

Poverty and precarity in France: the pandemic has increased distress among people in poverty and those on the fringes of poverty

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In May 2021, the French “National council for policies to combat poverty and social exclusion” (Conseil national des politiques de lutte contre la pauvreté et l’exclusion sociale) published a report mostly based on qualitative data. The report shows that the health crisis has increased social and economic inequality. It underlines the considerable distress experienced by a large number of people in poverty and those on the fringes of poverty. This distress will need to be monitored and addressed.



Description

Under the title “*La pauvreté démultipliée*” [upsurge in poverty], the National council for policies to combat poverty and social exclusion (*Conseil national des politiques de lutte contre la pauvreté et l’exclusion sociale [CNLE]*), following a request from the Prime Minister, released a report on 12 May 2021 on how the pandemic has impacted poverty. Along with academic experts and association representatives, the CNLE includes a panel of people experiencing poverty or social exclusion.

The report seeks to assess the consequences of the crisis on different sub-groups, communities and geographic areas. It is mostly based on qualitative data: it uses data and testimonials from charities and associations to underline the difficulties in accessing rights, the non-take-up of healthcare and social support (including emergency COVID-19-related measures), the considerable recourse to family and inter-personal support, and the family tensions generated by being obliged to live together in overcrowded housing conditions.

Overall, the report underlines the high capacity of support measures to protect employees in stable work, and their much smaller effect on poorer populations. While exceptional benefits have compensated some of the losses endured by the poorest households, this compensation has had very varying effects depending on the nature of previous income and household

configuration. In the short term, it seems that the pandemic has mostly had a negative impact on the most vulnerable people already under the poverty line, i.e. homeless people, the long-term unemployed and single-parent families. It has also affected households on the fringes of poverty with limited social protection, no family support and/or on low, unstable incomes, i.e. young people, the self-employed and shopkeepers.

The report also points out the negative effects endured by young people, whose life courses have been severely impacted, in particular those whose economic situation was already fragile. These young people have seen a deterioration in their income, study conditions, mental health and future prospects. The authors speak of the emergence of a “COVID generation”, illustrated by media images of young people, often students, queuing for food banks.

People living in poverty describe a significant loss of bearings and a feeling of abandonment accentuated by isolation and confinement during lockdown periods. Most of their testimonials relate how hard it is for families in difficulty to ensure home schooling, the economic constraints resulting from the increased cost of food, and the impossibility to turn to public services and access benefits and care. All of these constraints were experienced as genuine catastrophes by individuals and families, although the report also points out the role played by invisible solidarity provided by extended families, neighbours and neighbourhoods.

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Outlook and commentary

This report was published in May 2021, at a point where the public health crisis and its economic consequences seemed to be over (since then the epidemic has resurged significantly). Indeed, in the first quarter of 2021, the unemployment rate, at 8.1% of the active population, was at the same level as at the end of 2019, just before the pandemic. The number of beneficiaries of the *Allocation de Solidarité Spécifique* [specific solidarity allowance, ASS] has also dropped to a level lower than prior to the health crisis. Following a very high increase in the number of claimants of the *Revenu de Solidarité Active* [active solidarity income, RSA] during the first three quarters of 2020, the figure began to drop steadily in December 2020. Despite a 0.1% drop in GDP in the first quarter of 2021, the government's objective remains 5% growth in 2021. This target is being supported by the creation of 86,100 jobs (public and private) in early 2021, which is similar to figures in early 2019.

In demonstrating the impacts that the health crisis has had on housing, health, access to rights, domestic violence, informal jobs and food resources, the report highlights the need to flesh out the picture provided by monetary indicators of poverty and inequality, to analyse the diversity and complexity of different types of precarity.

The report rightly highlights that if the median income decreases in 2020, this could paradoxically have the effect of minimising the rise in the number of people at risk of (monetary) poverty because of the ensuing drop of the poverty risk threshold (which is set at 60% of the median). Yet, it should be mentioned that this could be addressed by using an "anchored poverty threshold" - i.e. by measuring monetary poverty in 2020 on the basis of the 2019 poverty threshold multiplied by the 2019-2020 inflation rate (this was done at European Union level during the 2008-2009 economic and financial crisis when the median income dropped in many Member States).

With a reminder that the consequences of the 2008 financial crisis are still present in numerous areas, the report draws attention to the importance of long-term monitoring of the economic and social impact of the current public health crisis. This monitoring is already being carried out by social institutions, which are intensifying neighbourhood social work taking an outreach approach. The report insists on the need to implement policies addressing multiple breakdowns: school and university drop-out rates, fewer new builds, delays in access to care, and increased mental health issues, all of which are likely to be suffered by poor populations for a number of years.

With its insistence that the health crisis has acted to accelerate social

and economic inequality, this publication joins and completes other works on the subject (see for example a recent publication entitled, "*L'explosion des inégalités*" (Lambert and Cayouette-Remblière, 2021)).

Non-monetary statistics on income and living conditions in the year 2020 will become available in the next few months. These will include housing conditions, unmet need for healthcare, and material and social deprivation. It will be important to put these statistics in perspective with the very useful qualitative information presented in this report so that they can complement each other. In addition, monetary indicators related to 2020 will become available in the second half of 2022 and will further complete the picture.

Further reading

Duvoux N. and Lelièvre M. (eds), [*La pauvreté démultipliée. Dimensions, processus et réponses. Printemps 2020-Printemps 2021*](#), Upsurge in poverty. Dimensions, process and responses. Spring 2020-Spring 2021. Report published by the Conseil national des politiques de lutte contre la pauvreté et l'exclusion sociale (CNLE), Paris, 2021, 156 p.

Lambert A. and Cayouette-Remblière J. (eds), "*L'explosion des inégalités. Classes, genre et générations face à la crise sanitaire*", The explosion of inequality. Class, gender and generations in the face of the health crisis], Ed.de l'Aube, 2021, 446p.

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