

## POLITICAL ECONOMY AND PUBLIC POLICY OF MARGINALIZATION: ALTERNATIVE DEVELOPMENT, MULTILEVEL PLANNING AND DISADVANTAGED COMMUNITIES IN SLOVENIA AND CANADA

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*Are alternative development models relevant in the context of revitalization of disadvantaged communities without the visible role of the state in building development strategies? In some reasonable conditions, the state has to carry out specific tasks which would guarantee marginalized communities to become a relevant partner in creating and establishing participatory development approaches. In many developed countries the inclusion schema is usually established but power relations are not reconstructed properly in a sense of a more fair cooperation between the state and disadvantaged communities. The main goal of the present paper is to problematise development policies according to marginalized communities in Slovenia and Canada and to show which development principles from Canadian socio-economic praxis are relevant for Slovenian reality.*

### 1 PROLOGUE

We are aware that simple causal model of alternative development is too rigid when trying to picture a complex reality of development strategies. Contemporary approaches to development in marginalized communities are multidisciplinary in their nature and planned as multilevel strategies of development. Regarding theoretical approaches, scholars adapt theories, for example, from international political economy to theories of micro business to explain various themes concerning development in disadvantaged communities. Due to this reason we will use the original Sundaram's<sup>2</sup>

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<sup>2</sup> K.V. Sundaram, *Decentralized Multilevel Planning: Principles and Practice (Asian and African Experiences)* (New Delhi: Ashok Kumar Mittal, 1997).

approach of multilevel planning and adapt it to development reality in Slovenia and Canada. The main issue concerning multilevel planning is to show different possible approaches regarding alternative development: top-down planning, planning from below and planning from within. For Sundaram,<sup>3</sup> the issue of decentralization is of fundamental importance in relation to multilevel planning.

Our focus is to warn that problem of poverty is of acute nature also in developed countries as they are Slovenia and Canada. The latter has far more developed social economy approaches which will be an important issue in this paper. Two marginalized groups are included in comparison: Aboriginal peoples of Canada and Roma community in Slovenia. Even they do not share a lot of common characteristics, the problem of continuing marginalization is evident in both cases.

We will try to explain and investigate the marginalization phenomenon and possible solutions in two ways: through a political economy approach and public policy analysis. More concretely, we are interested how policy changes and participation of individuals (living in disadvantaged communities) in development policies create development opportunities for them. What is more, research interest is also given to the role of the state in development policies and what is probably missing in defining its role in preventing marginalization.

Finally, two different development approaches are included in comparison: *Community Economic Development* approach widely used in Canada and the Government of Slovenia's *National Program of Measures concerning Roma Communities within the Period 2010-2015* as a core strategy for future development of Roma in Slovenia. In fact, the first one is the alternative model of economic development in communities (often called the *initiative*) which is partially independent from the state. The second example is a governmental strategy designed as top-down model of development.

## 2 MULTILEVEL PLANNING: BEYOND THE "TWO WAY" DEVELOPMENT

Conventional distinction which assumes and determines the role of the state in planning activities presupposes *top-down*<sup>4</sup> and *bottom up*<sup>5</sup> approaches as the most reliable. In some sense, this linear mode of thinking is maybe too simplistic for understanding a chaotic reality in the process of development activities. Sundaram<sup>6</sup> besides the conventional view offers a third possibility which he calls a "development from within" saying that this is a model of development with a "capillary effect".<sup>7</sup> The difference relating to "development from below" is that the latter is controlled by the government. When scholars are talking about a development from "within", then, decentralization as a process is becoming a more real category<sup>8</sup> integrating

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<sup>3</sup> Ibid.

<sup>4</sup> Top-down approach is understood as planning activities led by the actual government.

<sup>5</sup> See K.V. Sundaram, *Decentralized Multilevel Planning: Principles and Practice (Asian and African Experiences)* (New Delhi: Ashok Kumar Mittal, 1997), 22. With bottom-up approach we assume participation activities in disadvantaged communities which are partially established without a stronger role of the state. In some sense, state's role is in visible coordination of planning activities. Sundaram presupposes a similar concept called "development from below" assuming that is controlled by the actual government with some level of public participation.

<sup>6</sup> Ibid.

<sup>7</sup> Ibid., 133.

<sup>8</sup> Ibid.

“the local initiatives into larger planning development efforts of the government”.<sup>9</sup> As Sundaram points out, development from within is the most suitable approach for local and regional communities in terms of development planning.<sup>10</sup> In some sense, communities at these two levels, then, try to find some sort of policy and economic convergences. For Bennet, thinking about policy convergence on levels of policy goals, policy outcomes, policy content, policy goals or policy style is too deterministic and mechanical. His idea is the image of a central point to which through time different policy parameters come together.<sup>11</sup> On the other hand, convergence in terms of community economic development addresses the question of domestic demand, need and the use of resources. Furthermore and above domesticity, but still largely oriented to domestic production, some production of goods may be use to satisfy external demands.<sup>12</sup>

The important question is if they are some crucial differences between planning in different countries, for example, between western capitalist formations and underdeveloped economies in Third-World countries. In our view, it is more important parameter than studying the difference between countries themselves to give attention to local disadvantaged communities and, then, to assess an impact of macro (state) environment to marginal position of those communities. It is of course important if a particular state belongs to the “world class” of the best economies, but on the other hand, examples from Canada concerning Aboriginal communities and Roma peoples in Europe warn us that the “Third-World” communities exist at the heart of the most developed entities.

As Sundaram explains, multilevel planning “involves sharing of planning and policy functions at different sub-national levels and devising mechanisms and procedures for effecting flows of information for planning and interaction between and among the sub-national levels”.<sup>13</sup> Regarding Sundaram’s view, they are some important advantages concerning the approach. This system combines planning and development functions in a more comprehensive approach that may understand numerous actors at different spatial levels. Furthermore, multilevel planning assures that the local use of resources is more efficient and, at the same time, the specific attention is given to higher productivity of economic sectors going in hands with sustainability principles. Additionally, it guarantees that it satisfies criteria of cost-effective approach in relation to information access. As several other common approaches, multilevel planning tries to overcome in some areas fundamental disparities between the regions or communities. Finally, this approach is based largely on peoples’ participation in development planning and development process itself establishing a representative body at each spatial level.<sup>14</sup>

They are five essential principles of *modus operandi* concerning the concept of multilevel planning:<sup>15</sup> The first principle, principle of function-sharing presupposes the division of development activities specifying the most suitable for each level of operation and clear identification of planning functions. Although development processes are at various levels strongly

<sup>9</sup> Ibid., 134.

<sup>10</sup> Ibid.

<sup>11</sup> Colin. J. Bennet, “What Is Policy Convergence and What Causes It?” *British Journal of Political Science* 21, 2 (1991), 215–233.

<sup>12</sup> John Loxley, “The ‘great northern’ plan,” *Studies in Political Economy: A Socialist Review*, 6, (1981), 151–182.

<sup>13</sup> K.V. Sundaram, *Decentralized Multilevel Planning: Principles and Practice (Asian and African Experiences)* (New Delhi: Ashok Kumar Mittal), 51.

<sup>14</sup> Ibid., 54–55.

<sup>15</sup> Ibid., 55–59.

interconnected the distinction between functions and activities is crucial due to the “visibility” of the whole multilevel planning. The principle of financial decentralization addresses requirements for changing the nature of traditional procedures of delivering financial resources from department and agencies (vertical line) to horizontal levels in particular country - for example, the inter-regional allocation of financial resources. In the context of financial decentralization, at the same time, the principle of administrative decentralization has to be carried out. In this sense, “deconcentration” of powers is seen as a delegation of powers to decentralized levels. The fourth principle, principle of public participation, presupposes the involvement of the members of disadvantaged communities in creating development activities. As we will see later in this paper, conflict often appears when expert knowledge is confronted to the local knowledge system. The iteration principle (the relay vs. re-relay process) addresses the importance of system equilibrium. More specifically, the information flow guarantees, through repetitive “behaviour”, more and more stable system at various levels. In fact, the information flow is consisted of two parameters: top-down flows shape information as policies, priorities, targets, budgetary or technical information; on the other hand, bottom-up flows include information about local priorities, targets, needs and preferences. Lastly, integrated planning at different spatial levels (principle of nesting and integration of plans) is of central importance, and in majority of cases, also complex in its nature due to the multilevel coordination.

In the context of multilevel planning, it is necessary to determine how many levels of operational activities are needed to introduce into planning activities. The important aim is to overcome traditional hierarchy, for example, to speed up the process of information flows, cooperation between planning bodies and levels of government etc. On the other hand, if the structure of planning is too flat, then, would “make functional allocations ‘concentrated and heavy’ at both ends with too short a line of command and operationally not quite ideal, particularly if the country is large in size”.<sup>16</sup> Decentralization of the whole process of planning presupposes the “move” of some functions to the lower spatial levels.<sup>17</sup> The latter is important in a sense that the “appropriate” level of decision making and coordination is determined. For example, as Sundaram expresses, often it is a local level seen as the most problematic in development activities. For example, a shortage of experts and skills is of acute shortcoming in Asia and Pacific region.<sup>18</sup>

Sundaram concerning multilevel planning distinguishes between three types of mechanisms: planning and decision-making mechanism, coordination mechanism and participatory mechanism, all on the local, regional and national level.<sup>19</sup>

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<sup>16</sup> Ibid., 60.

<sup>17</sup> Ibid.

<sup>18</sup> Ibid., 65.

<sup>19</sup> Ibid., 63.

TABLE 1: MULTILEVEL PLANNING MECHANISMS

Area Levels	Planning and decision-making mechanism	Coordination mechanism	Participatory mechanism	
			Democratic (elected)	Community-based
<b>National</b>	Cabinet, National Development Council, Planning Commission/Economic Development Board, Planning Cells in the Ministries	Ministry of Finance, Inter-ministerial Committees Sectoral Policy Committees	Consultative Committees of Parliamentarians	Interest Groups and other people's organizations at the national level: Association of Farmers, Women, Tribal's, Backward Communities etc.
<b>Regional</b>	Region/State/Province Cabinet Executive Council; Regional Development Council; Regional/State Planning Commission/Board; Sectoral Planning cells.	Regional Budgeting office Sectoral Planning Groups/Committees/Task Forces Program Coordination Division.	Consultative Committee of elected leaders	Interest Groups and People's organizations at the Regional level
<b>Local</b>	Local (e.g. District) Development Council; Local Planning Office; Village Planning Forum, Village Council	Joint Committees for Planning; Subject Matter Committees	Association of elected leaders in the joint and subject matter committees	Interest groups/People's organizations at the local level; User groups/Join Management Committees.

Source: Sundaram.<sup>20</sup>

As Sundaram<sup>21</sup> explicitly points out, in ideal situation organizations working on multilevel planning have experts on all levels mentioned in table 1. In reality, in developing countries, it is possible to find experts solely at one or two levels on the top of the whole operational structure. Due to the reason that lower levels often do not have adequate personnel to carry out effective training or any other operation activities experts at upper levels will assure additional assistance. Setting-up coordination mechanisms is of fundamental nature in the context of introducing an integrated plan. For this reason, inter-ministerial, inter-sectoral and inter-disciplinary committees have to be established at all levels of decision-making and operation. Participatory mechanisms as a combination of elected leaders and interest groups, self-management and user groups etc. create what is often called an operation of »polycentric« institutions.<sup>22</sup> Regarding the term *polycentric*, McGinnis<sup>23</sup> states that, in this sense, it is not so important question how many authorities are in operation (multiple jurisdictions) but how many opportunities are created for the public accessing the public goods. In this context, we may agree with a thesis that contemporary trends in public-private partnership have to be based on the notion that public investment dominates over private counterpart. Private sector remains important offering technical expertise, management and organizational experience and its capital for delivering public goods.<sup>24</sup>

<sup>20</sup> See K.V. Sundaram, *Decentralized Multilevel Planning: Principles and Practice (Asian and African Experiences)* (New Delhi: Ashok Kumar Mittal, 1997).

<sup>21</sup> Ibid., 61.

<sup>22</sup> Ibid., 62.

<sup>23</sup> Michael D. McGinnis, *Polycentricity and Local Public Economies: Readings from the Workshop in Political Theory and Policy Analysis* (Bloomington: Indiana University, 1999), 6.

<sup>24</sup> John Loxley (with Salim Loxley). *Public Service, Private Profits: The Political Economy of Public-Private Partnership in Canada* (Halifax and Winnipeg: Fernwood Publishing, 2010), vii.



In the context of planning, in some sense, we may agree with Horvat who states that »a dilemma was - and is - talked about: plan or market. But that is a false dilemma. The market is only one - and until now the most efficient - of the planning mechanisms and the plan is the precondition for the proper functioning of the market.”<sup>25</sup> Horvat model of self-management also presupposes a decentralization principle, more specifically, at one point speaks about the “maximum decentralization”. In practice, as he advocates, decision-making would presumably be given to lower levels, decision left to top levels are planned only in situations where interests of individuals and those of groups would be a subject of potential damage caused by other groups or individuals.<sup>26</sup> The importance of *centrality* lies, then, for Horvat, at the heart of federation in a sense that some sort of short- and long-term economic equilibrium is trying to achieve.<sup>27</sup> In his way of thinking also the term *federation* is not equalized with federal government but he largely tended to put the state out of economic regulation.<sup>28</sup>

TABLE 2: HORVAT'S INSTITUTIONAL “MULTILEVEL” MODEL OF PLANNING AND SELF-MANAGEMENT

Level of Operation	Institutions and Bodies	Goals/Tasks/Responsibilities
Federation	<i>Federation</i>	Integration of subsystems Aggregate functioning of the whole system Equalizing conditions of economic activity Short-term equilibrium Long-term equilibrium Social plan
	<i>Economic ministers</i> <i>National Bank</i> <i>Social Accounting Service</i>	Accomplishing economic policy measures Regulation of the of the system of commercial banks Working as inspector; important source of information about monetary flows
	<i>Office for Agricultural Raw Materials (intervention fund I)</i>	Balancing fluctuations in the supply of agricultural products by reserves; protection of minimum prices for agricultural products
	<i>Office for Industrial Raw Materials (intervention fund II)</i>	Similar tasks as the previous one; additionally, balancing fluctuations of prices and supply conditions on the world market
	<i>Funds for Exports (intervention fund III)</i> <i>Arbitration Board of Incomes and Prices</i>	Supporting the export in various ways Elimination of possible violations by monopolies equalizing the conditions of economic activity
	<i>Interventionary Investment Fund</i>	Financing projects that demand a huge concentration of capital and/or long period of construction; correcting imbalances in capacity
	<i>Fund for the Insufficiently Developed Regions</i> <i>Federal Bureau of Economic Planning</i> <i>Bureau of Statistics</i> <i>Planning Bureau</i> <i>Council of Economic Advisers</i>	Development of the underdeveloped regions; largely social function besides the economic one “Ex-ante” coordination of economic decisions; primarily informational function Information about the past Information about the future Important role in introducing academia into the formation of economic policy measures Types of research useful for the country itself
	<i>Bureau for Programming Scientific Research (together with the Corresponding Fund)</i> <i>Cooperative chains</i>	Filling the gap between the market and the federal political centre; advocacy of the more lasting structuring of the market
	<i>Business associations</i> <i>Chambers of Commerce</i>	Filling the gap between the market and the federal political centre; usual integrative functions Harmonizing the interests of industries and influence economic policy as a representative of the economy in consultations with the government
	<i>“Industries”</i>	Business association; integration of certain functions for the preservation of the individuality of enterprises

<sup>25</sup> Branko Horvat, "An Institutional Model of a Self-Managed Socialist Economy," *Eastern European Economics*, 10, 4 (1972), 377.

<sup>26</sup> Ibid., 383.

<sup>27</sup> Ibid., 375.

<sup>28</sup> Ibid., 376.

Republic	<i>Interventionary Investment Fund</i>	Supporting equal development; attracting investors from other areas and abroad by tax reductions and favourable treatment
	<i>Mutual Reserve Fund</i> <i>Interest communities</i>	Covering losses and reorganizing unprofitable enterprises Receive funds and financially support the services provided by schools, hospitals, museums; protection of final consumers from authoritative actions of the administrative-political apparatus, equalizing productive and non-productive sector, quasi market principles
Community*	/	/
Enterprise	<i>Workers Council</i>	Decisions regarding merger, radical reorganization, more important investment programs, adoption of the constitution
	<i>Commissions of the Council</i>	Advisory power; bridging the gap between professional managers, and the rest of work community; integration of technical knowledge and political issues
	<i>Executive Committee</i>	Responsibility for operations; individual aspects of business operations; expert- organizational line
	<i>Work units</i>	Decisions concerning job assignment, work conditions, social priorities, distribution of the surplus, employment and dismissal, conflict resolution
	<i>Supervisory Committee</i>	Supervision of all managerial activities; minimization of conflicts
	<i>Grievances Commission</i>	Solutions of conflicts (type A): collective potentially damaging decision influences the individual
	<i>Work Responsibility Commission</i>	Solutions of conflicts (type B): individual in a negative manner affects collectivity interests
	<i>Council of Reference</i> <i>General manager</i>	Challenge of a legality of any act accepted by the other body Legality of the enterprise activities; implementation of the "internal" law

\*Horvat in this context left the *community* parameter out of analysis standing that he is not a specialist on this field.

Source: Adapted from Horvat.<sup>29</sup>

### 3 PARAMETERS OF MULTILEVEL PLANNING: LEVELS OF DECISION-MAKING, DEVELOPMENT CONCEPTS AND MODES OF PLANNING

Having in mind Slovenian and Canadian case study, at this point, it is necessary to carry out distinctions among the planning models we are dealing with: firstly, Horvat's self-management approach that has just been mentioned picturing political and economic development of the Slovenian economy as a part of larger Yugoslav system before 1989;<sup>30</sup> secondly, current development strategies accepted by Slovenian state institutions with a specific attention to the *National Program of Measures concerning Roma Communities within the Period 2010-2015*;<sup>31</sup> thirdly, alternative development strategies in Canada focusing on the Community Economic Development approach (CED in advance). All the mentioned development approaches are important in a sense of explaining differences in planning activities pointing out an inclusion of various levels of the state authority and their role in revitalizing disadvantaged communities in Slovenia and Canada.

Even numerous scholars oppose possibly different "internal" dynamics of small disadvantaged economies, it is necessary to reconsider the notion if solely development solutions in the context of capitalist mode of production would be appropriate in contemporary development strategies. What is

<sup>29</sup> Branko Horvat, *The Political Economy of Socialism: A Marxist Social Theory* (Armonk, N. Y.: M.E. Sharpe, Inc., 1982).

<sup>30</sup> In December 1989, Yugoslav Prime Minister Ante Marković declared that his new reform package is ready for application as economic strategy towards the hyper-inflation. As Phillips and Ferfila state, this was the end of self-management idea. See more in Paul Phillips and Bogomil Ferfila, *The Rise and Fall of the Third Way* (Halifax: Fernwood Publishing, 1992).

<sup>31</sup> See Vlada Republike Slovenije. *Nacionalni program ukrepov za Rome Vlade Republike Slovenije za obdobje 2010-2015*, [http://www.uvn.gov.si/fileadmin/uvn.gov.si/pageuploads/pdf\\_datoteke/Program\\_ukrepov.pdf](http://www.uvn.gov.si/fileadmin/uvn.gov.si/pageuploads/pdf_datoteke/Program_ukrepov.pdf) (21 October 2010).

more, if we follow Loxley's<sup>32</sup> ideas of CED approach, it is clear that development strategies at the community level operate somewhere between "filling the gaps" of a dominant capitalist production and as possible alternatives to that mode of development. Furthermore, in fact, it is not the case of closed distinction between the different systems of production and economic systems but really how to integrate different development parameters revitalizing disadvantaged communities. This is, for example, the truth in the case of the new economy where some important gains are largely used in terms of development strategies (e.g. information technology) to improve socio-economic conditions in those communities.

They are many approaches which presuppose planning activities at numerous spatial levels of possible policy action at the same time. On the other hand, some of them are more oriented to intervene at specific levels of decision-making and activity. Furthermore, numerous efforts are given also to problems of humanization of a modern enterprise, specifically pointing out problems relating to the workforce and working process itself. For the purpose of the present paper, on the general level, and regarding to some contemporary concepts of development planning, crucial distinction would be, then, between levels of decision making and activity, development concepts and modes of planning as crucial determinants of "alternative" multilevel planning.

In any sense, the multilevel planning is designed at various levels of decision-making and possible participation. Determining different levels of planning operations in the context of *boundary setting*<sup>33</sup> may help planners in recognizing who would be involved in, for example, in the policy process. In fact, besides the *levels* also a *type* of activity is a part of a development management. Gaventa<sup>34</sup> gives an important attention in creation of policy spaces with an idea how disadvantaged communities may act as subjects of their own empowerment and, at the same time, creators of their own pace of development. Creation of policy spaces<sup>35</sup> is combined with Lukes' concept of the three faces of power<sup>36</sup> and possible levels of participation. Finally, the

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<sup>32</sup> John Loxley, *Aboriginal, Northern, and Community Economic Development: Papers and Retrospectives* (Winnipeg: Arbeiter Ring Publishing, 2010); John Loxley, "Elements of a Theory of Community Economic Development," in *Transforming or Reforming Capitalism – Towards a Theory of Community Economic Development*, ed. John Loxley (Halifax: Fernwood Publishing, 2007), 7–33; John Loxley, "Some Remaining Theoretical Challenges," in *Transforming or Reforming Capitalism – Towards a Theory of Community Economic Development*, ed. John Loxley (Halifax: Fernwood Publishing, 2007), 110–125; John Loxley, *Interdependence, Disequilibrium and Growth: Reflections on the North-South Relations at the Turn of the Century* (Ottawa: International Research Development Center, 1998); John Loxley, "The 'great northern' plan," *Studies in Political Economy: A Socialist Review*, 6, (1981), 151–182.

<sup>33</sup> Christine Blackmore and Raymond Ison, "Boundaries for thinking and action," in *Research skills for policy and development: How to find out fast?* eds. Christine Blackmore and Raymond Ison (London: Sage, 2007), 49–73.

<sup>34</sup> John Gaventa, "Finding the Spaces for Change: A Power Analysis," *IDS Bulletin* 37, 6 (2006), 23–33.

<sup>35</sup> The term policy space is in Gaventa's power cube mentioned in three different ways: as closed space where decisions are accepted behind the closed doors; as invited space where public debates are organized according to top-down principles. An invitation usually comes from national government, international organizations etc.; claimed/created space usually occurs when outside institutional arenas and are resulted in public mobilization against the powerful actors regarding to bottom-up principle. See more in John Gaventa, "Finding the Spaces for Change: A Power Analysis," *IDS Bulletin* 37, 6 (2006), 23–33; see also Andrea Cornwall, "Spaces for Transformation? Reflections on Issues of Power and Difference in Participation in Development," in *Participation from Tyranny to Transformation*, eds. Samuel Hickey and Giles Mohan (London: Zed Books, 2000), 75–91.

<sup>36</sup> The concept of the three faces of power is the original one in the power phenomenon debate. First face is in fact the Dahlian view of power where an open competition between different policy actors and resources is evident. The second one, originally invented by Bachrach and Baratz, points out the importance of non-decision in the public policy process. Finally, Lukes states that the third face additionally improves the previous two concepts pointing out some behavioural characteristics in marginalized community - manipulation with actors' interests. See more in Robert Dahl, *Who Governs? Democracy and Power in an American City* (New Haven: Yale University Press, 1961); Peter Bachrach and Morton S. Baratz, *Power and poverty: theory and practice* (New York, London, Toronto: Oxford



appearing *power cube*<sup>37</sup> is created describing different possible opportunities for the marginalized community to enter into the policy process.

We have seen that, for example, Horvat consciously left out of analysis the *community* level which is of fundamental importance in planning development activities in everyday life. Two similar concepts appear: community development (CD in advance) and community economic development aforementioned. There is no clear distinction between the terms due to the reason that many development principles overlap. As Loxley agrees, CD approach is somehow wider “encompasses CED but goes beyond it, embracing social and cultural well-being”.<sup>38</sup> The differences between the concepts Loxley explains as follows:

“CD casts a wide net, covering social work, urban renewal, adult education and political organizing. Its emphasis is, however, firmly on *process*, on how things are being or should be done, rather than on *what* should be done. Community economic development, on the other hand, focuses primarily on economic and material improvements in the lives of community members.”<sup>39</sup>

Horvat’s model of socialist enterprise may be understood as a predecessor of contemporary models of social enterprises around the world. Especially, Mondragon seems largely analogous to self-management operations as has Horvat planned them. Also at this point, a dilemma how to make a distinction between the terms *social economy* and *social enterprise* is a similar one as is in the case of the CD and CED. Defourny<sup>40</sup> in this context carries out the operation of social economy in the core of the legal/institutional approach and the normative counterpart. Regarding the first one, the following three components of the social economy are widely recognized: co-operative-style enterprises, mutual-type organizations and associations. Co-operatives may be organized as agricultural, saving and credit or housing co-cooperatives as also several other types. What is more, co-operative movement stays strong also in contemporary economic conditions emerging as a potential organizational solution to many community problems in international context. Mutual-type organizations, as a second approach widely found, have become in many countries important in social security schemes shaping the needs of communities to have a community insurance system. Associations as a third component of the social economy, involves, for example, advocacy organizations (Greenpeace) and many others identified as *non-profit organizations*, *voluntary organizations* or *non-governmental organizations*. The normative approach relating to the social economy includes the following operational principles: serving to the community more than advocating the profit; an independent management; a democratic decision-making; people and labour are more important than capital and distribution of income. Even they are numerous characteristics associated with the development of social enterprises as high degree of autonomy or a minimum amount of paid work etc,<sup>41</sup> it is evident, that the most crucial question remains unanswered in an appropriate manner: Why social enterprise

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University Press, 1970); Steven Lukes, *Power: A Radical View* (Basingstoke, London: MacMillan; New York: Palgrave MacMillan, 1974/2006).

<sup>37</sup> The idea of power cube is originally based on widely known Rubik Cube invented by Hungarian professor of architecture Ernő Rubik. Power cube is one of many ideas how participation in disadvantaged communities can be planned and imagined as logical models of civil action.

<sup>38</sup> John Loxley, “Elements of a Theory of Community Economic Development,” in *Transforming or Reforming Capitalism – Towards a Theory of Community Economic Development*, ed. John Loxley (Halifax: Fernwood Publishing, 2007), 8.

<sup>39</sup> Ibid.

<sup>40</sup> Jacques Defourny, “Introduction: from third sector to social enterprise,” in *The Emergence of Social Enterprise*, eds. Carlo Borzaga and Jacques Defourny (London and New York: Routledge), 1–28.

<sup>41</sup> Ibid., 17–18.

concept has emerged largely independent from the state, and, what is even more important, in some sense, operating on different business principles than a conventional capitalist enterprise? Of course, an answer is more complex than many scholars usually imagine. This is because of the fact that a majority of the academia stands on the position that capitalist society is definitely the *ultimate* model of development and as such untouchable even some important proposals and potential modifications have been done. For us, the question is not how development models planned for marginalized communities might be separated from dominant capitalist production, but on the contrary, how it is possible to build new approaches integrating new gains of the new economy and humanization of working processes at the same time.

As we have seen above, Sundaram besides the top-down and “planned from below” approaches discusses also about *development from “within”*. In the context of the latter, it is assumed that disadvantaged community primarily acts as initiators of their own model of development instead of seeking help from state institutions. More specifically, members in such a community operate according to self-sustaining and self-generating principles.<sup>42</sup> As Sundaram<sup>43</sup> points out, development from within is “‘localism’ in action”. They are many areas where this approach is relevant: sustainable agricultural development, natural resource conservation and management, forestry development and environmental protection etc. Foundational parameters regarding development from within are public participation, decentralization and empowerment, self-reliance, self-management through collective voluntary action and polycentric institutional development.<sup>44</sup>

Sundaram’s approach “from within” is somehow similar to many other concepts which mainly address local development initiatives. All of them have the same problem or challenge – what is the level of independence of a local community in creating its own development and what expert’s knowledge is needed from “outside”? In reality, similar approaches are founded on combination of internal resources and support from mainstream society.

#### 4 POLITICAL ECONOMY APPROACHES AND BACKGROUND IN SLOVENIA AND CANADA

The goal of this section is to show a potential of political economy approach that has to have in development context of disadvantaged communities. It is necessary to point out that Canada has had a strong tradition in developing and reproducing different political economy views. As Phillips<sup>45</sup> shows, political economy in Canada has been the main angle studying economic questions in the last century. In this sense, Canadian political economy is largely based and interconnected with economic history which is, according to Phillips, of great importance pointing out “uniqueness of the Canadian pattern of economic development”.<sup>46</sup> In the first instance, the Innisian approach to political economy was predominant advocating the operation of a discipline on *staples* (raw material exports) which means “the impact of

<sup>42</sup> K.V. Sundaram, *Decentralized Multilevel Planning: Principles and Practice (Asian and African Experiences)* (New Delhi: Ashok Kumar Mittal, 1997), 134.

<sup>43</sup> Ibid., 135.

<sup>44</sup> Ibid., 135–144.

<sup>45</sup> Paul Phillips, *Inside Capitalism: An Introduction to Political Economy* (Halifax: Fernwood Publishing, 2003).

<sup>46</sup> Ibid.

staple dependence on other political, social and economic institutions”.<sup>47</sup> The second approach to Canadian political economy, known as *The New Canadian Political Economy*, which has been widely recognized in the last almost four decades, is an integration of “traditional Canadian institutional approach with elements of Marxist political economy and Keynesian/Kaleckian economics”.<sup>48</sup> Anyhow, it is evident that both approaches, even strongly distinct in their nature, have been companions in the last decades.

Even Slovenia has had a strong tradition of political economy, in the last two decades, after the independence of a country, a discipline as such has almost disappeared, or better saying, still stands on the position at the end of 1980s. It is evident why such a break appeared. After the collapse of the Yugoslav system a radical move in economic thought was evident but, at the same time, an important part of recognizable theoretical tradition was consciously neglected due to the allegedly “communist” past.<sup>49</sup> In this sense, as both Canadian approaches to political economy show, we may say that is a deficiency of approaches to dominant economic thought in Slovenia. The latter is especially true having in mind that approaches to community development (for example CED in Canada) are largely built as a response to dominant capitalist production, and even more radically defined, are becoming alternatives to it. Regarding multilevel planning for disadvantaged communities in the Slovenian context, and as we will see in the next section, stays within the limits of centralized top-down state planning, which is far from reaching contemporary international standards of development strategies.

Any multilevel planning has to be based also on macro-theoretical standpoint. In Canada, political economy and economic history approaches have been also strongly adapted to deal deeply with development problems in disadvantaged communities. One of the most important periods in Canadian-Aboriginal relations was the fur trade era. Innis in his fundamental work *The Fur Trade in Canada* shows the importance of Aboriginal technology and culture and also carries how fur trade importantly changed the nature of Indigenous economies and provoked marginalization of First Nations communities.<sup>50</sup> Generally speaking, in Canadian political economy and economic history it is always a debate of existence of the “two economic worlds”. The debate around concepts as dualism, integration and uneven development largely determines the nature of political economy and economic history. Of course, this is not black and white perception of possible development, but on the contrary, largely the quest to find out how the two economic worlds might be integrated. In this sense, Thomas’ convergence theory sees the divergent structure of depended economies as one of major structural problems which have to be improved by a two-stage convergence approach. The first stage is planned as a convergence between domestic resource use and domestic demand, the second stage is then between domestic demand and domestic need. What is additionally interesting, according to Thomas, in depended economy the society is in

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<sup>47</sup> Ibid.

<sup>48</sup> Ibid.

<sup>49</sup> Even this period may be seen as a temporary switch off of a discipline, economic transition of Slovenia has been a gradual one. Anyhow, shock therapy in neoliberal terms was refused and replaced with more smooth transition to a market economy. What is more, Slovenian case is recognized as one of more successful among the ex-communist countries. But what is evident in the last few years, the gains from the “gradual” period are somehow nullified due to lowering standards of workers’ rights.

<sup>50</sup> Harold Innis, *The Fur Trade in Canada: An Introduction to Canadian Economic History* (Toronto: Toronto University Press, 1956).

transition to socialism. Thomas approach underlines that production is firstly planned for local demands, and only partially, to meet foreign demands.<sup>51</sup>

In Slovenia, we may observe a visible trend in introducing new concepts and reconstructing the old ones concerning social economy and social entrepreneurship. More or less, those attempts are partial and isolated in their nature and do not follow the logic to offer an alternative to dominant system of production. In fact, contemporary non-governmental actors, government and other interest players do not properly understand the nature of alternative economics and its principles. At this point, it is necessary to think about bringing the discipline of political economy back to the main stage. In ideal political economy formation, state economic policies would cover and resolve also problems concerning development in marginalized communities. In fact, as Horvat<sup>52</sup> shows, state and enterprise levels have to be part of one approach to all economic problems. This is not the case in contemporary Slovenia. A solution would be in establishing partially independent model of development for disadvantaged communities similar to what Sundaram<sup>53</sup> defines as development from “within”.

## 5 CASE STUDIES

In brief, we are comparing two different models of development specifically initiated to revitalize disadvantaged communities. Firstly, CED approach, generally above-mentioned, may be defines as a set of different *initiatives* providing for improving living conditions and socio-economic parameters concerning various marginal communities in Canada.<sup>54</sup> Our attention is specifically given to economic development initiatives at the province of Manitoba (and Winnipeg as the capital city) because it serves besides Quebec as the focal centre in developing those concepts. The second case we deal with is *Government of Slovenia's National Program of Measures concerning Roma Communities within the Period 2010-2015* which is specifically oriented to prevent members of Roma community in Slovenia from acute poverty. The latter is typically a governmental *strategy* planned as a top-down model shaping numerous development parameters and goes wider that Canadian CED model. At the same time, even it is theoretically seen as a community development approach, it does not put a community at the centre of development.

### 5.1 Community Economic Development: The Manitoban Case

Even it is not theoretically specifically defined as a multilevel planning, the nature of Canadian federation and division of power largely presuppose that planning activities are usually an integration of different levels of governance and community initiatives. Community is the heart of CED model; all other policy players cooperate strongly to support development activities in communities.

<sup>51</sup> John Loxley, *Aboriginal, Northern, and Community Economic Development: Papers and Retrospectives* (Winnipeg: Arbeiter Ring Publishing, 2010).

<sup>52</sup> Branko Horvat, *The Political Economy of Socialism: A Marxist Social Theory* (Armonk, N. Y.: M.E. Sharpe, Inc., 1982).

<sup>53</sup> K.V. Sundaram, *Decentralized Multilevel Planning: Principles and Practice (Asian and African Experiences)* (New Delhi: Ashok Kumar Mittal, 1997).

<sup>54</sup> For more exact explanations of the concept see John Loxley, *Aboriginal, Northern, and Community Economic Development: Papers and Retrospectives* (Winnipeg: Arbeiter Ring Publishing, 2010); see also John Loxley, “Elements of a Theory of Community Economic Development,” in *Transforming or Reforming Capitalism – Towards a Theory of Community Economic Development*, ed. John Loxley (Halifax: Fernwood Publishing, 2007), 7–33.

Concerning planning activities in the context of CED approach it is necessary to carry out certain parameters which in an important manner affect the internal structure of a model. Firstly, here is an issue of limited production in smaller economies. As Lamb<sup>55</sup> shows, community has to produce in the first instance for internal needs and demands. A surplus of production may be then exported outside the community. Convergence theory largely explains the nature of small economies showing that a divergence between “economic worlds” has to be somehow overreached. Especially, having in mind depended economic systems those have to reach a *cooperation* and not *subjugation* with the main player. Even Thomas advocates that machine-tool sector would be a solution in development of *basic goods* (and what also states for construction industry) due to “small-scale, labour-intensive custom production”,<sup>56</sup> the nowadays trends show some new opportunities for disadvantaged communities to determine what kind of “production” would serve as a basis of their future development. Furthermore, the question is not, for example, if Aboriginal peoples in Canada have to participate in economic development but how development strategies are adopted for their more equalized participation. The fact is that, as many evidences, for example, from Hydro industry show they have not been treated as “equal partners” for a long time.<sup>57</sup>

The *Import domestic expenditure coefficient* measures a divergence as a relation of the value of imports for domestic use ( $M_u$ ) and domestic expenditures ( $E$ ). The present formula is as follows:<sup>58</sup>

$$\lambda = M_u / E$$

In case that convergence between the two economies is evident, then, a result is close to zero. Many disadvantaged communities often express a result close to one concerning import domestic expenditure coefficients.<sup>59</sup>

In the context of development planning activities in CED model planners often use the input-output matrix to show interdependence and linkages among different parts of industries in the community or relationship and influences between various CED projects etc. The *input* parameters are, for example, the value of various goods purchased from different other sectors within the community, the value of imported goods summing up with the total cost of wages, rents, interest and direct taxes, and potential profits or losses.<sup>60</sup> As *output* equation it is assumed that gross income of any CED project is a sum of income derived from selling the intermediate goods to other CED project and to community industry, summing up with selling the final goods to households in the community and income given from sales of final goods to other CED projects, governments and industry outside of

<sup>55</sup> Laura Lamb, “Towards an Economic Theory of Community Economic Development,” in *Transforming or Reforming Capitalism: Towards a Theory of Community Economic Development*, ed. John Loxley (Halifax: Fernwood Publishing, 2007), 64–65.

<sup>56</sup> John Loxley, *Aboriginal, Northern, and Community Economic Development: Papers and Retrospectives* (Winnipeg: Arbeiter Ring Publishing, 2010), 112.

<sup>57</sup> See more in Mitja Durnik, *Canadian Public Policy and Poverty of Aboriginals (PhD Dissertation)* (Ljubljana: Faculty of Social Sciences, 2009); Martin Thibault and Steven M. Hoffman (eds.), *Power Struggles: Hydro Development and First Nations in Manitoba and Quebec* (Winnipeg: University of Manitoba Press, 2008).

<sup>58</sup> Laura Lamb, “Towards an Economic Theory of Community Economic Development,” in *Transforming or Reforming Capitalism: Towards a Theory of Community Economic Development*, ed. John Loxley (Halifax: Fernwood Publishing, 2007), 65–66.

<sup>59</sup> *Ibid.*, 66.

<sup>60</sup> John Loxley, *Aboriginal, Northern, and Community Economic Development: Papers and Retrospectives* (Winnipeg: Arbeiter Ring Publishing, 2010), 261.



community.<sup>61</sup> One of the main goals of such a planning is to arrange that the small economy as a whole is stable and is prevented from external shocks.

CED approach is largely planned to be a community initiative. It is true that CED organizations operate at the community and local level, but at the same time, are subjects of government funding and support. In Canada, both provincial governments and the federal government are involved in planning and operation of community development. Of course, they have different tasks and responsibilities. Federal *Community Economic Development Program* was established to help First Nations communities to have an open channel to various federal programs and serves as a centralized "point" providing financial support for public services and economic development.<sup>62</sup> Fernandez expresses concerns about the nature of the program which would serve to community principles which is presumably oriented largely to promote business development and employment. Furthermore, there are no clear evidences of including cultural and social issues and how community might control issues concerning various initiatives and projects.<sup>63</sup> They are also other tools at the federal level to support community economic development. *Western Economic Diversification Canada*, a department of the Government of Canada, supports innovation, business development and community economic development initiatives establishing partnership with public and private sector.<sup>64</sup> According to Fernandez, it is able to make partnerships with all levels of governments and may accept a development vision of any particular community. Its intensive contact with the CED principles is through coordination of *Community Futures Development Corporations* with 16 offices in Manitoba. Main goals of those development corporations are to support planning of CED initiatives in communities and establish strategies for development and their implementation.<sup>65</sup> Furthermore, another involvement of federal government in CED initiatives is through *bilateral support of community initiatives*. Regarding to the latter, for example, in 1999 federal government and government of the province of Manitoba supported with funding initiatives in Winnipeg accepting a joint agreement between the Government of Canada and Manitoba Economic Partnership agreement. Another initiative in this context was a joint support to non-for-profit development corporation known as *Community Ownership Solutions* which mainly takes care of creation of quality jobs, employee empowerment, participative management, community responsibility etc. Finally, the *Urban Entrepreneurs with Disabilities Programs* was established and funded by Western Economic Diversification.<sup>66</sup>

Besides federal government the involvement of provincial government of Manitoba in CED initiatives is even more important. As Loxley and Simpson<sup>67</sup> point out, since 1999 provincial government has largely supported innovative ideas concerning the CED development. What is more, the NDP government established the *Community and Economic Development*

<sup>61</sup> Laura Lamb, "Towards an Economic Theory of Community Economic Development," in *Transforming or Reforming Capitalism: Towards a Theory of Community Economic Development*, ed. John Loxley (Halifax: Fernwood Publishing, 2007), 69–70.

<sup>62</sup> See Aboriginal Affairs and Northern Development Canada. *Community Economic Development Program*, available at <http://www.aadnc-aandc.gc.ca/eng/1100100033423> (5 December 2011).

<sup>63</sup> Lynne P. Fernandez, *Government Policy towards Community Economic Development in Manitoba* (Master Thesis) (Winnipeg: University of Manitoba, 2005).

<sup>64</sup> *Western Economic Diversification Canada Website*, available at <http://www.wd.gc.ca/eng/home.asp> (12 December 2011).

<sup>65</sup> Ibid.

<sup>66</sup> Ibid.

<sup>67</sup> John Loxley and Dan Simpson, *Government Policies towards Community Economic Development and the Social Economy in Quebec and Manitoba* (A research report prepared for the Northern Ontario, Manitoba, and Saskatchewan Regional Node of the Social Economy Suite, 2007), 27.

*Committee of Cabinet* directly supporting CED principles. In 2001, what additionally has confirmed Manitoba government's will to be involved in community initiatives, was accepted a CED policy framework<sup>68</sup> and a CED Lens<sup>69</sup> largely founded on Neechi Foods workers' co-op<sup>70</sup> principles<sup>71</sup> advocating that all activities are carried out on the local level. The Government of Manitoba also co-financed *the Manitoba Research Alliance on CED and the New Economy* supporting more than forty research projects inside the initiative.<sup>72</sup> The alliance "placed great importance on hearing and recording the voices of those CED is supposed to serve and of those who played an important role in setting the foundation for CED in the province, especially those in the Aboriginal community, who are often not heard or recognized, seeing this as an important prerequisite for building a base."<sup>73</sup> As Loxley notes, provincial government policies relating to CED initiatives are based on the following development parameters: building capacity-building and building infrastructure, supporting of enterprise development and education and training. At the same time, government provides back up for sectors as the energy, eco-tourism, community forestry, culture, housing, safety, and health. In the context of capacity-building, the main fundamental policy instrument is to assure a proper funding which provincial government has ensured with *the Neighbourhoods Alive! Program* and *Winnipeg Partnership Agreement*. The first one is crucial, for example, for sponsoring the operation of community development corporations, the second one, supports the following CED initiatives - the Aboriginal Participation and the Social Economy and Community Development.<sup>74</sup> Finally, the Government of Manitoba in terms of new approaches to CED (in context of *sectoral support programs*) has decided to offer to First Nations a possibility for ownership in hydro dams constructed by the provincial Crown Corporation Manitoba Hydro.<sup>75</sup> The Nisichawayasihk Cree Nation of Nelson House has decided to enter into development agreement with Manitoba Hydro in sum of \$1, 2 billion (33 percent of share) concerning the construction of the Wuskwatim hydroelectric generation project.<sup>76</sup> Of course, the nature of future hydro development between Aboriginal communities, provincial hydro corporations and governments is a subject of important debate in Canada. It is not clear yet, if in the long run, if a joint ownership would be a proper solution of cooperation on the general level for Aboriginal communities. Another worry for Aboriginal peoples is what kind of compensation for destruction of traditional way of life and territories would be "the appropriate one" in the

<sup>68</sup> Ibid. The framework express the following principles of CED: strengthening community capacity; supporting pride, self-reliance and leadership; improving knowledge and skills; developing businesses that are responsive to social, economic and environmental needs; and stimulating sustainable economic development.

<sup>69</sup> Ibid, 28. The lens is founded to help the civil service to comprehend and implement the government's CED strategy.

<sup>70</sup> Aboriginal cooperative retail store in Winnipeg which operates on the mentioned principles.

<sup>71</sup> See John Loxley, *Aboriginal, Northern, and Community Economic Development: Papers and Retrospectives* (Winnipeg: Arbeiter Ring Publishing, 2010), 194; see also John Loxley and Dan Simpson, *Government Policies towards Community Economic Development and the Social Economy in Quebec and Manitoba* (A research report prepared for the Northern Ontario, Manitoba, and Saskatchewan Regional Node of the Social Economy Suite, 2007), 27–28. Those principles presupposes, for example, production and usage of goods and services for local community, ownership of local goods, decision-making at the local level, developed public health system and safe physical environment, neighbourhood stability and human dignity.

<sup>72</sup> Department of Finance, *Manitoba Budget: Budget Papers. Budget Paper F*. (Winnipeg: Government of Manitoba, 2006). Available at <http://www.gov.mb.ca/finance/pdf/budget2006/ced.pdf> (12 December 2011).

<sup>73</sup> John Loxley and Dan Simpson, *Government Policies towards Community Economic Development and the Social Economy in Quebec and Manitoba* (A research report prepared for the Northern Ontario, Manitoba, and Saskatchewan Regional Node of the Social Economy Suite, 2007), 28.

<sup>74</sup> Ibid., 28–29.

<sup>75</sup> Ibid., 31.

<sup>76</sup> Nisichawayasihk Cree Nation Website, "About Us Building a Brighter Future", available at <http://www.ncncree.com/ncn/aboutus.html> (8 August 2011).

context of CED principles. Hydro policy in an important manner shows how, for example, public policy processes are inevitably interwoven with political economy approach so important for contemporary Canada.

## 5.2 Government of Slovenia's National Program of Measures concerning Roma Communities within the Period 2010–2015

The *National Program of Measures concerning Roma Communities within the Period 2010-2015* is a governmental strategy with a specific focus to influence and change poor living conditions for the Roma living in Slovenia. Some of its development principles are somehow interwoven with the above-mentioned CED initiatives. Even the latter starts with economic development in communities, it is evident that share many common characteristics. In our view, the main difference is in mode of planning. According to Sundaram's definition of modes of planning, the National program of measures is a conventional top-down strategy mainly initiated by the government; CED initiatives are mainly focused to community empowerment and share some common characteristics with the concept development from *within* with strong support of provincial government. The National Program of Measures<sup>77</sup> is based on the following *strategic goals*:

- improving of living conditions in Roma settlements,
- improving of educational attainment and greater involvement in education,
- lowering the level of unemployment of the Roma community and increasing their social integration and access to the labour market,
- improving health care with an emphasis on improving health care of children and women,
- maintaining and developing the cultural, information and publishing activities and seek to maintain and develop various forms of Romany language,
- awareness of and fight against discrimination.

Regarding the improvement of living conditions in Roma settlements they are some important difficulties how to approach to a definition of a settlement, and consequently, we see common problems also when somebody would try to define the Roma community. As Zupančič<sup>78</sup> points out, Roma settlements have been established largely without coherent approach usually around known »central« places where some possibilities of basic survival exist. The National Program of Measures in this sense presupposes the following measures as the operational level of the mentioned strategic goal: firstly, preparation of a comprehensive strategic framework as a basis for concrete programs and projects in Roma settlements; secondly, defining areas of Roma settlements and their revitalization in the context of the preparation of Municipal Spatial Plan. Here, collaboration between the Ministry of Environment and Spatial Planning, other relevant ministries and government departments, and municipalities is determined with the National Program of measures.<sup>79</sup>

<sup>77</sup> See Vlada Republike Slovenije. *Nacionalni program ukrepov za Rome Vlade Republike Slovenije za obdobje 2010-2015*, [http://www.uvn.gov.si/fileadmin/uvn.gov.si/pageuploads/pdf\\_datoteke/Program\\_ukrepov.pdf](http://www.uvn.gov.si/fileadmin/uvn.gov.si/pageuploads/pdf_datoteke/Program_ukrepov.pdf) (21 October 2010).

<sup>78</sup> Jernej Zupančič, "Romska naselja kot poseben del naselbinskega sistema v Sloveniji," *Dela* 27, (2007), 215–246.

<sup>79</sup> Mitja Durnik, *Predlog prihodnjega razvoja romske skupnosti v Sloveniji: med izboljšanjem platforme socialne ekonomije in primeri dobrih praks iz tujine* (Inštitut za narodnostna vprašanja, Ljubljana, 2011), 21–22.

In the context of improving the level of education, for example, as crucial measures have been defined also an integration of Roma assistants in the educational system and the early involvement of children in the educational system providing the conditions for inclusion in the pre-school level of education. These two measures are financed by the European Social Fund and the Budget of Republic of Slovenia. The main holders are Roma Association of Slovenia and Ministry of Education and Sport. For the purposes of the early involvement of Roma children in the educational system (the second measure) an open call for tender co-financing the project *The Increase in Social and Cultural Capital in Areas with a Roma Population* (holder: Ministry of Education and Sport) has been also assured.<sup>80</sup> The another three measures in the core of this strategic goal are related to ensuring of conditions for establishing of trust in school, informing with Roma culture and abolishing of prejudices,<sup>81</sup> raising the quality of educational work with Roma pupils,<sup>82</sup> and establishing a network of learning support for the Roma, particularly those involved in secondary schools.<sup>83</sup>

One of crucial strategic goals is also widening the possibility of new jobs for Roma community. Ministry of Labour, Family and Social Affairs as the main provider of this strategic goal is responsible for the intensive integration of the Roma in active employment policy and in ensuring equal opportunities in the labour market and strengthening social inclusion of the members of the Roma community. These tasks are jointly financed by the state budget and European Social Fund.<sup>84</sup> In the context of employment policy measures, it is necessary to take care also about potential racism and discrimination concerning employment of Roma peoples. The National Program of Measures as one of the crucial strategic goals provides specific policy measures to fight against discrimination.<sup>85</sup> A kind of a *latent* opportunism against the employment of the Roma might be present even not clearly expressed by employers. Becker<sup>86</sup> points out that discrimination is a consequence what might be named as a “taste” and “behaviour” and it would pertain to the dominant (white) public and production forces. For him, relevant determinants for racism are outside factors and as such do not influence the economic system. On the contrary to Becker, Reich<sup>87</sup> points out that racism as the “internal” problem of the economic system goes hands in hands with capitalist institutions.

The strategic goal which addresses the improvement of health conditions in the Roma community presupposes the two following policy measures: strengthening and protecting the health of the Roma population (special emphasis on vulnerable groups within the Roma community - women and children) and conferences and expert’s consultations on health and support

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<sup>80</sup> Ibid., 23–24.

<sup>81</sup> The main holders concerning this measure are The National Education Institute of the Republic of Slovenia, public institutions, Roma Association of Slovenia, research associations, Ministry of Education and Sport, Ministry of Culture, schools. Funding is ensured through the European Social Fund and national budget.

<sup>82</sup> The main holders are The National Education Institute of the Republic of Slovenia and universities. Funding of this measure provide the European Social Fund and the Budget of Republic of Slovenia.

<sup>83</sup> Funding is provided from European Social Fund, national budget and budgets of self-governing local communities (for example municipalities). Holders are Ministry of Education and Sport, self-governing local communities and Roma Academic Club.

<sup>84</sup> Mitja Durnik, *Predlog prihodnjega razvoja romske skupnosti v Sloveniji: med izboljšanjem platforme socialne ekonomije in primeri dobrih praks iz tujine* (Inštitut za narodnostna vprašanja, Ljubljana, 2011), 25–26.

<sup>85</sup> Ibid, 30.

<sup>86</sup> Gary S. Becker, *The Economics of Discrimination* (Chicago: University of Chicago Press, 1957).

<sup>87</sup> Michael Reich, *Racial Inequality: A Political-Economic Analysis* (Princeton: Princeton University Press, 1981); Michael Rich, “The Economics of Racism,” in *Problems of Political Economy: An Urban Perspective*, ed. David Gordon (Lexington MA., Heath), 107–113.

of Roma cross-border cooperation in dealing with health issues.<sup>88</sup> The “example of the best praxis” is the adoption of the *Health Promotion Strategy and Action Plan for Tackling Health Inequalities in the Pomurje Region* in 2005.<sup>89</sup> The strategy highlights the importance of the Roma community in addressing specific health issues by transferring responsibility to it, identifying the health needs of the Community, recognition of culturally appropriate health promotion policy and participation in programs for preventive health care among the Roma. State strategies concerning health conditions in Aboriginal communities, for example, in Canada, takes into account specific *cultural* aspects of Indigenous peoples.<sup>90</sup> In this sense, it would be somehow reasonable to integrate some parameters of this strategic goal with the cultural aspects (also a strategic goal) of the Roma community.

## 6 CONCLUDING REMARKS

They are still many believers that “market saves everything”. We have shown that in the case of economic development in disadvantaged communities this is not the case. Besides this, internal economic development principles in these communities are often radically different than those on which national economies usually operate. What Horvat sees as an idea for the whole society the principle of social planning<sup>91</sup> is needed in terms of community planning. Following Horvat, the main goal of social planning is to “produce expected consequences”.<sup>92</sup> His notion is based on the concept of *social ownership* and *economic interests* instead of central planning and state ownership. Additionally, he advocates the autonomy of a firm. Even some scholars see his model of self-management as the *utopian* one, we agree, his vision of social planning shares many similar ideas as, for example, CED model. The general aim of all similar approaches specifically deal with development in marginalized communities is a strategy how to minimize disparities between the community members. In some sense, state development policies which produce certain anomalies are fulfilled with strong community initiatives.

A real shortcoming of the *National Program of Measures concerning the Roma* is the absence of *community initiatives* and clear definition of the term *community*. In spatial terms, as also Zupančič has shown, it is a tough job defining areas of Roma settlements. In our view, it is even more important that no attention has been given to the notion how to establish and protect an “internal” economy of the Roma. Here it is possible to divide concepts as top-down and development from “within”. Community initiatives are set up inside the community and then supported by the government in terms of subsidies and development programs.

In sum, both approaches we have studied are in some sense “anomalies” in terms of even development. Firstly, even the CED approach is a modern one

<sup>88</sup> Mitja Durnik, *Predlog prihodnjega razvoja romske skupnosti v Sloveniji: med izboljšanjem platforme socialne ekonomije in primeri dobrih praks iz tujine* (Inštitut za narodnostna vprašanja, Ljubljana, 2011), 27.

<sup>89</sup> Belović et al. *Health promotion strategy and action plan for tackling health inequalities in the Pomurje region* (Murska Sobota: Zavod za zdravstveno varstvo; Brussels: Flemish Institute for Health Promotion, 2005).

<sup>90</sup> Laurence J. Kirmayer and Gail Guthrie Valaskakis (eds.), *Healing Traditions: The Mental Health of Aboriginal Peoples in Canada* (Vancouver: UBC Press, 1991).

<sup>91</sup> Branko Horvat, *The Political Economy of Socialism: A Marxist Social Theory* (Armonk, N. Y.: M.E. Sharpe, Inc., 1982), 230.

<sup>92</sup> Ibid.



it partially replaces the role of the state to be a protector of disadvantaged communities. At this point, we may agree with Horvat who points out that the main role of the state is to arrange *equality* among people as equality of producers, consumers and citizens.<sup>93</sup> At the same time, it seems close to reality that alternative models of development will appear also in the near future. The latter then disqualifies the whole potential of the state to act in terms of equality principles. Two additional recognitions are important in Horvat socio-economic thought: firstly, according to the “natural law” people are not *naturally* equal;<sup>94</sup> and secondly, “bourgeois” equality is seen mostly as the equality “before the law”.<sup>95</sup> We may agree that this is only the first condition towards a justice society. Another fundamental issue is at stake – how to minimize huge differences in profit levels between the members of society, and consequently, socio-economic disparities?

Finally, we have to assess a potential of *multilevel planning* as an integrative approach. In some sense, they are several varieties of it specifically depending on the level where such a strategy is obviously needed. Both approaches we have dealt with are the *multilevel* ones. They are distinct more or less in terms of the “power centrality”. More specifically, who is a *locator* of a particular initiative: the state or community? For a particular disadvantaged community it is somehow more useful to use a term “empowerment centrality” picturing a possibility to act from a position of subjugation. Anyhow, we may conclude that the concept of multilevel planning is useful in the majority of development initiatives; its main structure has to be reconstructed and adapted to every specific situation pointing out the importance of a particular level of operation.

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<sup>93</sup> Ibid, 224–232.

<sup>94</sup> Ibid., 229.

<sup>95</sup> Ibid. 226.

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