

# Europe against poverty

## European File

Poverty is not a phenomenon exclusive to the far-off countries of the Third World. It is also to be found in industrialized countries including the European Community. Of course it is not necessarily the same type of poverty, as poverty is not an absolute condition and it is difficult to give the concept a universal definition, to determine where it actually starts.

In 1975, European ministers agreed on the definition of 'the poor' as being those individuals and families whose resources are so small as to exclude them from the minimum acceptable way of life in the Member State where they live. As a result, most national experts now take it to mean anyone who does not earn half the average income of the country in which he or she lives. Based on this definition, in the mid-1970s, there were around 10 million 'poor' homes, about 11.4% of all households. In all, the Community of Ten has, at a conservative estimate, 30 million poor people. (Maybe more now since the statistical base used is outdated and the economic situation has deteriorated in recent years.)

This is despite the fact that anti-poverty campaigns have been conducted for decades, both by governments and by non-governmental charitable organizations.

- Governments and other public bodies devote considerable resources to social programmes, which try to prevent poverty and combat it through a mass of legislation including:
  - Social security: in all Community countries this term is used to cover social assistance programmes, such as family allowances, pensions, and sickness and

unemployment benefit. In 1950, expenditure on social measures represented 8 to 15% of Member States' gross national product. In 1980, it varied between 20 and 30%;

- **Housing policy:** after the War, all European countries launched reconstruction programmes to increase the amount of housing available, to reduce the amount of unfit housing and to improve it. But in 1970, 3% of European households were still living in accomodation lacking running water, and one household in six was not connected up to main drainage. In addition, almost one and a half million people were homeless or lived in temporary accomodation. The problems are particularly acute in poor urban areas and often social housing policies implemented by Member States do not benefit the most impoverished groups;
  - **Health policy:** all European governments guarantee the right to basic health care. However, surveys show that the poorest people generally make less use of the preventive and specialist care offered (such as dental care which is often expensive);
  - **Education policy:** the last 30 years have been marked by the development of pre-school education, an extension of the period of compulsory education and an increase in the number of children undertaking secondary or higher education. Children from poor families have had their share of these advantages, but their chances of continuing their studies beyond the statutory period remain very small. Many of them leave school with no qualifications or only very poor ones. At present, there are several million illiterate adults in the Community;
  - **Employment policy:** working conditions have improved markedly throughout Europe and most countries have introduced the principle of the minimum guaranteed wage. But the spectacular rise in unemployment recorded since the mid-1970s has continued and the growth in unemployment, particularly in the long-term, must be held responsible for the emergence of new poverty.
- **Non-governmental charitable organizations, including international, national, regional, local, religious, secular, specialist and general bodies are active in the Community and number hundreds of thousands. They total an estimated 15 million voluntary workers and their mission is threefold:**
- To help the poor in a material way by redistributing funds collected in a variety of ways: subsidies from other bodies, collections, etc.;
  - To help the poor become aware of the position, to inform them of their social rights and to encourage them to make an effort to help themselves;
  - To act as pressure groups on governments, to make them more sensitive to the problems at grassroots level.

Despite the efforts of governments and non-governmental organizations, poverty still exists and because of the economic crisis, is gaining ground throughout Europe. The

shortcomings of the social security systems are serious and the general rise in the standard of living has not spread to all levels of the population. A shortage of material resources still keeps many citizens apart from the rest of society.

But who exactly are the poor who live amongst us and what is the reason for their poverty ?

- In most cases, the origins are to be found in the labour market. Workers in full-time employment and households with several wage-earning members are less threatened by poverty than those who do not work either for reasons of health, disablement, old age or just because they cannot find jobs. People not working constitute a large proportion of the poorest parts of the population. Unemployment also most affects those who are already disadvantaged either through lack of qualifications, health problems, physical or mental disabilities, the over-50s, people with a poor knowledge of the local language, foreigners and minority groups. Certain types of employment can also generate poverty and some wages are so low that they are not sufficient to keep a family. Often demanding or dangerous jobs can cause accidents or illness to temporarily or permanently cut short a person's active working life. The recent growth of precarious types of employment (short-term contracts and temporary or part-time work) has also tended to increase the number of poor people.
- An aggravating factor arises frequently: the family situation. A high percentage of poverty exists in households headed by women and elderly or inactive people. Families of five or more people, single parents with more than one child, spinsters, widows and divorcees are also at risk. In families where only one person works and is a low wage-earner, poverty can start with the birth of the first child and is common when there are two children. When there are three children, it becomes virtually the rule.

Poverty also affects particular groups such as nomadic people and gypsies, together with other marginal social groups about whom little information exists. In the final analysis, it appears that poverty is the result of several different causes and takes a variety of forms. It also tends to be the case that social handicaps are cumulative: the poorest people tend to have the worst health, the worst housing etc.; not just because they are poor but also because they lack the education and organizational ability to make use of their rights.

### **What has the Community done to help ?**

In July 1975, the European Community launched an anti-poverty programme, as part of its Social Action Programme, adopted the previous year. Originally planned to last two years, the anti-poverty programme was extended for a further three-year period in 1977 following enthusiastic support from the European Parliament. An advisory committee composed of governmental and independent experts, together with representatives of employers and unions, helped the European Commission implement its

programme, at a cost to the Community budget of around 20 million ECU<sup>(1)</sup>. The programme mainly consisted of a series of studies and pilot projects.

- These included finance for seven transnational studies aimed at helping to understand the nature, causes and extent of poverty in Europe. National teams simultaneously drew up reports on poverty in each Member State. The general conclusions of these studies have helped provide a clearer picture of two specific aspects of poverty:
  - Firstly, the subjective way in which it is perceived: a public opinion survey has revealed that half of Europe is unaware of the existence of poverty. Many people do not realize that poverty exists in their own village, town or suburb. Furthermore, 28% of the people questioned thought that their income was below the level considered 'absolutely necessary' for living in their particular country.
  - Secondly, its permanence: to combat poverty, it is essential to know if it is passed on in an hereditary fashion within the same groups or families, from one generation to the next. The Community study showed that inherited poverty is not a general rule, but is common among certain groups such as immigrant workers, who generally have little schooling and few professional qualifications, and therefore have little chance of social advancement.
- In conjunction with Member States, the Community also supported a series of pilot projects aimed at testing and developing new methods to help fight poverty. Geographically speaking, these projects were aimed at Ireland (24 projects), France (11 projects), the United Kingdom (8), Germany (4), Italy (2), the Netherlands, Belgium and Denmark (one project each). To be accepted and financed, the projects required a Community interest, i.e. they had to deal with problems common to several Member States. Most of them dealt with urban problems, although some were related to rural regions, notably in Ireland. The pilot projects can be divided up according to their objectives:
  - Projects aimed at helping the whole population of a specific geographical area. Examples include the community and social development programmes in Edinburgh (United Kingdom) and Breda (The Netherlands), action against poverty in Reims (France), Belfast and Craigmillar (United Kingdom) and in the Marolles area of Brussels;
  - Projects aimed at helping socially deprived groups: homeless people in Copenhagen and Duisburg-Essen (Germany), refugees and immigrants (Amberg, Germany), and a variety of poverty-stricken groups in Ireland (for whom services are provided and sometimes jobs created);
  - Projects aimed at creating or improving social services. Examples include Stuttgart (Germany) and Padua (Italy), which have undertaken to remodel their social

(<sup>1</sup>) 1 ECU (European currency unit) = about £ 0.97, Ir. £ 0.69 or \$ 1.03 (at exchange rates current on 18 May 1982).

services to adapt them better to the needs of the poor, the centre for social medicine in Naples-Giugliano and, in the United Kingdom, the legal assistance service in Wolverhampton, together with 'local resource centres' in London, Govan (Scotland) and South Wales, which offer various services in the areas of employment, housing, health, etc. Housing improvement has also been the target of projects in Guéméné-sur-Scorff, Orange, Strasbourg, Woippy and Le Havre (France);

- Projects aimed at the family or at children in the United Kingdom (day centres for families in London and Liverpool) and in France (projects for children or relating to children in Paris, Noisy-le-Grand, Herblay and Toulon).

These projects are undertaken either by public bodies (national, regional or local), by non-governmental charitable organizations, or by university research institutes (notably in the case of Amberg and Cologne), sometimes jointly with social organizations. Some projects have even led to the creation of specific organizations for the people concerned.

What conclusions can be drawn six years after the implementation of the first projects ?

- It is difficult to accurately calculate the number of people affected by them, but it seems likely that the projects have had a direct or indirect impact on several hundred thousand Europeans;
- Most of the projects have helped bring about a better living standard for the people concerned or, at least, increased their chances of raising their incomes by improving their vocational training, the quality of their housing and, in certain cases, their state of health (thanks to the creation of new medico-social dispensaries);
- Several projects have helped make poor people better informed about their rights, especially regarding social services, teaching them how to make the best use of the system. These projects have probably helped remove some of the fear and psychological reluctance of the groups most ill-equipped to deal with society, and increased their confidence in themselves as well as their willingness to take full advantage of their social and economic rights;
- Most of the projects have improved the nature, coordination and operating methods of the social services by encouraging a dialogue between the beneficiaries and those responsible for these services;
- Finally, the pilot projects have helped provide information about poor people, on the causes of poverty, on the effectiveness of policies introduced, and on the role of social workers and non-governmental charitable organizations. This information will be extremely valuable for future action.

## Increasing the involvement of the Community

National reports drawn up by independent experts at the request of the Community all underline the necessity of developing an anti-poverty policy in global terms. This means that it is necessary to develop social assistance techniques which deal with social handicaps on a multi-dimensional basis and not with each problem individually. The reports also highlight the need to develop preventive policies to eliminate the social situations which create poverty. Experts consulted by the European Commission <sup>(1)</sup> stress the responsibility which the Community must assume in this respect, together with Member States and non-governmental charitable organizations:

- Although the basic principles of the Common Market (the free movement of goods, people and capital) offer considerable economic advantages, they also result in the disappearance of numerous less-efficient industrial and agricultural enterprises. Progress for the population as a whole therefore means a deterioration in the living standards of a minority. Clearly the European Community should be prepared to compensate for the effects of its own policies;
- Economic and social policies are interdependent. It would be absurd if the Community were to only deal with the former and ignore the latter, particularly since the Treaties founding the Community specifically call for action in social affairs. For example, the economic right of free movement for workers required the drafting of a European regulation giving social protection to workers who leave their countries in search of employment;
- Faced with rapidly rising social expenditure in most European countries, it has become important to encourage cooperation. By learning from each other's experience, by exchanging knowledge and innovative methods, Member States, in the cheapest way possible, can improve their social, employment, training and health policies to help limit expenditure on social security by reducing the need for it;
- Any social measure introduced by a Member State is likely to raise its industrial production costs and, if unilateral, may undermine national competitiveness. These negative effects can be considerably reduced when members of the Community act together;
- The strength of the Community depends on the welfare and cohesion of its Member States, and the support of public opinion. The principle of Community solidarity must be promoted to prevent any region or social category from falling behind the average level of economic and social development enjoyed by the rest of the Community.

It is therefore desirable that the Community should expand its anti-poverty effort, particularly since the economic crisis is persisting and may be getting worse. The first

---

<sup>(1)</sup> Source: *Final report from the Commission to the Council on the first programme of pilot schemes and studies to combat poverty*, document COM (81) 769, 15 December 1981.

Community programme helped gain an understanding of the nature, causes, extent and dynamics of poverty, but the practical solutions for future action derived from this better understanding must now be examined. The battle against poverty requires profound changes in a large number of areas. Some of the approaches which should form part of the debate include:

- Increasing the Community's financial resources and instruments – the Regional Fund, Social Fund, Agricultural Fund, Investment Bank etc., so that they work together to play a greater role in fighting poverty;
- Intensifying efforts to return to higher and more stable levels of employment throughout the Community, particularly through a better distribution of available work (shorter hours etc.);
- The introduction in each Community country of the right to a minimum guaranteed income to bring every individual or household above the poverty line. This minimum income, which, depending on the circumstances, might be financed with the assistance of Community credits, could be achieved not only by introducing a minimum legal wage, but also through social assistance, family allowances, etc.;
- The drafting of an action programme to fill, in successive stages, existing gaps in social security systems. This would be aimed at covering everyone against the main risks;
- A programme to regularly assemble and compare statistical data on poverty in Member States;
- The creation of a European Anti-poverty Bureau, charged with promoting and distributing information on action being carried out throughout the Community;
- A number of specific actions aimed at diminishing extreme poverty and improving through measures dealing with employment and access to social services, the situation of the worst-off in our society. In this framework, particular attention should be given to the inhabitants of troubled industrial or rural zones as well as to certain socially-isolated groups, including elderly people, immigrants, the homeless, gypsies and nomads (whose cultural identity can be guaranteed through Community provisions), and the handicapped (for whom the Community is launching a new action programme).

These ideas should help widen debate prior to the drafting of new proposals by the Commission. We cannot ignore poverty and misery which exists in our relatively affluent countries. Everything possible must be done to give back hope to the millions of Europeans to whom social justice is currently denied ■



---

The contents of this publication do not necessarily reflect the official views of the institutions of the Community.

---

### Commission of the European Communities

Information offices (countries fully or partially English speaking\*)

**Ireland** 39 Molesworth Street, Dublin 2 — Tel. 71 22 44

**United Kingdom** 20 Kensington Palace Gardens, London W8 4QQ — Tel. 727 80 90  
— 4 Cathedral Road, Cardiff CF1 9SG — Tel. 37 16 31  
— 7 Alva Street, Edinburgh EH2 4PH — Tel. 225 20 58  
— Windsor House, 9/15 Bedford Street,  
Belfast BT2 7 EG — Tel. 40 708

**Australia** Capitol Centre, Franklin Street, P.O. Box 609,  
Manuka 2603, Canberra A.C.T. - Tel. 95-50 00

**Canada** Association House (suite 1110), 350 Sparks Street,  
Ottawa Ont. K1R 7S8 — Tel. 238 64 64

**USA** 2100 M. Street, N.W. Suite 707,  
Washington D.C. 20037 - USA — Tel. 202-862-9500  
— 245 East 47th Street, 1 Dag Hammarskjöld Plaza,  
New York, N.Y. 10017 - USA — Tel. 212-371-3804

\* Offices also exist in other countries including all Member States.



Office for Official Publications  
of the European Communities  
L-2985 Luxembourg

ISSN 0379-3133

Catalogue number: CC-AD-82-011-EN-C