



The Equity Diamond: National values in terracotta compared to regional ones in blue.

*In France the bitter cycle of debt, deprivation and poverty invariably starts with the loss of a job.*

*In 1996 the number of French people living in poverty hit an all-time high for modern times. Volunteers from church aid group Secours Catholiques say they took on 751,000 poverty cases that year, involving two million people, half of whom were children.*

*«We have not known figures like these in 16 years», says Jacques Bourgeois, in charge of unemployment–employment projects at the group.*

France's economy is under strain as it struggles to meet the membership criteria for the planned single European currency. It is having to fight hard to cut its national deficit to 3.1 % of gross domestic product this year.

Like most of the European Union, where more than 10 % (18 million people) are officially unemployed, France, which has about 3.5 million people out of work, eased the burden with welfare payments and job protection.

## UNDER PRESSURE

But French advocates of U.S. style market deregulation argue that cuts in social benefits and job protection rights lead to lower unemployment, because they reduce the cost of hiring new staff.

The Centre for Economic Policy Research estimates only 55 % of a French worker's cost goes on his or her wages; the other 45 % is spent on non–wage expenses like payroll tax and social security contributions. In the United States, where new job creation figures vastly outstrips Europe's, non–wage costs are just 28 % of total labour costs.

**Thus these supporters of deregulation are heavily pushing moves to allow more short-term labour contracts and part-time work, and at the same time, to make it easier for firms to pay what they like and hire and fire at will.**

*«In successive waves, the whole structure of employment is in the process of changing towards greater insecurity in all categories»,* concluded a highly controversial report on the problem, commissioned last year, shelved by the former right-wing government and quietly buried by their socialist successors.

The report by the Commissariat du Plan, a top planning board reporting directly to the prime minister, took the line that the effects of unemployment were felt even more deeply by those still in work, but in low paid or insecure jobs. It added the three and a half million officially classified as jobless in France to the four million in *«precarious positions»* – everyone from short-time workers to the prematurely retired.

*«Joblessness is the visible consequence of government economic policy»,* says Bourgeois. *«The less visible effects are an increase in long-term unemployment and increasing vulnerability. For millions of people in precarious situations, even jobs no longer protect them from poverty.»*

Even measures designed to ease unemployment, such as relaxing legislation to allow short-term hiring, have only increased insecurity, says Bourgeois.

Contract workers *«between jobs»* can find themselves forced into unsustainable debt. These cycles of deepening debt and poverty swiftly pick up speed.

*«It quickly becomes impossible to cope with the expenses of daily living»,* says Bourgeois, *«notably in urban areas where the budget for housing and energy takes up the biggest portion.»*

*«The longer the unemployment endures, the more precarious the situation becomes for the unemployed and the more*

difficult it becomes to get out. Some 38 % of job seekers on welfare and 28 % of the families helped by *Secours Catholiques* in 1996 are «quite heavily in debt», he says.

**The Commissariat du Plan report also found a «strong correlation» between the threat of unemployment and suicide. It notes that since the beginning of the 1990s, suicides among 35–44 year olds have overtaken those in older age groups. This «radically new phenomenon underlines the growing vulnerability of the population of working age»,** the report said.

Didier Robert, of the campaigning NGO ATD–Quart Monde, says the phenomena has been recognised for years; the problem is that nothing is being done about it.

He cites another survey by France's Economic and Social Council that found that most of the people on assistance were signed up and then effectively forgotten. «They are barely touched by the various branches of the administration, and hardly in a coherent and continued manner». The study found that people were «going from one precarious situation to another».

«They did not realise how the administration was assigning these basic rights as it liked, or was refusing them to the needy.», said Robert, as an explanation of why people were surprised by the findings of the survey.

«This is the reason why our movement has, for years, been fighting to get the National Assembly (parliament) to adopt a framework law which would give coherence to public policy addressing poverty and social exclusion».

Some 55 % of French 25–39 year olds have been unemployed at least once in the past ten years. More and more French adults, in contrast to previous generations, will experience a period of unemployment during their working lives. **And more than half of the unemployed are long term jobless, not eligible for unemployment benefit.**

Despite the budget cuts, small extra spending has been made to help the young unemployed and low-income groups, but this is a meagre 12 billion FFr against wider cuts in public spending of FFr 30 billion and an expected national deficit of FFr 280 billion in 1997.

«It seems we are witnessing the mutation of a problem before which all conventional answers fail», said Bourgeois. «Market-driven "neo-liberal" systems do not change society (for better or worse); they merely concentrate the power of making economic decisions in the hands of a few privileged persons».

«As long as the principles of solidarity, respect for people, respect for social balance and respect for the equitable sharing of wealth, do not guide government policies—whatever they may be—poverty will continue to affect more and more classes of society».

Robert agreed: «It is certain that when economic policies put people as second priority, it is the poor who pay the price. We are not saying that there should not be economic liberty but it is not acceptable to put money as the sole reference point».

«Either you do what you can to alleviate poverty or you are the type who wants only money and profits. But, one day, when there are too many poor people to sustain, the entire economy will stop working. That should be taken into account».

- IPS Special report for Social Watch

In France there are five million people living in poverty, that is, living below the socially accepted minimums. Amongst these are a million homes which receive the «*minimum income of insertion*»; twelve million people are in a situation of insecurity, either due to their level of income, or access to work, housing or health. Therefore, we are not dealing with marginal difficulties or some residual effects of policies of the day: poverty is a massive and lasting phenomenon.

#### TOWARDS THE STRENGTHENING OF SOCIAL COHESION

A first concern is to generate a truly global programme of action against exclusion and not a simple «law for the poor». For this to take place a non-exhaustive series of premises are needed:

- A national commitment in relation to a programme of this type must be formalised by the participation of all the agents involved, from the groups of ministries of a government, the civil society and the administration.
- A guideline law (which leads to specific texts) must be capable of programming implementation memos where concrete measures, the coordination of provisions, budgets and time commitments are scheduled.
- The implementation or extension of the provisions which aim to give all people access to all the rights, are no doubt essential but should not overlook specific measures. The latter, in any case, must be exceptional working only to serve the exercising of common law.

Concerning the drawing up of an action plan against all exclusions, we understand some guiding premises exist.

Firstly, the participation of the people involved in the definition of public policies and the recognition of a dynamic where the poorest have the possibility of taking the initiative are the fundamental pivot point which will allow us to leave behind welfare and diminish criminal behaviour or desperate violence. In this respect, it is worth pointing out that at present the associations of the unemployed have no official representation.

Secondly, the creation or renovation of observation tools for poverty is peremptory. At the moment in France there is no independent or independently resourced observer.

Thirdly, the provisions of common or specific law must be accompanied by evaluation bodies or systems which allow for them to be reformed or questioned.

Finally, the ends must be taken into account. The ends of the economy must be subjected to the ends of society, that is, human development. The integration of the non-mercantile, wealth producing, individual and collective human development logics must be stimulated and promoted with the sustainable use of natural resources.

In a different order of things, the priority areas of action must be clearly identified, including employment and economic activity, housing, indebtedness, fiscal policy, education and health.

In the area of employment, the particular measures (in favour of young people and women for example) need to be accompanied with deeper measures, training, time and work, social protection, and to take into account a supportive economy.

In relation to housing, the policies of renovation, of construction, of territorial distribution and of the adjudication of housing must meet needs – the 400,000 homeless and millions of people living in unsuitable housing. Preventing evictions is still on the agenda.

Meanwhile, there is an increasing number of difficult situations, related fundamentally to the costs of normal needs. Neither the current conditions of access to credit nor the procedures for getting out of debt are enough to control this phenomenon.

France is not making progress in relation to fiscal policies, for despite the promises, a fiscal reform of the type which would allow for inequalities to be reduced has not yet been drawn up.

There are various issues which must not be left out of a global plan of action: education, in particular illiteracy, health, social action and justice, are some of them.

The issue of immigration deserves special consideration. Since 1945, a succession of laws and regulation have generated an administrative maze which does not respect international commitments on the harbouring or reception of people which favours interpretations which lead to unequal treatment, and to discriminations (a double penalty), and which leave a number of people in a situation where they have no rights (neither regularisable nor expellable for example) abandoning them to a life of illegality.

**Today the immigration issue is not food for national debate and recent texts in preparation do not allow for us to predict more than tepid improvements: from the 140,000 to 150,000 requests for regularisation presented within the framework of the regularisation memo of June 24, 1997, it is estimated some 60,000 will have a positive outcome. What will happen to the non-regularised people? Will they be deported?**

The draft bill on immigration presents discriminatory clauses similar to those in the regularisation memo. In this document, a police style vision prevails along with mistrust of foreigners and the impossibility of the State controlling entries and exits from the territory. Proceeding to mass deportation leads us to fear new situations of people lacking protection and being threatened, and a persistence of living in hiding, with the consequent exploitation of workers and separation of families.

- EMMAUS INTERNATIONAL is a non-confessional solidarity movement made up of 440 national groups in 38 Northern and Southern countries.