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## 16 Rethinking urban poverty: forms of capital, information technology and enterprise development

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### **Introduction**

In this chapter, we introduce a social theory that incorporates IT-based projects aimed at empowering inner-city communities. This social theory, called ‘rethinking urban poverty’, challenges the economic determinism that informs much of the prevailing discourse surrounding urban poverty in the United States. We posit that poverty is not entirely an economic condition, and thus has no purely economic solution. Instead, we offer a social theory that provides insights into using social and cultural capital to address issues of poverty. While so-called ‘poor neighbourhoods’ have relatively few economic resources, they possess other material and symbolic resources such as indigenous knowledge, public spaces, local products, community organizations, and social networks. A more hopeful and pragmatic discourse enables us to discover and harness the untapped resources that exist within inner-cities to improve the quality of life of their inhabitants. Instead of passively waiting for the infusion of jobs and funds from external entities, residents can proactively engage in highly tangible projects that leverage their skills and knowledge.

The ‘rethinking urban poverty’ framework emerged from a sustained programme of research and outreach that brings together Penn State University faculty and students, and local business owners, non-profit organizations and residents to address community concerns. This research and outreach programme has developed over a seven-year period through sustained relationships and partnerships with the people and organizations in the Belmont neighbourhood in West Philadelphia. The project was initiated by Lakshman Yapa in 1998 under the title, ‘Rethinking Urban Poverty: Philadelphia Field Project’.<sup>1</sup>

In what follows, we describe the demographic and physical conditions of Belmont to portray both the despair and the hope that coexist in this neighbourhood. We also present the prevailing discourse on poverty and community development to give a sense of how people in positions of power talk about places such as Belmont. Next, we present the rethinking urban poverty theory, and relate this to Pierre Bourdieu’s theory of capital. We

conclude the chapter by demonstrating how we use this theory to inform enterprise development projects that utilize IT to enhance social and cultural capital among small businesses.

### **Neighbourhood profile of Belmont**

Poverty in the United States has traditionally been defined as an economic condition that occurs when a family's income falls below the official government threshold. In one of the richest countries in the world, a large and growing number of people are living in official poverty. In 2002 the poverty rate was 12.1 per cent (34.6 million people), up from 11.7 per cent (32.9 million) in 2001 (Proctor and Dalaker 2003). The number of families in 'severe poverty', defined as those with family incomes below one-half of their poverty threshold, represented 40.7 per cent of the poverty population or 4.9 per cent of the total US population. Moreover, 'a disproportionate share of people in poverty live inside central cities: 39.9%', as compared to suburban and rural areas (*ibid.*, p. 14). The poverty rate for people living inside central cities has held constant at 26.7 per cent even as the population in central cities continues to fall. Thus, central cities experience the effects of poverty more intensively than any other region of the United States. Many low-income families are socially isolated in central cities and have no other recourse but to remain in these neighbourhoods. Scarce opportunities exist to overcome the vicious cycle of poverty, illiteracy, sporadic work, racial and ethnic discrimination and criminal activity (Wilson 1987, 1996).

A person working full-time at minimum wages for 40 hours a week, 52 weeks per year still earns a near poverty level income, hence the large number of people counted among the working poor (Bureau of Labor Statistics 2002). There are limits to how much the minimum wage can be increased when American workers have to compete in a global labour market where multinational firms pay workers from poor countries far less than the minimum wage paid in the United States. The failure of the conventional model of economic growth to eradicate poverty is particularly evident in our study area. West Philadelphia is home to the University of Pennsylvania, the largest job provider in the city. There are three other major universities in the area: Drexel University, the University of the Sciences and St Joseph's University. The University City area of West Philadelphia has been a major recipient of federal funds for development since the 1960s, and today it is a very prosperous area of new office and classroom buildings, affluent shops and restaurants, and residential neighbourhoods with quiet tree-lined streets and historic mansions. The popular Philadelphia Zoo and the Fairmont Park are both located in West Philadelphia. Nevertheless, in the year 2000 over 40 per cent of the residents in the Belmont neighbourhood, in the heart of West Philadelphia, lived below the poverty level. Considerations such

as these led us to our scepticism with the search for economic solutions to the poverty problem.

West Philadelphia, like the rest of the city, is a mosaic of distinct neighbourhoods. The Philadelphia City Planning Commission defines the neighbourhood of Belmont as comprising census tracts 106 and 107. In the United States, a census tract is a small geographic area into which a large city is divided for statistical purposes. It is usually homogeneous in demographic and economic characteristics, and contains somewhere between 2500 and 8000 individuals. The total population in the two tracts in 2000 was about 5236, living in about 1889 households. The US Census defines a poverty area as one with a poverty rate exceeding 20 per cent. In 2000, with a poverty rate of 42 per cent, Belmont was declared an 'official' poverty area twice over. Once an area of thriving businesses, today Lancaster Avenue between 40th and 44th Streets is in a state of visible decline. With dilapidated buildings housing an array of small businesses and fading commercial signs, the avenue has the appearance of a permanent flea market selling cheap second-hand goods. There are no commercial banks in the entire corridor, although there are a large number of pawnshops and cheque-cashing establishments that also sell items such as cigarettes and alcohol. There are approximately 70 businesses in the Belmont section of Lancaster Avenue, seven of which are restaurants and the others are engaged in personal services and the sale of apparel, jewelry, furniture, hardware, groceries and electronics. None of the businesses represents national franchises or outlets of national chains.

The streetscape in Belmont along Lancaster Avenue is unattractive to potential shoppers. Rubbish is strewn about the sidewalks, and many of the businesses are housed in dilapidated buildings interspersed with vacant and abandoned structures. The economic base of surrounding households is far too small to support a diversified commercial strip. According to the 2000 census, the median household income in Belmont was \$16 000. To provide a comparative reference, the poverty threshold for a two-parent, two-children household was \$17 463 in 2000. In addition to the small local economic base, while the avenue is widely used by suburban commuters travelling to workplaces in downtown Philadelphia, very few of them stop here to shop. The University of Pennsylvania and Drexel University are adjacent to Belmont; however, students from these universities are specifically advised to avoid the neighbourhood, as the area is considered unsafe. Perhaps most importantly, merchants on Lancaster Avenue do not seem to be aware of the city, state and federal programmes available for small business development. For example, the merchant leaders were only vaguely familiar with the business services offered by the Small Business Development Center (SBDC) programme housed in the Wharton School of the University of Pennsylvania. The SBDC programme and the US

Small Business Administration in Philadelphia maintain excellent web pages detailing their services. However, the Belmont merchants in general do not access these web pages as there is no online culture.

Away from the Lancaster Avenue business corridor, Belmont is an area of residential streets. Homeownership rates in Belmont, a good index of neighbourhood stability, have fallen from 55.6 per cent in 1990 to 48.8 per cent in 2000 as compared to West Philadelphia (51.85 to 49.8 per cent) and Philadelphia (62 to 59.3 per cent). According to the 2000 US Census, the vacancy rates of housing in Belmont stood at 22 per cent, double the rate of the City of Philadelphia. The landscape of the residential streets presents stark contrasts. Well-maintained houses with neatly trimmed hedges and porches with potted plants stand next to vacant lots and burnt-out structures that are literally falling apart. There are many rubble-strewn empty lots, but not all are that way. Some residents have fought back to reclaim these spaces with gardens growing vegetables and flowers. In fact, the group of neighbourhoods north of Market Street and East of 52nd Street, which includes Belmont, contain more private and community gardens than any comparable area of the entire county of Philadelphia (Hu 2003).

The contrasts in the physical landscape mirror what exists in the social world of Belmont: hope, love, kindness and faith reside side by side with despair, cynicism, simmering anger and crime. Civic society in Belmont is at best quite weak. During the seven years that Penn State has worked in the Belmont neighbourhood, we found only three functioning community organizations, each with a small membership. In fact, one of the three, the Belmont Improvement Association, closed its doors in early 2003 under allegations of financial misappropriation. The association was functioning again in the summer of 2004 under the patronage of a local family with access to political power in the City Council. The other two organizations, the Lancaster Avenue Business Association and the Holly Street Garden Literacy Association, are small and do not have a community-wide reach. Stronger organizations like the People's Emergency Center are well-funded service providers, not grassroots community organizations. Creating cultural and social capital in Belmont requires the prior development of social networks for informal learning and knowledge sharing. This means strengthening groups such as the Lancaster Avenue Business Association. As we shall discuss in the following section, social and cultural capital are two integral factors in the economic development of communities, and IT can play a role in facilitating the creation of social and cultural capital.

### **Rethinking urban poverty through forms of capital**

The US Census defines Belmont as a 'poverty area' and, as we have demonstrated, residents of this neighbourhood face very serious problems

of material deprivation. The principal academic answer to the problem proposes increased investment, job creation, education, workforce training and rebuilding the physical infrastructure. Even within Belmont, community leaders privilege this economic discourse by talking about 'good jobs' as the golden key to solving problems of the community. *The Plan for West Philadelphia*,<sup>2</sup> a Philadelphia City Planning Commission report, addressed the economic problems of West Philadelphia and proposed a detailed strategy for enhancing the physical environment. The document was published in 1994 after a five-year process of community-based planning, and specifically mentioned the commercial area of Belmont as in need of revitalization. The authors made a tacit assumption that once the planning projects were specified, funds would become available through the city, the state, and the federal government, but they did not. Conventional wisdom views the infusion of economic capital as the principal answer to the problems of neighbourhoods such as Belmont. However, insisting on economic capital is problematic because that is precisely what is in short supply and most likely will remain that way for the foreseeable future.

The approach that we advocate goes beyond economics, physical planning, jobs and incomes. We do not believe that poverty in Belmont can be corrected only through more jobs and higher incomes. Belmont competes in a global labour market where American companies can get skilled and unskilled labour for a fraction of what they pay in the United States. It is difficult to see why large companies would want to move into this area and create jobs that pay living wages. Hence, the challenge to academics is to produce a social theory that will inform interventions that improve quality of life in places such as Belmont in ways that go beyond the futile logic of waiting for economic capital and jobs programmes.

Instead of asking why households do not make more income, suppose we ask the substantive question of why poor households have problems with adequate nutrition, housing, transport, healthcare and other life chances. The answers we get to these questions are different from those that use the conventional approach. Consider commuting costs as an example: such costs depend upon the geographical distribution of residences and jobs, available modes of transport and insurance rates. Finding ways to reduce transport costs of poor people, of course, is another way of increasing their effective income. We can do this by studying transport patterns in the space economy, and helping to initiate action programmes that promote car-pooling, public transport, relocating work and telecommuting. For another example, consider health. Good health is not necessarily about purchasing expensive high-tech healthcare. In West Philadelphia, the principal health problems include high blood pressure, overweight, diabetes, heart failure, back pain and allergies excluding asthma.<sup>3</sup> Many of these ailments have their

origin in poor diet and lack of exercise. Therefore, the lack of money, as serious as it is, may not pose insurmountable obstacles to improving health. Thinking along these lines, we hope to find how people can meet their basic needs through less expensive, technically more benign and ecologically less destructive ways. We have to develop a new discourse of cultural and social capital that could revalorize the inner city by focusing on locally relevant issues such as urban gardening and architecture, rebuilding homes with local effort, alternative modes of transport, telecommuting instead of physical commuting, and creative ways of making safe neighbourhoods.

The lack of economic capital should not be a deterrent to improving the quality of life in places such as Belmont. Bourdieu (1985) has argued that there are other forms of capital besides economic, such as cultural and social, and that these forms are readily convertible from one to another. Indeed, according to Bourdieu, cultural and social capital are economic capital in disguise:

So it has to be posited simultaneously that economic capital is at the root of all the other types of capital and that these transformed, disguised forms of economic capital, never entirely reducible to that definition, produce their most specific effects only to the extent that they conceal (not least from their possessors) the fact that economic capital is at their root, in other words – but only in the last analysis – at the root of their effects. (Ibid., p.252)

Although Bourdieu's principal intent was to produce a general theory of exchange and social practice, his notion of three types of capital and their convertibility has a special significance for addressing poverty problems in community settings such as Belmont. The vigorous growth of small Asian businesses in urban America is perhaps illustrative of the connection between economic capital and social capital, rooted in networks of kinship and community.

'Cultural capital' refers to the collective value of knowledge, skills, competencies, family background, social class and investments in education. Cultural capital helps us to understand differences in taste, cultural distinctions and value judgements. People from different backgrounds will appreciate, appropriate and consume art, food, music, sports or other cultural goods in distinct ways. These distinctions serve as markers that can be used to differentiate social dimensions of class, race, gender and geographic location (Bourdieu 1984).

For Bourdieu, people can neither consume nor produce a cultural good unless they possess the requisite cultural capital. This holds for music, art, scientific formulae, literature and IT. For instance, ownership of and familiarity with IT such as personal computers and the internet is a type of cultural capital. It is simply expected that one is confident with technology

in business, school, home and civic settings. It is a mark of the professional and erudite (Kvasny and Truex 2000).

Bourdieu (1985) has identified three forms of cultural capital: *embodied* cultural capital is incorporated within the body of the individual, and represents an individual's knowledge and capacity. Embodied cultural capital can be increased through self-improvement and education, but it cannot be accumulated beyond the appropriating capacity of a given individual. The individual's physical and mental abilities, as well as personal sacrifices of time and money help to define the appropriating capacity. In fact, economic capital enables the personal investment of time and money for higher education. In this way, external wealth (that is, economic capital) facilitates the accumulation of bodily wealth (that is, embodied cultural capital) which in turn increases one's earning capacity. Moreover, embodied cultural capital derives its scarcity value because the economic and cultural means to acquire it are unequally distributed among individuals.

The *objectified* form of cultural capital consists of cultural goods such as artefacts, books, paintings, music and technologies. Cultural goods can be materially acquired with economic capital, but the use and enjoyment of such a good requires embodied cultural capital. For example, to appropriate a personal computer, an individual must possess embodied cultural capital such as file-management, word-processing and information-seeking skills.

Cultural capital in its *institutionalized* form refers to formal credentials and certificates for academic qualifications. Bourdieu has argued that objectifying a cultural good in the form of an academic certificate is one way of neutralizing some of the biological limits of embodied capital which can be used only by its bearer. In addition, unlike embodied cultural capital which can be called into question, institutionalized cultural capital certifies competence and legally guarantees qualifications.

'Social capital' consists of all actual or potential resources linked to possession of a durable network of more or less institutionalized relationships of mutual acquaintance or recognition (Bourdieu 1985). An important aspect of these relationships is the benefits that one can potentially receive from participating in communities and networks (Bourdieu and Passeron, 1979; Bourdieu 1990). These benefits come in the form of information, support, guidance or additional social contacts. Since colleagues, friends and relatives provide many informational resources, social capital is an important variable affecting access to and use of IT (Warschauer 2002). For instance, in a longitudinal study of people making use of community technology centres in the United States, researchers (Chow et al. 2000) found that gaining access to new social resources is as critical as gaining access to hardware in assisting people to become computer literate. The study also indicates how the users of community technology centres extend

their own relationship to technology by later assisting their own friends, relatives and associates. One way to promote effective use of information and communication technology in communities is to first examine the social networks that already exist, and then to use the technology to help amplify and extend those social networks (Chapman and Rhodes 1997).

For Bourdieu, social capital is an asset that provides tangible advantages to those individuals, families or groups that are better connected. The central premise of social capital is that social networks have value (Wellman 2001). Social capital is an important sociological category for understanding poverty and other forms of social inequality because marginalized members of society typically have less social capital to draw upon (Bourdieu 1990). Social capital works through multiple channels that include information flows, mutual aid, collective action and the formation of collective identity. In the context of central cities, examples of social capital include informal neighbourhood crime-watch programmes, neighbours engaged in childcare and caring for the old and sick, and youths engaged in organized sports.

### **A framework for projects**

This section outlines how we are applying our social theory of rethinking urban poverty in the Belmont neighbourhood in West Philadelphia. Earlier we argued that we can go beyond economics by employing cultural and social capital to focus on substantive themes such as nutrition, housing, health, transport and safety. However, within these themes, how do we assess and prioritize the needs of an area such as Belmont when in fact the list of needs is infinitely long? Belmont has problems with adequate housing, home maintenance, safe neighbourhoods, quality schools and playgrounds, childcare, health, diet, nutrition, exercise, jobs, income, retirement benefits, use of open spaces, horticulture, gardening, jobs and so on. Which of these are more important and where should community development begin? The truth is that there is no known social theory that helps us to rank order these topics in some order of relative importance (Yapa 1996, pp. 717–20). No one can say that a campaign for AIDS prevention is more or less important than drug rehabilitation, or that either of these topics is more or less important than nutrition, exercise or job creation. So-called ‘root causes’ such as drug abuse, lack of education, or unemployment are constituted from still other causes that are present in never-ending cycles of causation.

Despite our inability to prioritize one set of needs over another, the Belmont community–university partnership has undertaken a large number of projects in the area in the past seven years. What we have actually done in Belmont by way of projects are the products of a negotiated statement between the university and community leaders. The projects that we are currently engaged in, and those that we propose are the result of three

considerations: (i) input from community residents and businesspeople; (ii) emphasis on cultural and social capital instead of economic capital; and (iii) the existing stock of particular skills and competencies (cultural capital) of Penn State faculty and students, and community participants who have come together to work in Belmont. So far, we have undertaken a large number of projects such as enterprise development, urban gardening, food security, consumer choices and cartographic mapping.<sup>4</sup>

### **Information technology for enterprise development**

Consistent with our framework for projects, the larger Belmont community–university partnership has several points of entry, but what we describe here are projects related to IT and economic development. Many scholars have noticed that IT has the potential to exacerbate social divisions, and to reproduce power relations (Moolenkropf and Castells 1991; Schiller 1996; DiMaggio et al. 2001; Kvasny 2002; Strover et al. 2003). However, this is only one possible outcome. When designed from a socially conscious and culturally sensitive standpoint, IT-enabled solutions also have the potential for empowering historically excluded and marginalized groups (Portney and Berry 1997; Castells 2001; Schement 2001; Payton 2003; Kvasny forthcoming).

From a theoretical perspective, we believe that IT can positively contribute to the creation of social and cultural capital. However, we do not believe that the community can be organized around the abstract concepts of social and cultural capital. The building of these capital resources requires the implementation of a series of limited, concrete, visible, collaborative projects that will not only deliver tangible outputs but will also lead to the long-term building of capacity in the community.

We selected economic development as the project domain for two pragmatic reasons – community needs and researcher expertise. Poor enterprise development negatively affects the quality of life in Belmont because it provides few jobs, offers very poor consumer choices to the residents, and brings in very little external money. In addition to these economic concerns, poor enterprise development negatively affects socio-cultural outcomes such as limited collective action among merchants, restricted access to valuable resources external to the neighbourhood, and scant knowledge of how IT can be used to augment and support business processes. The economic and socio-cultural concerns are related. For instance, the local Girl Scout troop recently solicited funds from merchants for the purchase of new uniforms. The majority of merchants did not contribute funds. And while the residents believe that the merchants do not give back to the community, the merchants counter that they are struggling financially and cannot afford to subsidize community programmes. This contributes to the tension that already exists

between residents and merchants, and as a result, there is a mounting effort by residents to boycott local businesses. Even with the looming threat of a boycott, merchants continue to assert that they will not contribute funds.

One way to improve economic and socio-cultural climate along the business corridor is to improve the economic viability of the local stores. We do so by focusing on low-cost IT solutions that facilitate enterprise development. In particular, internet commerce provides opportunities for extending the customer base and bringing much-needed funds into the community. However, before we can engage in internet commerce projects, we have to develop basic IT literacy skills within the community. Such an approach is well suited to the needs of local merchants, and matches very well with the type of resources and the competencies that we have as researchers.

The Lancaster Avenue Business Association (LABA) has been our primary community partner in the IT and enterprise development projects. Yapa has worked with the LABA for the last six years, and over the last two years Yapa and Kvasny have met with members of the LABA executive committee about once a month. Our partnership with the LABA is maintained on two levels. First, we fund a Volunteers In Service to America (VISTA) IT coordinator to help with research, education and information dissemination. VISTA is a US government programme in which citizens volunteer one year of service to non-profit organizations working to alleviate poverty in America. Second, we have a series of concrete project activities that are coordinated through LABA, thus adding to its technical capacity. The projects provide opportunities for theorizing and implementing effective uses of IT. Effective uses of IT occur when individuals have a targeted purpose for using the technology apart from mere curiosity (Gurstein 2003). In what follows, we shall present two examples of effective use of IT. First, we shall discuss how members of the local business association and youths develop and apply computing literacy and skills (embodied cultural capital). Next, we shall describe how IT is used to convert objectified cultural capital such as paintings, jewellery, dolls and recipes into saleable goods (economic capital). As we present details of the projects, we shall point out how they illustrate our concern with cultural and social capital, and convertibility among the forms of capital.

#### *Computer literacy for merchants*

In the summer of 2003, we initiated a programme of computer literacy among the members of the LABA. The International Computer Driving License (ICDL), programme<sup>5</sup> is recognized in more than 100 countries as the standard for basic computer skill certification. It provides the tools to produce skilled, accredited workers and entrepreneurs. Thus, the

ICDL programme provides institutionalized cultural capital by validating participants' proficiency in areas such as file management, the internet, e-mail, spreadsheets, presentations and databases. Philadelphia is the first major US city to launch this computer certification programme on a broad basis.

This project is designed to build the technical capacity of the LABA by developing and expanding the professional services that it offers to the business community. ICDL instruction is provided by Penn State students and the VISTA IT coordinator. Thus, embodied cultural capital is cultivated through the transfer of IT skills and training to ICDL participants. University funds subsidize the enrolment fees for a small group of merchants from Lancaster Avenue. The ICDL training will be provided to one or more people in each of the 70 enterprises on Lancaster over a three-year period. Also refurbished computers will be provided to merchants upon completion of the ICDL training. In this way, each member of the business association will have both the objectified cultural capital – a PC – and embodied cultural capital – IT skills – that enable them to effectively use the computing resources. In addition, the participants receive institutionalized cultural capital in the form of an ICDL certificate.

Ongoing computer support services for Lancaster Avenue merchants will be provided through the Penn State Education Partnership Program (PEPP). This is an after-school outreach programme directed by Elmore Hunter, Director of Penn State Cooperative Extension and Outreach in Philadelphia. Over 100 high-school students have already received training in computer programming and in the maintenance of computer hardware. Youth involvement is important because they, more so than the adults of working age, have the time to devote to acquiring and teaching IT skills. Graduates of the PEPP programme will act as paid interns to provide continued computer support for Lancaster Avenue merchants. This will not only involve high-school students in their own community development (that is, social capital), earning their own wages (that is, economic capital) but will also provide a low-cost method to sustain all of our IT projects. In addition, social capital increases as students and merchants work together, which may bridge the longstanding misunderstandings and increase trust between the merchants and the community youths.

By bringing IT skills into the business corridor and using these skills to strengthen the technical capacity of organizations and individuals, small businesses may be better able to run their businesses more efficiently and to increase their effective income. To determine the impact of this training, we shall periodically conduct in-depth inquiries with each business to understand how they are using IT to support their business, the perceived benefits and limitations of computer literacy on everyday life and business

operations, and the sustainability of their IT use. We shall also assess the economic impact of IT use on profit margins and inventory control, as well as the general level of computer integration in the day-to-day conduct of business. In sum, we seek to understand how and to what extent social and cultural capital enabled by the computer literacy training are converted into positive economic outcomes.

*Internet commerce for inner-city products*

Since the surrounding households do not have sufficient income, and more affluent residents of the nearby University City district avoid the Lancaster Avenue business corridor west of 40th Street, we posed the question: are there cultural products that Belmont could produce and sell to the outside world without customers having to physically visit the neighbourhood? One solution was to identify a range of products that could be produced locally that would be appropriate for online marketing and selling. In consultation with the community, we began to draw on the stock of embodied cultural capital represented in the competencies of university faculty and students, and the skills and knowledge possessed by local merchants. Faculty and students have embodied and institutionalized skills including web development, advertising, digital photography, implementing eBay auctions, online payments, and packaging and delivery of goods. Community members possess embodied and objectified forms of cultural capital such as knowledge of horticulture, doll making and artisanship. Of the 70 businesses in the neighbourhood, about seven of them have potential online markets. These include a craftsperson who makes very high-quality African-American dolls; a cabinet-maker; a maker of beautiful floral arrangements; a travel agency; a shop specializing in African art objects; and two jewellery stores. Moreover, some members of the business association now have a variety of embodied cultural capital in the form of computing skills and objectified cultural capital in the form of computing machinery that they acquired through the computer literacy project. We also plan to encourage a few businesses to move into new product lines that have online marketing potential. For example, a few restaurants specialize in southern-style African-American cuisine and Black Muslim cooking, for which they can be encouraged to produce cookbooks and market ingredients. Thus, local skills and talents in the form of embodied cultural capital are employed to create a variety of products (that is, objectified cultural capital) which are then sold and converted into economic capital.

Since Lancaster Avenue itself cannot provide a physical site to market these products, the internet may provide an amenable site for obtaining additional sales and new markets. Since individuals, government entities, schools and firms have all found success using eBay, we decided to use this

as a first foray into internet commerce. A pilot project, begun in the summer of 2004, is being conducted in which we sell dolls depicting the variety of clothing styles adopted by Muslim women throughout the world. Penn State students work with the LABA to develop the eBay advertisement and associated web pages. The process will be documented in a detailed fashion so that the LABA can instruct other organizations seeking to sell items online. Eventually, the LABA will be able to market 'the eBay setup' as a service to its members, and begin to create institutional cultural capital through eBay ratings that would certify LABA as a competent and trustworthy seller.

The benefits from this project also flow from the community to the university. We argued earlier that economic academic discourses have contributed to exacerbating problems of poverty. This project allows us to develop and test an alternative social theory of poverty, IT and community development. Such knowledge leads to the publication of research articles, student theses, an alternative pedagogy on poverty, and the creation of a new class of scholars who are producing powerful public scholarship and civic engagement.

Social capital will begin to flow from the activities associated with these projects. Currently, LABA has not attained its potential as a strong community organization, and only a small fraction of the merchants on the Avenue are members of this organization. Our discussion with merchants revealed that some of them were not certain as to the value of the services offered by LABA. By making the LABA a centre for knowledge of internet marketing and sales<sup>6</sup> merchants may find membership in the organization more attractive. Thus, turning LABA into a valued and sought-after community organization requires that we first increase its technical capacity to be of service to merchants.

LABA's charter refers to the value of cultural diversity in the community. Members of the executive committee of LABA have always reached out to Muslim, Christian and Korean merchants on the Avenue. Bringing these groups together is an important function that LABA can serve. In the summer of 2004, for instance, there was some tension between the Korean merchants and African-American residents of Belmont. Some residents were of the opinion that the Korean merchants were not contributing enough to the community. If LABA were a stronger organization, it could serve as an important intermediary in defusing such tension.

### **Conclusion**

In this chapter, we have presented a social theory for rethinking urban poverty. This social theory is critical in that it brings to light the restrictive and alienating economic discourses that typify urban poverty (Klein and

Myers 1999). Our approach is also emancipatory in that we use Bourdieu's notions of cultural, social and economic capital to inform interventions that leverage existing community resources to improve the quality of life. Specifically, we theorize the forms of capital and the conversions among the forms of capital through two economic development projects – IT literacy for merchants and internet commerce for inner-city products – conducted in the West Philadelphia neighbourhood of Belmont. These projects are not just about the transfer of skills. For instance, in the internet commerce project, we consciously considered appropriate cultural products and community partners, and the IT training and resources were geared towards this particular end. Through these projects, we present a more optimistic discourse on urban poverty that counters the traditional approach of waiting passively for well-intended but often ill-designed economic programmes from government and corporate entities. We also demonstrate how inner-city communities can assume a more active role in their economic development by cultivating cultural and social capital through tangible projects that leverage IT. While we believe that people can consciously act to change their social and economic conditions, as critical theorists, we also recognize that human agency is constrained by various forms of social, cultural and political domination as well as natural laws and resource limitations (Kincheloe and McLaren 1998). Therefore, we adopt a praxis orientation that connects theory to tangible projects in an attempt to understand and confront the injustices experienced by inner-city residents. Finally, the university–community partnership illustrates how in the absence of economic capital the transfer of cultural capital from the university is helping to create social capital in the community. The transfer is a two-way process as the university is gaining a new class of scholars versed in a new social theory of poverty.

### Notes

1. See [www.geog.psu.edu/phila](http://www.geog.psu.edu/phila).
2. See [www.penn-partners.org/wp/plan/](http://www.penn-partners.org/wp/plan/).
3. See the West Philly Data InfoR at [http://westphillydata.library.upenn.edu/infoR\\_WestPhiladelphia.htm#healthtable](http://westphillydata.library.upenn.edu/infoR_WestPhiladelphia.htm#healthtable).
4. A list of past student projects is available at [www.geog.psu.edu/phila](http://www.geog.psu.edu/phila).
5. See [www.icdlus.com](http://www.icdlus.com).
6. They already have a LABA web page – [www.thelaba-cdc.org](http://www.thelaba-cdc.org) – created with the help of Penn State resources.

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