

## GREAT DEBATE

# POVERTY REDUCTION IN FRANCE: WHAT LIES AHEAD AFTER THE PRESIDENTIAL AND PARLIAMENTARY ELECTIONS?

[GE2]

Salle des Fêtes  
Hôtel de Ville de Paris

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## MAIN FINDINGS

Poverty in France has deepened and a radical response is needed which attacks the root of the problem, fighting against mechanisms of exclusion. A lack of public money is not an obstacle to putting policies in place which truly fight against poverty, but this must be accompanied by a change in the economic model, working towards a more inclusive economy. Combating extreme poverty will not be possible unless there is true acknowledgement of extreme poverty and the discrimination that it brings about.

## SPEAKERS

**Jean-Marc Borello**

General Delegate, Groupe SOS / Chairman, Mouves

**Martin Hirsch**

President, Agence Nationale du Service Civique

**Catherine Lemorton**

President of the Social Affairs Commission,  
National Assembly / MP for Haute-Garonne,  
France

**Pierre-Yves Madignier**

President, ATD Quart-Monde France

## MODERATOR

**Jean-Michel Severino**

Chairman, Convergences 2015 / CEO, Investisseurs  
& Partenaires

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## SUMMARY OF INTERVENTIONS

### The current situation regarding poverty. Five years on: where do we stand?

**Pierre Yves Madignier** states that on the ground, the rise in poverty can be felt. The objective of the ATD Quart Monde movement is to provide the most impoverished with access to citizenship. In fact, one of the most important aspirations for those who are in extreme poverty is access to dignity through citizenship. Pierre Yves Madignier believes that fixing quantifiable goals for alleviating poverty is not the right approach. As a matter of fact, the ultimate objective is not to lift 30% of the poor population out of poverty but rather all those who are victims of poverty. In order to achieve this, radical commitments must be undertaken in order to ensure that all the poor are able to benefit from poverty alleviation policies and address the heart of the problem.

**Jean-Marc Borello** confirms the fact that poverty has been deepened and that the solution for reducing it is to take a radical approach. Furthermore, mechanisms of exclusion have been mounting. This implies that regardless of the increase in the number of poor people, the capacity for allowing access to primary needs has been significantly reduced in the past few years. Both processes therefore have to be dealt with simultaneously, and new mechanisms have to be invented which allow the economy to be an inclusive one. The need is not that of indefinitely providing specific measures, but rather that of ensuring that access to primary needs is guaranteed for all fellow citizens. Jean-Marc Borello underscores the need to measure the social impact of businesses, to radically adapt taxation to economic objectives and to its economic social impact, moving away from a model which places the emphasis on sharing out dividends among shareholders. He believes that mechanisms must be created which put an end to exclusion, which create wealth to be shared out equally, since public funds do not do enough on their own. This issue is part of the challenges that social entrepreneurs are ready to face.

**Martin Hirsch** is of the conviction that France is able to meet its poverty alleviation objectives, but acknowledges that it failed to do so under the government of President Sarkozy. However, he believes

that it is not contradictory to want to abolish poverty whilst having quantifiable objectives in aiming to do so. He sees it is important to address the question of why failure has occurred. The answer lies in the fact that 1.5 billion euros per year had been set aside for paying for the RSA (a means-tested allowance for the poor), whereas 800 million euros of this sum does not contribute to wiping out poverty. Therefore, the impact on poverty is at least half what had been originally hoped for. There is therefore a need to return this money to the poor people it has been taken from. Martin Hirsch recommends setting up a true support mechanism for those on a low income, regardless of whether or not they work, in order to avoid seeing the same failures in the future. For those who do not work, guarantees should be given, saying that when they return to work, they can be certain that they will receive earnings which are stable and sustainable. Past failures should not mean that something of this sort is not possible.

**Catherine Lemorton** believes that there must be a distinction made between two different terms: poverty and living in a precarious state, the latter possibly affecting any sector of the population. Poverty also must itself be divided up, creating a separate distinction for invisible poverty, or rather those who are off society's radar.

### Considering budgetary restrictions, is combating poverty possible?

**Jean-Marc Borello** confirms the hypothesis that there will not be extra money available in the future, but that more can be done while spending less, as he sees it. He illustrates this point with the example of "Paris solidaire", which allowed for poor families living in hotels and apartments to be moved to a new house while also making a saving of 40% on the previous project. In his opinion, social and solidarity economy stakeholders have the goal of improving already existing systems and to put forward proposals which seek to link economic performance with a drop in public spending while also favouring greater solidarity.

**Pierre Yves Madignier** goes back to the points brought up previously on working on processes that are already in place, such as that which addresses the stigmatisation that those living in extreme poverty suffer as a result of their social background. This stigma must be

Friday, September 21, 2012

acknowledged by the French government, something which has not yet been done, since it searches for other explanations as to why the social fabric is torn. Recognising invisible poverty highlights the fact that minimum welfare support is not enough to live off, and that those eking out a living from these benefits alone are only able to survive, whereas the main aim of minimum welfare support is to provide decent living standards. Minimum welfare support has to be reconsidered.

### What kind of policy should be put in place regarding the issue of minimum welfare support?

**Martin Hirsch** states that it is logical to ensure that social welfare benefits rise in line with salaries. What is more, the money that is left over should be redistributed, but in order to do this, those involved must agree on what the money will be used for. Effective systems can be set up with the money available, but effective solutions must be thought out carefully, and it is only by doing so that cheaper solutions can be found.

**Catherine Lemorton** thinks that one should first of all wait for the outcome of the tax reform, because as things stand, the system we have is one in which the wealthy pay the least tax. Once real fiscal justice is

created there will be room for manoeuvre. Regarding this very point, room for manoeuvre, Catherine Lemorton states that in the medication sector 800 million euros in savings can be made.

### What are the priorities and expectations surrounding the conference on precarious living conditions and exclusion which has been planned by the government for December 2012?

**Catherine Lemorton** notes that this conference will bring together seven workshops: housing, employment, health, vulnerable children and success in education, access to minimum rights, access to bank services, the fight against excessive debt and finally, governance of solidarity policies.

According to **Jean Marc Borello**, stakeholders on the ground are no longer waiting, but rather participating and making proposals. Furthermore, the stigma towards those in precarious living conditions should be removed and steps should be taken to improve the representation of the poor in society.

**Pierre Yves Madigner** is expecting from this conference a true recognition of extreme poverty and concrete commitments from the government.

REPORTER

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Convergences 2015

## MORE ON THIS TOPIC

- Agence nationale du service civique: [www.service-civique.gouv.fr](http://www.service-civique.gouv.fr)
- ATD Fourth World: [www.atd-fourthworld.org](http://www.atd-fourthworld.org)
- Social Affairs Commission, National Assembly: [www.assemblee-nationale.fr/commissions/420120\\_tab.asp](http://www.assemblee-nationale.fr/commissions/420120_tab.asp)
- Groupe SOS: [www.groupe-sos.org](http://www.groupe-sos.org)
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