, "Look, you can either wait and see if something comes up at the Town Council, or I can talk to someone". Anyway, not long afterwards, the Council offered me a job, but my dad had already starting talking about calling in some favours.

Parents may exert considerable influence over the occupational choices of their offspring (and the choice of school subjects each option would require) either openly or in subtler ways. Their inputs can provide useful guidance, but also may seriously misdirect the young people concerned, precipitating either quite radical and stubborn opposition, or an excessive degree of passivity and diffidence on their part, as the following case (among several others) illustrates:

I had thought of taking Arts and Design. I wanted to but my mother wouldn't let me. She said "Not Arts and Design – that's just for little fools". That's it, that's how she talked at the time (...) I wasn't going to attend school any further [i.e. above the 6th grade] if I was going to have to take a course I didn't like. What would be the point? But later I got used to the idea of working here in the family shop [our emphasis]. (Dulce, female)

However, despite stiff opposition from their parents, it was nearly always the son's or daughter's wishes that prevailed; various strategies to overcome parental opposition were used, including deliberately failing the year and/or persistently absenting themselves from classes. A small but not insignificant number of interviewees dropped out either well before compulsory schooling had been completed, or even when the option of further education was open, simply because they felt that the time had come to help the family economically, instead of being a financial burden.

There are also cases in which the family environment is far from conducive to positive educational and/or employment outcomes. For example, particularly after his mother left, Gonçalo received no support from his 'primary' family. He was forced to take care of his younger siblings and thereby forfeited any chances he had of completing even his primary education. But his 'secondary' family – namely that of his uncle – provided the basis for positive change, through the improvement in his immediate home and emotional environment, and his uncle's sound advice and network of contacts in the village.

My father was a labourer on the Council's road-mending gangs and, well, there wasn't much chance of me staying on at school, because I always had to take his lunch to wherever he was working. He drank a lot, too, so when my mother left, someone had to look after the house and the other 4 children. I didn't get on with his new wife either, so when I was 17, I went to live with my uncle. He got me started in the construction business – the builder I work for is from the same village. When things are quiet, I go abroad for the tomato or strawberry harvest. Some of my friends have ended up in prison, you know, but I've managed to avoid that. I've got my own wife and kids now.

### *Domestic Chores, Family Businesses and Employment Pathways*

In principle, integration into family-based economic activity – either run by one's own parents, extended family, or family friend/acquaintance – may constitute a stepping stone in terms of experience, skills and confidence, as well as for the establishment of networks that may facilitate the search for more definitive and stable employment. Before they find work, or during periods of (temporary) unemployment, young people may simply help out at home or, in those cases in which the family has a small, vineyard, farm or family a small business, they make a contribution to the family's own productive activities. As Castro, now an agricultural labourer, told us:

I like what I'm doing. It may seem to some that vineyard work has nothing to offer but, for me, it has. But it's not easy: like everything else, you have to learn. You can't turn

up one day and just do it. I worked with my father, so it's always been familiar work. Even when I was still at school, I was interested, so we'd work weekends, and I'd see what he was doing, when it had to be done and why. I learnt alongside my dad, seeing what people did in the vineyard. I didn't get paid for helping, but I still enjoyed it.

In some cases, the inputs provided by youth may be sporadic, largely symbolic and unpaid while, in others, they may constitute a real and valuable contribution to the enterprise that may warrant some remuneration over and above the board and lodging the family normally provides.

Clearly, involvement in domestic and home-based chores (ranging from housework, through childcare of siblings, to tending the vegetable plot) begins long before youngsters leave school and continues, to some extent or another, for some time afterwards. There were numerous cases of young women making significant inputs at home, particularly in the case of sick or disabled parents or grandparents. Indeed, in some case this quite clearly interfered with looking for work, i.e. interrupted the school to work transition.

Temporary involvement in a family business may become more permanent. Despite the limited capacity of the typical rural family to absorb in this way sons and daughters that have left school, it can nonetheless provide an important "cushion" while employment options are identified and explored. Almost one in five of the young people interviewed (9/46) had worked or were working in what we could describe as their own family's firm – using the term in its broadest sense. In three of these cases, the job has become permanent, while in the remaining 6, the employment was clearly temporary 'stop-gap' measure rather than a specific 'stepping stone' that improved future employment chances.

There was, however, anecdotal evidence that 'informal' job experience training is provided in micro-enterprises through the extended family and/or intra-family networks, in preparation for future employment in which not only will experience be necessary, but where it may be more difficult to bring influence to bear, i.e. where the market will play a more leading role. As one key informant, suggested

Something I've learned from my experience in business is that *cunha* doesn't typically operate as a means of arranging what we might call 'real' employment (...) Where it does function is when parents talk to friends or acquaintances and say "I've got this son who's just finished his studies, but who knows absolutely nothing about the real world. Couldn't you take him on for 6 months, so he could get a bit of experience?" And that's the way it works – you use a *cunha* to get your son or daughter some experience (...) even if they don't always get a salary. (TS, Focus Group meeting of institutional actors, 30.05.2000)

It is not clear to what extent such network-provided 'stepping stones' are restricted to this work-experience and informal training function. However, if this stage in the school to work transition is relatively common among youngsters actively seeking employment, then its prevalence would constitute a profound condemnation of the formal training services, not to mention the inappropriateness of much of what is taught in secondary schools, universities and polytechnics.

*Family Strategies and Employment Pathways*

Often an explicit family strategy is developed in which the economic activities of parents and the future employment of sons and daughters (or at least the first steps along their employment pathway) is indissoluble. In at least three cases, parents of interviewees developed a strategy that relied upon the active (or at least passive) co-operation of their offspring in subsidised business investment initiatives, and from which the sons/daughters potentially could benefit. In one case, a father had sought a subsidised loan from a EU-supported small business promotion programme to open a shop which would diversify his car sales and repair business, and which his daughter was to manage. In another case, both parents had encouraged both their sons to apply for a Young Farmer training course and helped them to submit a vineyard project to the government's agricultural credit agency IFADAP for subsidised investment funding. It was clearly the parents, rather than their sons, who would take charge of the new vineyard; as one of the boys, Xavier, said:

Yes, it was their idea – Dad and Mum's. (...) The paperwork's already been handed in. It's a vineyard project – the land's registered for Port grape production, near Régua. The project had to be in our names: it's a question of age – if it was in their name they'd get nothing. But it'll be them who'll handle the farming side. Nowadays Young Farmers can spend less than 50% of their time on the farm and they still get the money.

In a third, a father and son felled and sold wood; the son was to apply for the same type of subsidised investment described above, but the father was to take the major responsibility for the vineyard.

*Training and Networking Opportunities*

With regard to post-school determinants of the employment pathway, once young people have definitively left school, they may participate in training programmes or undertake work experience placements. There is a strongly-held belief among economists, policy-makers and training professionals, not to mention some – but by no means all – potential trainees, that training will have positive effects on young people's employment prospects. In this section, the question being addressed is not "does training enhance employability?", but rather "does the training experience also help to expand networks?". In principle, training brings young people into contact with others of the same age and background, but from other counties, as well as training staff and administrators from outside their field of experience.

Given the very real problems that confront the training system in rural areas (see Section 10.5.), there exists a very real threat that courses and programmes may have little or no tangible effect on youth "employability", let alone on building their confidence, or realising ambitions and potentialities. There is some evidence from Santa Marta that youth derived other types of benefits from training and work experience placements: (a) purely pecuniary ones since, in many cases, trainees

receive allowances and payments; and (b) the opportunity to build networks – including clientelist ones – that might be deployed (not always successfully) in attempts to secure more permanent employment, either where the placement was undertaken, or elsewhere. While the information gathered on the extent to which training and similar experiences may help to create/extend networking between young people is somewhat patchy, it nonetheless corroborates what had frequently been mentioned in interviews: young people roundly criticised Job Centres, careers advice provision and the poor range and relevance of training schemes, yet they suggested – often indirectly – that, within strict limits, training does provide a basis for extending one's networks. The key question remains – do such additions to youth networks have positive effects on employability?

While many training programmes themselves encourage networking in the broadest sense, others actively encourage trainees to seek subsidies, sometimes together, so as to maximise the initial capital available and to spread the risk. Some trainers – particularly in programmes that have self-employment objectives – felt under pressure (and this is inevitably sensed by the trainees, too) to direct young people towards the subsidised business credit initiatives that central government provides and that are managed by various public institutions. As one young woman, aged 23, remarked:

There were only a few of us from Santa Marta on this Parks and Gardens training course in Régua, and I was by far the youngest. There was a lot of pressure on us to make group applications for small business loans. As I didn't know anyone there, I just kept quiet.

Also, it can be extremely difficult for a young person to put together the capital necessary to launch a small business. Family may help (Gerry et al., 1999), but so may the constitution of a more or less formalised partnership. However, the extent to which youth (or, indeed, the parents that may be required to act as partial guarantors for subsidised loans) may extend their trust to young people from outside their own community and/or network, remains to be seen. In conclusion, while there is some evidence that training *can* be an experience that enlarges young people's networks, the particularities of the training systems would suggest that training perhaps provides rather better employment opportunities for trainers than for trainees,<sup>8</sup> and that the networking it may encourage is not as conducive to the creation of sustainable youth employment as it could be.

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<sup>8</sup> Recently, the take-up of trained professionals has been higher in institutions active in the welfare/charitable (NGO), training, and agricultural/sectoral and local development spheres than in the traditional providers of local employment (namely the Local Council and the Wine Co-operative). It is important to stress that such activities constitute a relatively new type of network, that may intersect with those habitually used by rural youth in their search for employment, and that may constitute a new source of networking benefits. However, it remains to be seen whether (a) recruitment and advancement in these has more immunity from the influences of *cunha* than the more traditional institutions, and/or (b) if, through their employees, these organisations also provide preferment to members and clients and their families, over and above the services they are constitutionally committed to providing.

## 7. The Evidence from the Santa Marta Interviews

### *Patterns of Recourse to Different Types of Networks*

Our analysis of recourse to social networks (i.e. intra-family or friendship-based solidarity and co-operation) is based on what interviewees said about their *own* employment pathways; however, many of the references made more specifically to *cunha*, favours and preferment were contextual i.e. they appeared to relate more to what respondents had heard from friends than to their own employment experience. Clearly, it is extremely difficult to distinguish accurately between (a) comments that are rationalisations and/or self-justifications of an unsatisfactory employment situation, (b) experiences that are attributed to others, when in fact they apply to the respondent, and (c) comments that fairly and explicitly refer to objective circumstances, practices and outcomes. We can exclude neither the possibility that some youngsters' reflections on their own failure to get the employment they wanted, or to advance along the pathway desired, were simply "sour grapes" – a not inappropriate metaphor to use in a wine-producing county such as Santa Marta.

Furthermore, given the limited size and representivity, and *purposive* nature of the sample, the figures mentioned below and the percentages presented in Table 9.1 reflect the tendencies that emerged from the interviews conducted with young people in Santa Marta, and should not be interpreted as being anything more than suggestive of circumstances existing among youth in Santa Marta in general.

Notwithstanding these reservations, the interviews showed that, in general terms, a strong sense existed among virtually all the 46 young people surveyed that social networks were of invaluable support in finding employment and, in many instances, had been used for this purpose in their own particular cases.<sup>9</sup>

It should be stressed that only 8 of the 46 young people interviewed provided no information with regard to the use of social networks. Five of these were still at school, and therefore would have had little direct experience of the social relations on which they were invited to comment. Thus, of the remaining 41 respondents, only 3 failed to provide substantive information on this theme, either because it had played no role, or due to embarrassment on the issue, or their more general reticence or shyness. Two-thirds (27) made multiple references (averaging two significant comments each) relating to the use of social networks of various types at various times. The multiple responses either related to employment outcomes in which (a) two types of network had been simultaneously used (e.g. family member giving information, family friend/acquaintance as provider of or intermediary in the provision of a favour or, indeed, a favourable decision regarding employment), or (b) in which different types of networks were used in finding successive jobs.

Ten young people had obtained their current, or some past employment through the use of *cunha* (i.e. via preferment that transcended the more 'horizontal'

<sup>9</sup> The three interviewees that attributed little or no importance to this factor had no personal experience of unemployment.

practices of intra-family or friendship-based solidarity, a phenomenon dealt with in more detail in Section 5 below), which constituted somewhere between a quarter and one-third of those interviewed. There were cases of both personal and 'institutional' *cunha*, as well as those in which the client's 'reward' was not necessarily as permanent an employment as they had perhaps expected. Though it was not possible to quantify the proportion of *all* jobs that had been the result of *cunha*, the indications were that it would be somewhat higher than one-third of all cases.

With more specific regard to the use of social networks in accessing employment, the interviews yielded a total of 86 experiences of work (or various types and durations), a figure that excluded the incipient employment histories of the 5 individuals still in full-time schooling and the three non-respondents. Qualitatively speaking, family- and friendship-based networks were found to provide not only information and intermediation/influence that facilitated job search, but they sometimes also directly provided employment. The distribution of the use of different types of networks was as follows:

- Family- and friendship-based information networks: In 30/86 (or a little over one third of the cases) family, close kin and friends provided information which facilitated job-search and, in many cases, the securing of employment.
- Family- and/or friendship-based employment intermediation: 19/86 or approximately one in five of the employment opportunities taken up by our interviewees were created through the substantive intermediation of kin, other intergenerational or friendship-based intragenerational networking.
- Family- and/or friendship-based employment provision: 13/86 or one in seven of the employment opportunities taken up by our interviewees were created directly by a family member or by a friend providing work.
- Employment via own initiative: 8/86 or one in eleven of the employment opportunities taken up by interviewees since they left school being primarily as a result of their own initiative, providing evidence, albeit limited, of the extent to which social networks are either are not available to or are eschewed by youth when seeking work.
- Employment found via institutional preference for kinship-based recruitment: 4/86, or one in twenty of the past or present employment opportunities taken up by interviewees were due to an institutional preference for recruiting kin of present employees; however, this apparently insignificant number should be considered an underestimate, since there were further interviewees whose application for entry into one or other the uniformed services was at some point "in the pipeline", and these are precisely the organisations that still – formally or otherwise – have this preference for kin-based recruitment.

The details of the analysis of the transcripts of individual interviews and focus group meetings are summarised in Table 9.1 on page 209.

Relations of significant interdependency exist between parents/adult relatives and friends and acquaintances on the frontier between the nuclear family and what

we could more accurately describe as key social networks. Such networked relations of solidarity support constituted almost 14% of the references youth made to sources of help in accessing/securing employment. Here we should stress that activation and management of these wider networks may often be initiated by parents and adult relatives, thereby complementing their own intra-family assets and efforts.

It is not surprising that networks that include family friends and acquaintances, being more extensive and with greater potential interconnectivity, exert a greater influence over employment outcomes than is the case with family-only networks. While family friends and acquaintances tended not to be substantial direct providers of employment (only three of the jobs surveyed), they nevertheless were an appreciable source of information and/or influence (9 responses).

Compared with their parents, parents' relatives and friends, young people's own friends constitute a more significant source of information (13 responses). While the total volume of information (ultimately useful or otherwise) that flows between members of the same generation remains unknown, there are strong indications that the above figure underestimates the overall scale of peer-provided data.

Surprisingly, given that we might assume that influence is correlated with age and experience, friends of the same generation are the most significant source of influence. Over one in ten responses referred to friends, former classmates and 'cousins' (often a euphemism for distant relatives of similar age), compared to the 6 and 3 cases respectively that mentioned the influence exerted by close kin and family friends, in accessing and/or securing jobs.

### *Gender Dimensions of Social Networks*

With regard to the use of specific types of social networks in seeking and securing employment, there were relatively few differences that could be discerned between the 19 young males and 21 young women interviewed. Discounting non-respondents, over a quarter of all interviewees' responses mentioned their ability – if necessary – to call upon the networks and influence of their parents in securing employment. More than half of the 22 interviewees that referred to family-based 'fall back' support were female. Furthermore, women constituted six of the eight interviewees who had found their present or previous employment primarily through their own initiative, i.e. without appreciable recourse to any form of social network. This finding indicates that, predictably, in a society that is still extremely male-dominated, despite the growing feminisation of employment, and ostensibly greater priority and more effective targeting of women's employment, the principal job-related social networks still tend to function disproportionately in the interests of men.

**Table 9.1 Types of Social Networks used in Seeking and Securing Employment**

NETWORK CATEGORY	TYPE OF SUPPORT	N <sup>a</sup>	NETWORK %	SUPPORT %
1. Intra-familial and inter-generational i.e. support from parents/close kin <sup>10</sup>	(a) information only	2	14	2
	(b) influence ('go-between')	3		4
	(c) employment provided	7		8
2. Family influence as a fall-back <sup>11</sup>		22	26	26
3. Extra-familial, inter-generational i.e. contacts between parents, friends and/or acquaintances <sup>12</sup>	(a) information only	5	16	5
	(b) influence ('go-between')	6		7
	(c) employment provided	3		4
4. Intra-generational friendship friends, class-mates, cousins <sup>13</sup>	(a) information only	13	30	15
	(b) influence ('go-between')	10		11
	(c) employment provided	3		4
5. Traditional kin recruitment <sup>14</sup>		4	5	5
6. Own initiative/ own business <sup>15</sup>		8	9	9
<b>TOTAL</b>		<b>86</b>	<b>100.0</b>	<b>100.0</b>

Source: Transcripts of interviews conducted in Santa Marta, November 1999 - January 2000.

<sup>10</sup> Intra-family support (advice, information, influence, and direct provision of employment in family undertakings) is assumed to be inter-generational, i.e. limited to solidarity from parents and close kin.

<sup>11</sup> Information was taken mainly from a specific set of prompts in the open-ended interviews, in which young people were asked whether they could rely on their family's privileged contacts, if they were unsuccessful in securing employment through the labour market. Even those who had little to say about social networks in general often replied in the affirmative. Overall, 20 of the 46 young people interviewed, reported that they felt confident that they could count on this type of family back-up.

<sup>12</sup> Employment found through parents' friends far outweighed the cases in which success was due to parents' influence with 'mere' acquaintances. While, in a sense, 'everyone' knows the Mayor, relations with the President of the local Parish Council may not only be closer, more familiar and easier to activate, but highly localist territorial solidarity will almost certainly be a further factor in determining whether a 'favour' can be expected.

<sup>13</sup> It may be thought that cousins should be included in the category of *intra-family* solidarity, support and contacts. However, due to the small (demographic and geographical) scale of the communities in question, as one interviewee put it, "more or less everyone's your cousin here". There is of course a hierarchy of (near) peers who are lateral blood/marriage relatives: first (or 'direct') cousins being offspring of one's parents' siblings. Yet people commonly refer to their ties with second cousins, and even more distant 'cousins' by marriage, as conferring special consideration and solidarity.

<sup>14</sup> Partly due to the security of salary and tenure that the employment offers, there are still a number of occupations in which recruitment from the same family predominates: for example, the various uniformed branches of the police service, the post office, the local voluntary (paid) fire brigades, among others.

<sup>15</sup> There were a few cases in which the interviews pointed to employment being secured largely as a result of the interviewee's own initiative, not in the market-place, or in employment related institutions, but via either direct contact with potential employers, or seeking out those they knew to be well-informed and/or in possession of 'inside' information.

Finally, male interviewees were the exclusive beneficiaries of what we called 'traditional kin recruitment', whereby institutions such as the post office, some branches of the police force, etc., demonstrate a strong preference for the recruitment of relatives of currently serving staff.

Of course, these results may be biased by broad factors such as the degree of detail and/or candour to be found in interviewees' responses regardless of gender, or more specific factors such as a more characteristic unwillingness on the part of males to admit to family support even as a 'fall-back' option. However, the researchers' own observations, contextual evidence, and the results of other studies (Estanque and Mendes 1997) would suggest that our modest conclusions are not too far wide of the mark.

### *Class Dimensions of Social Networks*

Extra-familiar social networks (e.g. those between parents and their friends/acquaintances, and between youngsters and their former classmates) often cut across class lines and, as such, tend to reflect the dominant position of clientelist structures and ideologies in rural society. Just a very few families completely dominate Santa Marta's economy and society, and these constitute an extremely powerful interconnected elite that together controls most of the key institutions and decision-making processes in the county. The fact that there has long been a close correlation between land-ownership (either private/family-based, or corporate), and economic and political power, is reflected in the still high proportion of landless agricultural wage workers in the county, compared with much of the rest of rural Portugal. Though this situation may be changing now as a result of migration, mechanisation and the (albeit limited) diversification of the rural economy, it nevertheless raises the interesting question whether those more 'proletarian' backgrounds tend to use social networks any less than those from other socio-economic categories. Indeed, the poorest rural families may suffer significant and chronic network exclusion (See section "Too poor for *cunha*?" page 221).

What the data seems to show with regard to the class dimensions of social networks<sup>16</sup> is the following: among the small number of youth with 'white collar' parents, corresponding to the 'new' rural petty bourgeoisie of public functionaries, managers and professionals, there were very few cases of extra-familiar, inter-generational social networks being used, though there was a high level of confidence that the family could provide the safety net in the form of access to social networks that could be useful in accessing employment. In contrast, among

<sup>16</sup> Parents' occupation constituted the nearest proxy indicator for socio-economic class on which data was collected via the questionnaire survey. There is a longstanding and highly polarised debate on whether meaningful conclusions regarding class positions, attitudes and actions can be drawn from standard occupational categories; notwithstanding the quite legitimate reservations that critics of this approach have advanced, it is clear that, on the basis of such a small sample, no very firm conclusions could be drawn.

youth with 'blue collar' parents (farm labourers, construction workers etc.), i.e. those with what might be termed agrarian working class characteristics, intra-generational friendship networks were of particular importance in supporting job-search and contributing to success in finding employment. Youth whose parents are self-employed, and whose socio-economic class position is that of the traditional rural petty bourgeoisie (shopkeepers, small farmers and small entrepreneurs), appeared to use all possible networks and social relations in their search for employment.

#### *Network-Accessed Employment: Stop-Gap or Stepping Stone?*

Almost one in five of the young people interviewed (9/46) had worked or were working in what we could describe as their own family's firm – using the term in its broadest sense. In three of these cases, the job has become permanent, while in the remaining six, the employment was clearly a temporary 'stop-gap' measure rather than a specific 'stepping stone' that improved future employment chances. However, there was, however, anecdotal evidence that 'informal' job experience training is provided in micro-enterprises through the extended family and/or intra-family networks, in preparation for future employment in which not only will experience be necessary, but where it may be more difficult to bring influence to bear, i.e. where the market will play a more leading role.

If there remains some doubt about precisely what function the 'stepping stone' performs, then it is essential to determine how many young people whose first jobs of this variety (i.e. acquired through family/social networks), and what proportion find their subsequent jobs using less clientelistic means. Obviously, to detect this 'stepping stone' effect, we have to look at those who have had more than one job experience. Obviously, with such small numbers of cases, the results of this analysis have little or no statistical significance, and are purely suggestive of phenomena and explanations that will require further investigation.

- Youth with experience of two jobs: If we compare the way in which youth with experience of two jobs at the time of interview obtained their first and current jobs respectively, then we find that in the overwhelming majority of cases, both family and/or friendship networks continued to be involved in securing the second employment opportunity. This was the experience of at least eight out of the 12 cases analysed.
- Youth with experience of more than two jobs: For those with more than two work experiences, i.e. cases in which any 'stepping stone effect' would be more clearly visible, the situation was extremely variable. However, very few used the 'family/friend' circuit in finding either (a) their first and subsequent job, or (b) in finding their current job. In the first case, this was the experience of, at most, only three of the 11 cases identified; in the latter case, the figure was only 4/11.
- Youth with experience of two or more jobs: If we compare current and previous employment of the 34 cases in 1) and 2) above, 28/34 (i.e. well over

three quarters) found their current employment through family and friendship-based networks and, taking into account that 13 youngsters were in their first job at the time of interview, 16 of the remaining 20 (again, the vast majority) also found their previous jobs through similar network-based channels. In other words, the market and policy-related mechanisms functioned directly and/or exclusively in no more than one in five of the cases examined.

By way of comparison, it is worth referring to the findings of the Scottish PaYPiRD team, who applied Beck's (1992) conceptual framework of the 'risk society' and the associated 'individualisation' of employment pathways to their data from the Angus area, and concluded that social networks tend to channel youth primarily into *temporary/seasonal*, low-skill and poorly paid jobs. Moreover, there was some evidence from other study areas to support the wider validity of these findings. However, the situation in Santa Marta was marked by some subtle, yet important, distinctions. In order to access employment and as a means of constructing a first phase of their employment pathway, young people tended to deploy social networks rather more, resorting less (and less directly) to the market and to policy measures. Also, there was a strong indication that social networks were used far more extensively, i.e. not simply to find casual, temporary and/or unskilled work. The data further suggested that, in many cases, such jobs constituted neither a mere 'stop-gap' measure, nor a stepping stone to more satisfactory or longer term employment.

While the number of cases in the Portuguese study was insufficient to draw any firm conclusions, the evidence suggests that, when social networks are deployed, they do typically lead to low-skilled, poorly paid and potentially 'dead-end' jobs, as in the Scottish case. However, rather than taking advantage of temporary and/or seasonal jobs as a sort of 'stop-gap' until more stable employment is found, the structure of employment opportunities faced by young people in Santa Marta is typically much less varied, and, in many respects, far less promising. Many of those interviewed had taken a succession of *potentially permanent* but usually low-skill and low-paid jobs that they only abandoned if and when a better alternative presented itself – either via network-generated information and/or influence, or through unmediated market and/or policy mechanisms.

If we compare how interviewees found their *first* and *subsequent* employment, in almost half of the cases (5/11) youngsters moved from one (potentially permanent) low-skill job to another, equally low-skill job, usually on their own initiative or with family/friends' assistance. Furthermore, if we compare how interviewees found their *previous* and *current* employment, just as many youth seemed to move from one low-skill job to another equally unpromising job as a result of the market and/or policy-measures, as change jobs exclusively with the help of family and/or friends.

In part this is predictable, since geographical factors may limit both the functioning of local networks; furthermore, access to the type of favours (jobs, small business contracts, training and investment subsidies) that the local elite may bestow on local youth may be restricted not only by ethical considerations and/or

the more rigorous application of transparent selection procedures, but also by supply factors. For example, influence may be more readily exercised in certain sectors (in which employment growth is limited and/or where subsidies are being tapered off), than in others.

However, as can be seen from the data above, there is also evidence that social networks, particularly those based on family (rather than friends/acquaintances) are a plentiful and essential source of employment. Some of the jobs are in small family firms, which is predictable in profoundly rural areas. Others are provided by uncles and aunts, cousins and godfathers, both in the locality and elsewhere (due to extensive out-migration).

The fact that casual and/or unskilled employment tends to be the norm rather than the exception in Santa Marta, could explain the predominance of networks and the determinant role they play in accessing employment there. However, this suggests a rather simplistic and deterministic correlation i.e. that the more pervasively rural is the local economy, the more network-based will be the society. Or, put another way, at one end of the rural continuum (e.g. Angus, in Scotland), social networks simply complement the market, while at the other extreme, (e.g. Santa Marta), the market and policy merely support the operation of networks.

The fact is that, in Santa Marta, the family retains a very strong (though adaptive) influence, despite the influences that have fed back into local society from the emigration experience. Furthermore, pre-modern rural social relations – which were very much based on the *quinta* (the large estates) and on economic and political clientelism, have also persisted and still play a fundamental and pervasive role in influencing both the local opportunity structure and the prevailing norms of social, economic and political behaviour.

## 8. Influence, Preferment and the Job Market in Santa Marta

We're talking about a county [that's] (...) profoundly rural in character, where, essentially, access to the labour market is achieved through personal influence. This means that most of the very few posts that become available in the local council, wine co-operative, schools and (...) the police are filled via someone's intervention. (institutional actors focus group meeting, 30.05.2000)

### Introduction

The range of non-market relations that form the subject matter of this study constitute a continuum stretching from (on the one hand) various forms of intra-family solidarity, through neighbourhood- and community-based mutual aid, labour-exchange and information-swapping, to (on the other hand) clientelist favouritism, discrimination based on friendship and/or political connections, acts of quite brazen nepotism, and even financial corruption, all exerting an influence over the employment pathways rural youth may be able to follow. These latter practices are broadly referred to in Portuguese as *cunha*. However, in its colloquial use, the term tends not only to cover a multitude of sins, but myriad acts of what could

even be described as kindness and unselfishness, aimed consciously or otherwise at defending the sustainability of the local community.

Literally, *cunha* means a wedge, and is used to describe the advantages enjoyed by those who have influence, “clout”, “pull”, “friends in high places”, the ability to “pull strings”, provide preferment or “jobs for the boys”, either on a narrowly nepotistic, broader friendship-based, partisan political or more generalised clientelistic basis. It thus refers to a whole range of discriminatory and unethical practices of preferentially allocating people to posts and/or contracts to companies. Furthermore, the term is used both to signify the relationship, as well as the ‘price’ of the favour.

*Cunha* involves privileged access to influential people, through whom information, further contacts, or even direct preferment e.g. in the form of a job, a contract to supply goods or services, may be arranged. Such advancement may be achieved either via a direct and immediate exchange of favours, including payment in money or in kind for ‘intermediation services’ (i.e. ‘rent-seeking’, or outright bribery) and/or deferred return of the favour, either ‘in the same coin’ (between those whose socio-economic status is similar), or in some different form i.e. political reliability in voting or decision-making, or ‘transactional’ preferment (as in business relations). Furthermore, in the case of those with lower socio-economic status and the least to offer, the patron may be able to rely on (or exact under pressure) a series of minor (even symbolic) acts in repayment of the favour.

The high degree of concentration of decision-making power – as exemplified in ‘elite pluri-activity’, or the widespread interlocking and overlapping of political, institutional and economic activities of the individuals and families that constitute the local elite – is due, in part, to the small scale and limited resources of rural communities, but it also has its origins in the pervasive and deep-rooted inequalities that have long dominated Portuguese rural society that have been reproduced over the years and, more importantly, *adapted* to fit present day conditions.

### *Asymmetrical Interdependence and the Dangers of Moralising*

In analysing *cunha*, we should avoid moralising about the market. The hegemony of neo-liberal theory and practice has transformed the hypothesis that “the market is the most transparent and fair mechanism available” into an uncritically accepted certainty. It is worth reminding ourselves that not only is the real extent of market liberalisation frequently exaggerated, but also the remaining ‘imperfections’ still far from perfectly understood. Those who see the market as guarantor of both efficiency and equity conveniently forget that social and economic anthropologists, along with applied development economists, have long identified “networking”, and the deployment of “social”, “ethnic” and/or “community capital” as key processes in how the real economy functions – particularly in the attempts of both disadvantaged workers and out-competed small businesses to subsist and survive, often in contexts in which forms of economic intermediation such as rent-seeking

by more privileged members of society, along with widespread clientelism, tend to be the norm.<sup>17</sup>

Furthermore, networking is now considered a *sine qua non* of success in corporate business, non-governmental organisations, and academic research. Indeed, in recent years, the growing flexibilisation of labour and employment, coupled with the revolution in information- and telecommunications-based technology, the expansion of outsourcing, and the unprecedented integration of media, entertainment, telephony, computer and internet businesses, has further emphasised the strategic importance of networking, both in the old and the new sense of the term (Nardi, Whittaker and Schwarz 2000).

*Cunha*, both as a practice and as an attitude, remains strong and persistent, and links individuals and/or whole families in asymmetrical clientelistic relations over the generations and in this respect is similar to social networks based on more egalitarian solidarity. However, "keeping it in the family" is a two-edged sword, and it is extremely easy in highly competitive circumstances to blur the dividing line between (a) solidarity in pursuit of greater local social justice and (b) corruption as a means of concentrating the spoils in a few privileged local hands. If the 'horizontal', more symmetrical functioning of social networks represents a strategy of the poor and less-privileged trying to increase degree their inclusion in the few available opportunities over which they have no direct control, then it may seem that the more 'vertical' and asymmetrical interdependencies explicit in *cunha* represent a strategy of excluding all but a chosen few from a share in the few available opportunities over which the patron exercises direct control.

The passage from traditional values to modern ones, or from regulated to more freely-operating markets has often been portrayed as a transition from arbitrary/ascribed distributional principles and practices to more legitimate/equitable ones. However, many analysts would still claim that the triumph of the market has merely replaced one set of asymmetrical interdependencies with another. The perhaps unpalatable reality is that in an unequal society, solidarity-oriented social networks and discriminatory *cunha*, localist cross-class solidarity and self-serving clientelism are indissoluble, each contributing to an environment that is conducive to the development of the other and neither, ultimately, facilitating the reduction of inequity and injustice, let alone the eradication of social exclusion.

*Supply and demand aspects of cunha* Paradoxically, or so it would seem, *cunha* continues to flourish even now that the dominant ideology and discourse is that of the free market – ostensibly the more anonymous, rational and just mechanism of allocating resources to their most appropriate, efficient and productive uses.

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<sup>17</sup> Social networks are fundamental to the overall structuring and regulation of migrant labour flows, as well as in providing on an inter-ethnic (or intra-community) basis for the solidarity that allows migrants to plan in advance (or, at least, approach with some degree of confidence) their upcoming resettlement, permits new arrivals to settle, find work and shelter, negotiate bureaucratic hurdles, or have others do so on their behalf.

On the 'supply side', i.e. from the perspective of the patron, no type of organisation seems exempt, be it private sector, public sector, government service, or NGO. In general, it's through friends that the parents approach what you might call Santa Marta's employers – the Council, the Wine Co-operative. Well, there's not many other places to look for jobs, is there? They plead, they promise, they even try to enlist the support of well-known people, or members of the same political party (Father M., initial contextual interview).

Indeed, we should not assume that favours and favouritism do not apply where the recruitment process is more regulated and greater formal transparency exists, i.e. in the public sector, and/or in the recruitment of higher level, professional and related staff. Furthermore, there is concern among youth about the appointments to more permanent jobs being made on the basis of candidates' political affiliation and not their fitness for the job.

As far as the private sector is concerned, it has long been commonplace for building contractors, vineyard owners and wine co-operatives to use local social networks for the recruitment of both permanent and temporary (seasonal) labour. However, local government throughout rural Portugal has a tendency to weight key decision-making criteria in a way that is often questionable, and to use procedures that are less than completely explicit or transparent not only when allocating short-term work-experience and similar posts funded by central government, but also the adjudication of local construction, maintenance, service or supply contracts. Furthermore, there is growing concern that in appointments to more permanent posts candidates' political affiliation and not their fitness for the job is often decisive. Also, as a general rule, conflicts of interest that would otherwise exclude individuals from key public decision-making processes tend to be ignored.

Where favours are provided through political networks, asymmetrical interdependence also exists. From the perspective of the job seeker (or his/her family), political connections may improve the chances of success. From the standpoint of the political elite, the clientelist management of employment outcomes facilitates the building of alliances and the consolidation of privileged position and power.

From the 'demand-side', i.e. that of the 'client', social networks in general, and 'pulling strings' in particular, also constitute a very palpable and influential part of the rural mind-set. Recourse to family and extra-family networks remains an almost instinctive response among rural residents, particularly the relatively powerless. Firstly, the specific historical features of Portuguese rural life, the miserable living conditions that the vast majority of the inhabitants of the countryside experienced in the past, along with the particular forms of institutionalised clientelism and vote buying that developed during the Republic and under the Salazar dictatorship, have tended to reproduce this psychological conditioning and predispose much of the rural population to excessive deference to and dependence on local political and economic elites. As a key informant explained:

The importance of the *cunha* – at least in psychological terms – is that people (...) have got it into their heads that they won't get anywhere in life without 'knowing someone'

(...). So they make a point of talking to Mr. X, or Dr. Y. or Mrs. Z. about some employment opportunity or other that they think may exist for their son or daughter. And these people reply, 'Don't worry, I'll talk to so-and-so, everything will turn out OK'. And even if the intermediary doesn't do anything or hasn't really got any influence, maybe the young person concerned gets the job. So the whole thing becomes an accepted and normal procedure. (FR, initial contextual interview)

Additionally, demographic and economic decline in many regions of the Portuguese interior, and more intense competition for ever fewer job opportunities that these processes have generated, have caused those seeking employment – in particular, for the first time – to call on any and all resources that might ensure them of success. Indeed, even in the absence of concrete evidence that deploying clientelistic relations may have some positive effect on job prospects, youth and adults alike will automatically assume that their interests will be served by the activation of whatever network of family, friends and acquaintances they may dispose of, and by soliciting favours from ostensibly better placed individuals to provide them with “inside information”, to “put in a good word” for them, or in some other way to promote their cause.

Clearly, however, supply and demand aspects cannot be seen in isolation. By definition *cunha* is a ‘two-way street’ – benefiting employer and employee, patron and client, along with any intermediaries involved – albeit unequally. The use of networks and the exchange of favours facilitate recruitment in a context characterised by labour/skill shortage. Furthermore, it structures and concretises employer-employee relations by subjecting the performance of the ‘client’ not only to conventional employer pressure, but also to the pressure of his/her network, his/her ‘helper’ or intermediary. In short, the intermediary in the provision of *cunha* stands as guarantor for the performance and reliability of the person whose case has been advanced. Finally, the top-down, clientelist management of employment outcomes by a local elite provides a means of building alliances and consolidating its position, power and privilege.

### *Limits to Cunha*

Notwithstanding the pervasiveness of *cunha*, there are limits to its use and effectiveness. As we have seen, where the market is less well developed, where factor markets neither function nor articulate fully, and where information is both imperfect and circulates less than freely, access to employment via privileged information and/or influence is crucial, and clientelist relations will play tend to play a more significant role in determining employment outcomes.

Firstly, while social networks may be useful, influence normally need not be deployed in order to access labouring jobs. When discussing the use of influence, interviewees often made an interesting distinction between ‘work’ and ‘employment’, the former term being used to describe labouring jobs in agriculture or construction, the latter exclusively reserved for office-type jobs in the private or public sector. Typically, *cunha* is not required for hard physical labour, as the following young woman confirmed:

When it's just a question of hard work, all you have to do is talk to the farmer or whoever. They'll say straight away – "You can start tomorrow" (...) So you don't need to know anyone to get that type of job. But for decent jobs, you need influence. (Rita, female, 2nd focus group meeting, 27.05.2000)

However, where influence can improve an applicant's chances – or even guarantee a job – a *hierarchy* of influence exists; in other words, the 'market' for *cunha* is itself imperfect, its supply is limited, family and individual network endowments are unequal and differentiated, and therefore competition for access to the benefits of *cunha* is fierce. As one interviewee admitted, somewhat ruefully:

Any influence I've got doesn't count for much. If it did, I'd already have a permanent job with the Town Council (...) I suppose I've got *some* clout – the problem is that others have got much more.

Firstly, from the client's standpoint, the success of *cunha* may first depend on choosing whom to approach in which particular circumstances. Naturally, this is determined by the clientelist networks to which one has access. The more extensive and complex the network or networks, the greater will be the number of points of access. For those with multiple, differentiated and intersecting networks, there is also the problem of deciding at which point or level in the formal (workplace, decision-making) or network (influence-deploying) hierarchy the approach would be most effective, remembering that you "don't ask a general to do a major's work". Clearly, where a 'chain' of influence has to be activated, it is important to have as much confidence as possible in those playing an intermediary role between the potential beneficiary and the person from whom preferment is being requested.

Secondly, the success of *cunha* may also be contingent on deploying other assets, or fulfilling other criteria, such as educational prerequisites. Thirdly, and in spite of having the right formal qualifications, and regardless of having 'pulled strings', the approach may be misdirected (i.e. lead to nothing), be rejected (the 'brick wall effect'), rebound on the client concerned (the 'boomerang effect'), or be successful, yet prove too costly in terms of future favours, in comparison to the value of the preferment being sought. Both the 'operational' complexity and indeterminacy of outcome that characterise the use of social networks in general, and *cunha* in particular, are exemplified in the following examples.

*Educational prerequisites for cunha* Our data showed that those who have completed 12th grade experienced most problems in gaining stable employment, and often suffered longer periods of unemployment, and/or a succession of more unstable and unsatisfactory short-term jobs. Nevertheless, those who had still not completed the compulsory 9th grade, or who were studying privately, or after work, to complete their 12th grade, were conscious that these qualifications would allow *cunha* to be deployed:

I've got a guaranteed job as a secretary next year, with a friend of my mother's, at the telephone company in Vila Real, as long as I pass my 9th grade. (Luísa, first Contact Group meeting, 20.05.2000)

Some interviewees implied that, naturally, they needed to have the educational qualifications required by a particular post, but as long as they fulfilled that specific criterion, networks, clientelism and favours could help to “move them up the list”:

Just recently, there was an administrative assistant’s job going (...) [where I work], and of the three girls who applied, two of them hadn’t even finished secondary school, and another applicant had a degree. But she didn’t get the job, because one of the others had an ‘inside line’. (Rosa)

*The ‘brick wall’ effect* One of the main reasons why young job-seekers may find their pathway blocked is that there exists a hierarchy of *cunhas*, i.e. even if one can bring some small influence to bear on the situation, someone else may be able to deploy more or better *cunha*. Thus those with no or little influence through their social networks may find that their legitimate claim to a job, or at least a chance to be interviewed, is undermined by less well qualified applicants with better connections and/or better information. Drawing on their own and others’ experiences, many youngsters draw the general conclusion that the skills, qualifications and commitment they have to offer is not taken into consideration when employment decisions are made:

I put in an application, but I didn’t have any luck. Things worked out differently from what I’d imagined. I thought your qualifications and skills would count for more than just *whom* you know. (male interviewee)

Another conclusion that they may draw is that their own influence failed to work, people did not keep their promises, or that someone with a better *cunha* got the job:

I’ve tried four years in succession to get a job that way [using *cunha*], so that I could study and work at the same time, but it’s never resulted in anything (...) The people I talked to at the place where I was trying to get a job were just ordinary folk, a teacher, for example. Friends of my parents. But it didn’t come to anything. (Lúisa, first Contact Group meeting, 20.05.2000)

Further, they may also perceive that, as far as access to information is concerned, no ‘level playing field’ exists, and that some people are always at the head of the queue:

I heard from my girlfriends that there were work experience placements that you can apply for, that pay the national minimum wage. You work in the Town Hall, or in a play-school, or something like that. But [before you can apply] (...) you find out that so-and-so already has a placement, and she got to know about it at the Job Centre. And you ask yourself, how did she get the job? “Oh, you had to apply, and then get selected”, she’ll say. But how are you supposed to know about these competitions? And even when they have to be advertised, it’s always the same people who are ‘in the know’, and who seem to move from one of these types of jobs to another every 6 months. Selection should either be competitive, or not – one way or the other. As it stands, it’s just not fair – it’s always the same people who get the jobs.” (Zulmira, female interviewee)

*The 'boomerang effect'* In rural communities characterised by asymmetrical interdependencies, the use of social relations to gain preferential access to employment tends to reinforce both inequality and solidarity at the same time. This means that every favour has consequences, not just in terms of the need to return or repay it in some way, but also because it often places parents and/or friends in a position where they stand as guarantor for the behaviour, performance and reliability of the person on whose behalf the favour has been asked.

Judging from the open-ended interviews, there were at least seven cases of what might be termed a 'boomerang effect' in the use of clientelistic relations and networking. By 'boomerang' effect, we are referring to attempts to use *cunha* to get a job that, for any one of a number of possible reasons, in fact may work *against* the potential client. Preferment that was solicited and expected fails to be delivered, bribes lead to nothing, or the sometimes exaggerated expectations of both youth and their parents regarding the efficacy of "having friends in high places", or putting "a word in the right ear", are not met. There may be cases in which the effect may be immediate, as the quote from Ana (interview 18) below indicates; a relative tried to intervene on her behalf, only to find that their own social and/or economic status in the community precludes help. Sometimes, as Rosa's comments below suggest, seeking a favour means taking a risk: though the effect may be deferred, under specific circumstances and after some time has elapsed, the boomerang can return to injure its thrower:

My father-in-law said to the Mayor "Look, Chico, couldn't you find a job for my daughter-in-law?" And he says, "It's you that's in the best position to find her a job, not me, what with all your money and your houses and so on!" (Ana)

Or, as one interviewee explained, advantages that a client may gain on the basis of a patron's transient decision-making power, may be eroded in the future, if circumstances change:

Both my dad and I have done a lot of work for the party, so I had that edge over the others when a job came up in the Town Hall. The Mayor's in the same party – but if he lost to the opposition at the next elections, and power changes hands, then I'm done for. I wouldn't lose my job, but I'd never get promoted, that's for sure. (Rosa, first Focus Group meeting, 20.05.2000)

From the perspective of some of those with decision-making power, rather than being an exclusive form of nepotism, *cunha* provides a means of inclusion, reflecting the responsibility of the rural elite towards their less-favoured neighbours. Unlikely as it may seem, some members of the rural elite would judge whether or not to favour a particular petitioner on grounds that they would consider to be ethical, namely that the use of *cunha* should be limited to those really in need of support. This is so, even if the act earns the patron some small – sometimes merely symbolic – favour in return, either immediately, or at some time (or several times) in the future. Thus we can almost talk of an "ethical *cunha*", distinct from

real corruption, that concretises the responsibility the rich and powerful feel towards their less-favoured neighbours – an attitude that is firmly rooted in conservative ideology. Nevertheless, they may find their use of “petty *cunha*” constrained to some degree: patrons may be subject to denunciation, public ridicule and even social ostracism, if they are seen to exceed the bounds of acceptable behaviour. Also, the patron’s willingness to provide preferential treatment is linked to their position relative to the ‘petitioner’, and the extent of the former’s ‘social exposure’. The corollary of these limits to the exercise of *cunha* is that it is generally held that it should only be used to help those really in need of support.

*Too poor for cunha?*<sup>18</sup> Pre-existing social and economic exclusion may also make it difficult for certain sections of the rural population to access even the small favours that are often associated with traditional clientelist relations. In some more marginal parts of Santa Marta county, economic and social deprivation is still marked, levels of educational attainment are still much further behind average European levels than elsewhere in rural Portugal, and demographic decline constitutes a major threat to local socio-economic viability. In such contexts, the combination of poverty and physical isolation. Thus some families may be too poor, and parents and their children too poorly-socialised, to be able to establish either the type of varied and extensive social networks or be able to deploy the type of *cunha* that, as a rule, those living closer to the county seat take for granted. A former Santa Marta teacher explained this problem of ‘network exclusion’ in terms of:

- the autonomous (rather than predominately wage-working) ‘mode of production’ that characterises the more isolated highland villages of the county, where the local economy is based on cattle rearing rather than vineyards, and where the latter’s characteristic clientelism is largely absent;
- the fact that their communities are smaller, more isolated, and in sparsely populated areas where physical access is more difficult; and
- the fact that, paradoxically, children’s overall socialisation is impeded rather than assisted, from a very early age, by the way that education is organised.

Most children have to travel to school from the age of 6 or 7, leaving very early in the morning and returning only late at night. Since many are forced to rely on public transport, interaction with their parents, most of whom may be relatively poorly endowed in educational terms, is reduced to a minimum. Indeed, the children may not even have the dubious advantage of being bombarded by TV in what remains of their evenings, since the signal will be too poor or non-existent in the areas where they live. While, according to conventional evaluations, the school performance of such children may not be noticeably lower than their more urban lowland counterparts, their socialisation is poor, and their interpersonal skills less

<sup>18</sup> This section draws heavily on an early contextual interview with Francisco Rocha, 30/11/2000.

well developed. This in turn implies more limited networks and less effective networking skills.

Regardless of where people live, however, the present generation of young people in general has a much greater likelihood of gaining the educational qualifications that would take them out of the socio-economic category to which their parents typically belong. Yet young people still marry rather early, and therefore their parents may be as young as 35-40 when their children begin to contemplate married life, and this may limit the scope and maturity of networks and *cunhas* that parents can deploy on their behalf. Even those with reasonably extensive networks may find that they are inappropriate to meet their children's aspirations and/or potentialities.

*Cunha and the 'accumulation of credit'* When the labour market is tight, young job seekers frequently accept permanent posts that neither match their qualifications, nor meet their salary expectations. The decision is often seen as a worthwhile investment in the longer term, inasmuch as it "builds up credit" with a new employer, and may provide the basis for future advancement and promotion. Seen this way, i.e. as a stepping stone rather than a stop-gap measure, there is clearly a deferred exchange of favours involved, with the new recruit making a commitment that may be rewarded in future, and thereby laying the foundation for easier and more rapid promotion later.

However, this deferred exchange of favours does not only apply to the well qualified (i.e. those with 12th grade or a degree). There is a certain acceptance that working on work experience programmes, despite the very low wages, offers a way of accumulating 'Brownie points'. Several interviewees with only low qualifications took up such opportunities, partly in the hope/expectation of building up their 'credit' either with the employer involved (e.g. crèche manager) and/or with decision-makers in the allocating agency (e.g. Town Hall and/or Job Centre). Youngsters calculate that, by taking such posts, regardless of the skills they may require and/or acquire, it may be possible to transform a short-term temporary job into more promising programme-based employment, and/or access state-promoted training, or even convert temporary employment into a permanent 'staff' position.

The following conversation, taken from one of the Focus Group meetings, exemplifies the theory and practice of 'accumulating credit':

"No-one likes working all day, all month, on the Unemployment Fund and earning only 18,000 escudos [€90], but a lot of kids accept the low wages because you're sort of earning your place". (...) "You know, a job in the future. Often, when they advertise a post, the first thing they ask is how long you've been on the Fund". (Luzia). "You were already working in the School Office, weren't you? You'd done your time, and you still didn't get the next job that came up, did you?" (Sebastião). "No I didn't, but that was because there were two women ahead of me who'd been on the Fund longer, so that was fair enough, even though one had only 5th grade and the other only 6th, while I've finished the 12th (...) Still, if there's a chance of a real job, it's worth the investment." (Luzia, female, and Sebastião, male, 2nd focus group meeting, 27.05.2000)

In order to put a foot on the first rung of the employment ladder, a youngster may have to accept what may be a poorly-paid waste of time, providing little or nothing in the way of training, and that may in fact confer greater benefits on the 'patron', via the filling of quotas, and meeting programme targets. Later, the fact that he/she has 'collaborated' may improve his/her chances of a better and more permanent job, and may permit existing networks to be extended, thereby creating a better platform for subsequently accessing *cunha*.

### *Politics and Preferment*

As we have seen, in the particular circumstances of Portuguese rural society, there are practical advantages of deploying social networks and a strong psychological predisposition to use them. Furthermore, local politics in rural Portugal is perceived as a personally- and territorial-related exercise: it meshes with family life and prospects, as well as with the functioning of social networks. It can therefore be legitimately argued that local politics often act as a driving force for both social "inclusion" and social "exclusion". Throughout the Portuguese countryside, those who have close ties with the mayor, with members of the ruling party, with local leaders, or with those who are integrated in their social networks, succeed in entering specific social spheres; the rest are simply "left out". However, this does not prevent the majority of people, with the exception of those who are wholly marginalised from the centres of political decision-making, from perceiving the Town Hall as a potential source of preferment. As one key institutional informant maintained:

Here, lots of things operate on the basis of *cunhas*. People expect this. They seek out those who have influence and, I don't know whether this is because it's a small community, but it's all very politicised, too. They go to the Town Hall a lot precisely for this reason. I suppose they feel that it's the Council's duty, somehow, to find work for those who have none. And they really do go looking for favours! Just like beggars asking for alms.

Local political power tends to be built upon social networks. Some informants openly recognised that both the family and peers strongly influence one's links to the life of the political parties. One girl stated explicitly that she joins the party's marches as much to have fun with her friends as to express her political commitment; other informants spoke of their political involvement as an integral part of family life. Eça, a young man whose family is involved in Santa Marta politics, and who has been politically active himself, could not have been clearer:

My father is a [local] politician. (...) Personally I do not like much politics: I think it's rather a dirty business (...) Politicians do a lot of deals under the table and behind people's backs (...) As for me, you see, it was more... [a case of being involved] since I was a child (...). I later joined my father in this 'business', in political campaigns and so on (...) I started to get more and more involved, and I was eventually pressured into a post with the local youth branch [of the political party], and that's all there was to it.

Some young people, having gained a degree of political experience, become socialised into the prevailing opinion of their party leadership regarding the role youth should play in politics and the value of their ideas. It would be legitimate to ask why the some youth persist in giving their time and energy to political activity, when there exists such a mismatch between the high costs (in terms of commitment and work) and the low returns (little attention to and limited acceptance of young people's ideas and proposals). Furthermore, given the disrespectful and rebellious reputation young people have, would it not be reasonable to expect some sort of reaction, other than fatalism and apathy.

Why do young people apparently allow politicians to 'use' them? Some of the data collected in Santa Marta may support the idea that, after all, the unbalanced nature of the transaction between politicians and young people is not a long-term phenomenon. Youth 'play' with politics for the fun it involves, and 'drop out' of politics because of its frustrations. On the other hand, they may keep a low political profile by missing the regular party meetings, tolerating the above mismatch mentioned for a while in the hope that it may turn out well.

The politician and public servant's capacity to intervene on one's behalf is, however, frequently overestimated, even though their activities are frequently under close scrutiny. Indeed, three informants revealed that their current jobs were obtained (two became civil servants and one has had several temporary jobs through the Local Council), due to their political membership and activity. The researchers also became aware of their sombre expectations if local political change were to occur: both career promotion and the availability of temporary work could come to an abrupt halt.

## **9. Social Relations in Other Case Study Areas**

It seems unlikely that Portugal is the only case study area among the seven analysed in the PaYPiRD project, in which the degree of rurality (however defined) is sufficiently high, the absence of a "proletarian milieu" and frame of reference so great, and the transition to a "risk society" – with its attendant individualist perceptions and patterns of employment – so incipient, that social networks (of solidarity, clientelism, etc.) continue to play a preponderant and/or determinant role? Do other study areas – such as the French case (despite the nearby large factories) or the Irish or Scottish cases (despite the proximity of relatively large urban centres compared to Santa Marta) or the Finnish case (with its extreme physical isolation, though at a higher level of income and material development), provide any evidence in this regard?

Again, the researchers' own observations, along with data from contextual interviews and other studies, would suggest that the discussion of this hypothesis cannot be restricted to data relating to first experiences of relatively low level employment. Regarding the applicability of the 'Scottish hypothesis' to Portuguese rural reality, it would appear that, due to the absence of fully functioning market mechanisms, the limited relevance and impact of past rural- and youth-oriented policy, and the heritage of clientelist practices and mind-sets, social relations (in

general) and *cunha* (in particular), both help to channel individuals into a very wide range of jobs – from the most temporary, unstable and low skilled employment, through more permanent and stable jobs with potential for advancement, to the most responsible posts in which the incumbent exercises substantial power over others.

An initial evaluation would suggest that these same networks do operate (albeit to a lesser extent) in other rural areas studied in the PaYPiRD project, in market/structural contexts that are by no means ideal, but nonetheless relatively ‘rich’ compared to that of rural Portugal. Questionnaire data on social networks in all seven of the study areas indicated that they were of great help in accessing employment in five of the seven cases, their use being least marked and/or appreciated in the German and Scottish study areas.<sup>19</sup> In a group of cases – France, Finland, Austria and, particularly, Ireland – there was more evidence that social networks played a role in helping youth to find work. In the latter case, it should be noted that as many as one out of six of respondents felt that social networks were irrelevant.

**Table 9.2 Importance of Social Networks in Finding Employment: The Seven PaYPiRD Study Areas Compared**

	<i>Great Help</i>	<i>Some Help</i>	<i>Irrelevant</i>	<i>Total</i>
Portugal	36	6	3	45
Ireland	24	15	2	41
Austria, Finland, France	49	26	15	90
Germany, Scotland	13	38	8	59

In the Finnish and French cases, Job Centres were the key provider of information, motivation and opportunities, almost to the exclusion of social networks; in Ireland the importance of Job Centres was less marked, though still important, whereas in Austria, they were infrequently cited as being of value. However, it was in rural Portugal that social networks were shown to be most valued by respondents, with policy and market-related mechanisms (except for newspaper advertisements) proving to be of little significance in accessing employment.

More specifically, in Ireland, the extended interviews showed that social networks particularly helped youngsters to make better-informed decisions based on the current/past work and training experience of friends. From the potential recruit’s standpoint, this provided an opportunity to gather information about working conditions, prospects, etc., in specific workplaces or training programmes, and thereby verify whether a given opportunity would provide a ‘better match’

<sup>19</sup> However, these data must be interpreted with great caution, due to the specific “anchor effects” detected in answers from several countries. Comparatively, with regard to *all* factors affecting the ease of getting a job, the response category “some help” was much more favoured in Scotland and Germany; in Austria, the view that social networks were “irrelevant” appeared to be disproportionately high; Portuguese interviewees opted more often for the response “great help”.

than other options, prior to making a decision. Networks also provided a potential employer both with a 'richer pool' of recruits, whose commitment and behaviour could be vouched for by those friends and relatives already working there, as well as a 'better match', since new recruits had been recommended by those more knowledgeable about the demands of the job. There was also a sense in which youth felt that a small local clique of well-networked economic and political leaders exercised too tight and exclusive a control over local affairs, and that this had potentially detrimental effects both on individual prospects and the community's future. This criticism was coupled with the familiar equivocation concerning the advantages and drawbacks of small community life – namely that it provides a sense of belonging, delivers solidarity, and yet encroaches on the need for privacy and anonymity that young people understandably value.

The Mayenne study in France also reflected somewhat the Scottish findings, with networks being mainly deployed for access to unskilled local factory work, but they provided little or no advantage in finding employment in more traditional artisanal small businesses. Nevertheless, there were exceptions that corresponded more closely to the Portuguese case, and it was quite clear that the family played an important role in generally supporting the search for work and subsequent early stages of the employment pathway, mainly via advice, and financial help to enable transport and/or housing problems to be overcome. Some French interviewees referred to the same advantages and disadvantages of rural life that Portuguese and Scottish youth had emphasised – the lack of facilities for youth, the generally difficult conditions of life, and the familiar contradiction between intra-community solidarity and intrusiveness.

In the Scottish case, social networks appear to provide youth with temporary, low-skill and low-quality, fall-back employment, and sometimes, perhaps, "stepping stones" to better employment prospects. Thus the operation of networks complements both the labour market and employment-related policy measures, rather than markets and policies complementing a complex of social networks – as seems to be the case in the Portuguese study area.

The social networks (and, in more extreme cases, the so-called *cunha*, or clientelist and discriminatory preferment) that function extensively in the rural areas of Portugal, clearly play an extremely important role in providing some youngsters with a way of remaining in the area where most of them were born and brought up, and yet avoiding a life in agricultural employment in a community where local employment alternatives are extremely scarce and largely unsatisfactory, even for those with minimal education and skills.

## 10. Reflections on Networks, the Market and Anti-Exclusion Policies

Despite the key role played by social networks in the study area in particular, and in Portugal in general, the importance of policy and the market cannot, of course, be underestimated. Clearly, the specific features of the articulation between social networks, the labour market and the policy context needs further research, if the market is to function more efficiently and equitably, policy is to be relevant to the specific problems rural areas face, and abuses of power and position are to be contained.

If employment outcomes are determined by the respective strengths of the three forces in the market-policy-networks 'triangle', then in Santa Marta it is networks that are disproportionately influential. While the specificities of the Portuguese situation have theoretical implications for how the three forces articulate, more practically, they raise questions regarding the extent to which policy could and should be "re-engineered" to take these complexities (and inter-local differences) into account.

The research on social networks suggests that, from a policy standpoint, the following priorities should be following emphasised.

### *Policy Recognition of the Role of Social Networks: Towards More Network-Sensitive Policies and Improved Youth Targeting*

Due to the danger of undermining what is undoubtedly a key mechanism in the construction of employment pathways, policies devoid of local relevance have to be avoided. Due to the multiple temptations of top-down, often supply-led rather than demand inspired blueprint policy solutions, along with persistent institutional discrimination, target groups (women, youth, and the disabled) often tend to be little more than caricatures. Rather than targeting broad characteristics assumed to be associated with exclusion, it is the key relationships that need to be the focus of policy attention. The policy-maker's view of who the client is needs to be broadened to take key youth-youth, youth-adult and youth-elderly relations into account.

Policy means need to be found to enable youth to position themselves more centrally both in the networks on which they clearly depend to a significant degree, and in the implementation of policies aimed at improving their local employability. In short, this means

- more network management by youth, as opposed to adults;
- more policy inputs by youth, as opposed to adults; and
- more accurate and effective policy targeting (by public decision-makers and public, private and NGO local development actors) on those young people who are particularly excluded from the networks on which the building of successful employment pathways so crucially depends.

For example, in situations such as that of Santa Marta, rather than imposing policies that undermine the legitimate use of what we might call benign (informational) networks, more care should be exercised in designing policies that not only support youngsters' capacities to use existing social networks to improve their employment opportunities, but also foster greater youth autonomy and inputs into the use and, above all, the construction of new networks.

If the important function played by social networks is not recognised by and integrated into policy design, future measures may result in perverse effects. For example, attempts by policy makers to reverse rural demographic decline by 'fixing' young population in the countryside (i.e. by strengthening the market and related institutions), may 'backfire' unless the positive and negative dimensions of network use are recognised. Young people may find their local social networks undermined by policy initiatives that are both more neo-liberal in inspiration, and less amenable to clientelist influences. Paradoxically, as the design, objectives and targeting of inclusion-promoting measures become more influenced by the logic of the market, policy makers may find it increasingly difficult to successfully promote and/or deliver sufficiently attractive and stable employment. Unwilling (or unable, due to low qualifications) to accept the type of work that the market is able to provide, youth may be forced to leave such localities as Santa Marta de Penagüiã in even larger numbers.

### *The Need for More Autonomous Space for Youth*

Young people in Santa Marta are very conscious of the extent to which their lives are run, and their futures determined, by adults. Specifically, many of the young people we interviewed complained about the lack of 'dedicated facilities' available to them. On the other hand, the political elite, parents and decision-makers tend to say that young people today have everything laid on for them – everything, that is, that adults want them to have, or feel is appropriate.

After they definitively leave school, where do youngsters go to maintain their contacts, improve their sources of information, work out new strategies? Even though school, in addition to its primary function, also provides informal opportunities for youth to hone their social skills, build their own networks and exchange ideas and information, it only provides very limited formal opportunities to develop the confidence to become more active and autonomous in local affairs, more informed about the institutional structures and the policies that ostensibly support their successful social inclusion, and more wary and critical of local clientelist practice.

From this standpoint, it is interesting that our research produced references to the importance of other local facilities as centres for networking, socialising and the brokering of influence. Foremost among such entities is the local café, which is of particular importance to adults, in general, and to males in particular. Whomsoever it serves, the café or club, or similar facility, is not simply as a meeting place, but somewhere that information, influence and favours are all exchanged. To run a café successfully, one needs lots of friends with money and influence, who can constitute both a regular clientele, and a networking 'node' that

will attract other customers. While they can evolve their own relationship with the existing networks in such cafés, young people are at the disadvantage of not having even something as basic as a specifically youth-oriented bar that could act as an autonomous meeting place. Given that such establishments as cafés often do operate in this way in adult networks, there is every reason to believe that something as simple as a bar, club or other establishment could assist in the creation of more effectively functioning information networks, not to mention providing a physical and organisational focus for other activities (such as training, health education and the like) with stronger youth involvement and management. Indeed, the employment-related difficulties that some youth face spring simultaneously from the (a) physical inaccessibility, bureaucratic attitudes, poor performance and relevance of official institutions (b) youngsters' lack of dedicated facilities, combined with (c) their own ignorance of what institutions are responsible for which initiatives.

Given the paucity of truly youth-oriented collective spaces (clubs, cafés, etc.) and the consequently limited opportunities for individual or group learning experiences, the development of greater organisational autonomy and meaningful institutional involvement, and with Job Centres located where they are and conceived and operated as poorly as they tend to be, youth tend to fall back primarily on the networks that family and friends can provide. Nevertheless, the provision of more youth-oriented space provides no guarantee that youth will be able to develop greater confidence and, thereby, be able to participate more fully in local decision-making. For that to happen, more intractable problems have to be confronted, requiring more fundamental change in the attitudes that colour the relations that adults in general, and policy-makers in particular, establish with young people.

### *Operationalising the Discourse of Youth Citizenship and Participation*

It is one thing to bewail the cynical use of young people as 'troops' in electoral campaigns and quite another to propose practical ways to build a local political culture that is more participatory, and less dominated by a relatively elderly and conservative power elite. Nor is it sufficient to exhort youth to participate more, and to demand more from the adults that run local political parties in return for their political support. In a sense, this would replicate the classical *caciquism* of the past, by which the elite received the votes of their social subordinates in exchange for employment or income-related favours.

The lack of any real "grass roots counter-culture" constitutes one of the key obstacles to the emergence of a stronger and more confident youth 'voice' at local level, and their greater participation in local political decision-making. In order (a) to overcome the fatalism, passivity and social deference that characterises the attitudes and practices of the majority of rural youth (not to mention their elders), and (b) for youth to acquire the confidence and social skills on which their wider and more profound participation depends, there must be an intensification of the dynamic, activities and autonomy of (in)formal groups and networks in which they are already involved.

Here we have a chicken and egg problem: the emergence of a more confident and assertive youth culture runs counter to the interests of the local political and economic elite, and would undermine the very clientelist relations that contribute significantly to the reproduction of their power. This elite has had considerable success in 'managing' youth energies and initiatives, i.e. confining them to issues and areas that support rather than challenge the *status quo*. In 'managing' the space in which cultural organisations (and, indirectly, some of the networks based on – or intersecting with – such organisations) operate, the local elite has tended to politicise them in its own interests. Furthermore, "elite pluriactivity" (namely the overlapping of local business, political and institutional interests), ensures that local groups and their members remain dependent on favours, often distributed through clientelist networks, in which policy-makers (or at least local policy interpreters and implementers) are to some degree complicit. This inevitably constrains and/or compromises such groups' ability to achieve their interests and objectives, and further reduces their extremely limited their autonomy.

Local economic interests as well as politicians at local, regional and national level need to be educated and motivated to take the young more seriously in both political and economic terms. Entrepreneurs, institutional leaders and the political elite are not the only stakeholders in local development, and yet to date policy has tended to favour the construction of a local 'enabling environment' that tends to serve their' needs above those of youth themselves. A local enabling environment needs to be created in which inclusion objectives are defined with youth as *subject* and not merely *object* of policies and their ostensible benefits.

Changes in the power relations between the local elite and such groups, organisations and networks will require that the latter be integrated into local development in a completely different way. This means that, from the policy standpoint, local cultural, community and other groups in which youth are involved can no longer ignored, or simply perceived as a relatively unimportant afterthought, or patronised in a clientelist fashion, either by the local elite, or by policy-makers.

### *Improving Provision and Dissemination of Information*

There is an urgent need to improve the quantity of information and its relevance to the particularities of the rural areas, as well as to improve substantially the quality of information, and the skills and insight of those who disseminate it. The vicious circle referred to above can, in part, be broken, if the diffusion of information were to be radically improved at the local level. This would help to short circuit the clientelist intermediaries, both public and private, who tend to monopolise and channel strategic information in support of their own interests, and provide the basis for more informed and more autonomous decision-making on the part of youth.

### Improving Training Performance

The supply of training inputs will not be qualitatively improved, unless courses are made more relevant to the demands both of potential employers, local economic potentialities, and the needs of local youth themselves. This is particularly so if future opportunities are more likely to emerge in the sphere of self- rather than wage-employment. Attaining this objective will be no easy task, given some of the particularities of the market for training in rural Portugal (and elsewhere):

- *Difficult access:* evidence from Santa Marta (as in Angus, Scotland and other case-study areas), suggests that training is generally regarded as rather difficult to access, and that the opportunities for 'real' training (i.e. in line with young people's aspirations) are few and far between.
- *Inappropriate motivation:* in Portugal (as elsewhere), greater emphasis has been placed on the provision of *paid* training schemes than on the relevance of their content; this means that programmes are mounted (often with little if any prior assessment or subsequent evaluation of the trainees) and youth will frequently sign up opportunistically for almost any course, often a succession of courses, having made no real assessment of what it may or may not deliver in terms of improved employability.
- *Management priorities:* Also, there seemed to be a disproportionate institutional emphasis on encouraging young people to sign up for courses, regardless of the willingness/aptitude of the person, or the relevance of the course; in part such attitudes are the result of supply-led approaches to training, and the pressure on government departments to spend budget allocations and meet targets – the latter still predominantly defined in terms of *inputs* (e.g. number of trainees attending), rather than *outputs* or *outcomes* (i.e. number of well-trained, more employable, more self-confident youth).
- *Competition among training agencies:* similar pressure to prioritise quantity rather than quality is felt by the burgeoning private and NGO training sector, whose own organisational dynamic and financial sustainability depend on meeting similar targets, if future government and/or EU funding is to be secured.
- *Eligibility for training:* due to the extent to which young people in Santa Marta have abandoned their studies in the last 10 years or so – not untypically before compulsory schooling has been completed – many remain ineligible for training, and are therefore excluded from some of the more promising employment opportunities.
- *Inequitable distribution of training:* some of the youth interviewed in Santa Marta felt that the placements were distributed inequitably, on the basis of favouritism and corruption, often predominantly to those "in the know", and repeatedly to the same people.

Against this background, it was not surprising to hear youngsters in Santa Marta expressing their profound frustration at the way in which the employment and training services operate.

As suggested above, it can be the case that filling the quota of trainees, and encouraging the take up of loans, comes to take precedence over the relevance and viability of the small business initiative proposed, and the degree of preparedness of the trainee concerned. Worse still, given that for the elite of university- or polytechnic-trained young people based in the towns and cities surrounding the rural areas, the organisation of training courses (either as a self-employed 'trainer' to whom agencies and organisations 'outsource' their own contracts, or as a salaried trainer and/or training manager), constitute a significant growth sector, training and work placements may offer greater opportunities to the trained than to the trainee. In other words, working in this burgeoning sector, may enable public/private sector training professionals as well as private economic/business consultants (locally, often referred to as *projectistas*), to extend their own networks (not to mention clientelist relations) into the youth cohort, thereby benefiting their own employment pathways, rather than those of local youth.

Finally, there is a danger that the siting of training courses will discriminate against youth in the remoter or less favoured rural areas, with the result that those who are able to attend may be attracted away from their locality once they have qualified. As a key informant explained:

The vast majority of vocational training courses have taken place in just about every county around here *except* for Santa Marta. Perhaps the sponsoring organisations feel Santa Marta is too small. Paradoxically, while they'll put courses on in Régua or Vila Real, the bulk of the trainees will be from here (...) As for the Employment Insertion Programmes (...) there simply aren't enough sponsoring agencies (...) In the first year, there were two private non-profit organisations, but last year there was nobody from Santa Marta, and this year, it'll probably only be the Council that will take up youngsters (...). (Contextual Interview, 30.11.99)

### *Certifying Training*

Furthermore, rather than seeing youth training as something that only qualitatively improves the supply of labour, its role in building more active citizenship should be recognised. From this perspective, a further policy initiative that would help to build experience, confidence, organisational skills and leadership among young people, would be to ensure that appropriate training inputs are made to the type of local organisations mentioned above. This will inevitably mean weeding out those training institutions – be they private companies, NGOs or (semi-)public organisations – that have been motivated more by accessing EU funding than effectively providing relevant training to young people. It is no coincidence that while training has become a boom sector, providing significant employment opportunities for better-qualified labour market entrants, dissatisfaction among young people with the quantity, quality and spatial distribution of training provided seems to have escalated.

A rigorous process of certification of training institutions needs to be implemented without delay, along with greater control of the quality and relevance of the skills they provide, so that the benefits of the "training business" can be more equitably distributed between the training institutions that have proliferated in rural areas in recent years, and rural youth who have yet to feel significant impacts of institutionalised training on their employability.

## 11. Conclusions

The evidence from the Santa Marta de Penaguião study strongly suggests that social networks offer opportunities that neither the market, nor policies nor conventional corporate structures can provide. Perhaps the prevalence and apparent growth of the type of networks analysed in this chapter could be interpreted as a partial rolling back of the market, in response to and in compensation for the excessive withdrawal of state interventionism in the 1980s. By analogy, the rise in the importance of social networks in underpinning rural livelihoods could suggest that a continuation (or restructuring) of productive market-network synergies has been taking place – more in recognition of the limited penetration of market than its excessive penetration. It may even be that, in localities like Santa Marta, the market mechanism and pro-market policies are progressively being restricted to the types of resource allocation to which they are "best suited", with social networks in general, and clientelist preferment in particular, continuing to play a key, and sometimes dominant, role.

However, as a result of demographic decline, the continued concentration of population in the urban centres of rural regions, and the extended and intensified commoditisation of life that globalisation is bringing about, it is more likely that there will be an ongoing penetration of social networks by market norms and values, not to mention a further penetration of social policy by precisely the same imperatives. Paradoxically, this may simultaneously strengthen some existing social networks and promote the establishment of others, in an attempt to preserve the benefits they are known to generate, as well as giving rise to new network-based imperfections in markets.

Whether overall welfare gains or losses will result from this type of network-market articulation and who will enjoy the benefits and who will bear the costs is unclear. Nevertheless, rather than witnessing the rapid erosion and terminal decline of social networks as a valid and viable means of achieving economic outcomes in rural areas, networks – through the people that construct, constitute and operate them – are showing themselves capable of adapting to and benefiting from their articulation with the market.

The same sort of scenario could be applied to the interaction and mutual articulation of rural livelihood networks and policy. Given that current policy discourse emphasises the need (and the efficiency) of building local institutions that are conducive to the growth and development of such networks, we are also likely to see complex synergies, characterised by an uneven mix of more heavily

politicised networks and more locally-networked policies emerging in this context too.<sup>20</sup>

Whether aggregate welfare gains or losses will result from this type of network-market articulation, and who will enjoy the benefits and who will bear the costs is unclear. Nevertheless, rather than witnessing the rapid erosion and terminal decline of social networks as a valid and viable means of achieving economic outcomes in rural areas, rural social networks – in Portugal at least – are showing themselves capable of adapting to and benefiting from their articulation with the market.

The results of our analysis of social networks and *cunha*, and the way in which they mediate between individual job-seekers (on the one hand) and market mechanisms and policy measures (on the other), may provide policy-makers with some food for thought. Given the importance of rural social networks, policy makers have to be more sensitive to the impact that policies may have on their effective functioning. If young people find that a major factor in constructing minimally acceptable employment pathways in their rural localities are undermined by policy initiatives that are both more neo-liberal in inspiration, and less amenable to clientelist influences, they may simply vote with their feet. Unwilling (or unable, due to low qualifications) to accept the type of work that the market is able to provide, youth may be forced to leave such localities as Santa Marta de Penaguião in even larger numbers.

Notwithstanding the difficulties of motivating the local elite to give youth a greater say in local decision-making, there is an urgent need to negotiate new spaces – both physical and organisational – as well as new structures for young people, not least of all so that they can develop the confidence and skills to participate more actively in local politics and policy initiatives. In spite of the high priority given to formal education and training in the general and policy discourse of adults formal and informal, the school system, employment service and training framework appear largely unprepared and unable to identify and respond to the dreams and the legitimate, concrete aspirations of their “clients”, namely young people in the school to work transition. It is no wonder that many of them look elsewhere for better “niches” in life, and have recourse to other sources of support, influence, advice and consolation as they attempt to construct their employment pathways.

One step that policy makers could take along the road to responding more to the needs of young people, instead of simply evoking the now prevalent and familiar discourse of market fatalism, would be to radically improve the diffusion of information at the local level, not only in terms of the quantity and quality of information, and its relevance to the particularities of the rural areas, but also the skills and insight of those who disseminate it.

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<sup>20</sup> For example, the fact that the central government contracts regional business associations to promote, process and adjudicate the allocation of subsidies to local micro-enterprises under their ‘jurisdiction’, does not bode particularly well, either for the autonomy of such associations, or their continued local legitimacy or, indeed, for the effectiveness of government enterprise promotion policies.

Finally, rather than seeing youth training as something that only qualitatively improves the supply of labour, its role in building more active citizenship should be recognised. From this perspective, a further policy initiative that would help to build experience, confidence, organisational skills and leadership among young people, would be to channel appropriate training inputs to the types of local organisations in which youth have both a stake and a real interest, through which they could more rapidly gain experience, and create opportunities to exercise influence in how the future of rural areas is envisioned, and the corresponding employment opportunities there may be generated.