

2 0 2 1
ANALYSIS AND PERSPECTIVES

EXPELLED
SOCIETY AND
**RIGHT TO
INCOME**



FUNDACIÓN FOESSA
FOMENTO DE ESTUDIOS SOCIALES
Y DE SOCIOLOGÍA APLICADA

Conclusions

The deterioration in the living conditions of a multitude of families caused by the Great Recession, the method chosen to exit the crisis without applying profound changes in our social structure and productive model, and the subsequent reduction in social policies, undoubtedly generated more precariousness among those who suffered most from it. The result was a fragmented society, which we already denounced in this report in 2018, and which constituted the social scenario in which the COVID-19 pandemic has broken out. It is in this scenario that we must analyse the impact and depth of the current crisis, paying special attention to the dimensions of living conditions that were worse at the outset, to those that have suffered greater deterioration, to the increase in the number of families in social exclusion, and to the hardening of the already poor living conditions of those who had been living in the spaces of social exclusion. All of this, based on careful observation of the response, sufficiency, and effectiveness of social protection mechanisms.

Since March 2020, a gigantic and sudden wave has been sweeping through society as a whole and has already left a deep mark. And although the origin of this crisis is eminently health-related, it has led to an unprecedented economic and social crisis due to the distancing and restrictive measures taken to contain it, with major consequences that will continue to worsen as long as the pandemic continues.

Thus, the very scale of the pandemic, together with the situation of exhaustion and weakness that families had been suffering, has conditioned the impact and depth of the current crisis, which many families have had to face with their resources weakened and with an insufficient social protection system.

After a year and a half, **a first impact of this crisis is a generalised worsening of the levels of integration for the population as a whole.** The different strata of society are sliding towards situations of greater precariousness and social exclusion. We could describe the current situation of the integration-exclusion axis as a succession of ponds and waterfalls where there has been a transfer from full integration, which is losing flow, to precarious integration, then to moderate exclusion and, finally, to severe exclusion, which is the one that is growing most in volume.

The direct consequence of this is that 11 million people in our country live in situations of social exclusion; 2.5 million more than in 2018. A first bill in the form of social exclusion and worsening of living conditions that is being paid by many people we live with on a daily basis (family members, neighbours) and with whom we share a society and the future.

And, as we said before, within the space of exclusion, what has grown the most is the last pond, that of the most critical situations. **A reality of severe exclusion that, as a result of the pandemic, has**

gone from affecting 4 million people in 2018 to more than 6 million today. Looking at this group, we find that the most significant and alarming increase has been among the people in the most extreme situations, the most critical among the critical. **Today, more than 2.2 million people are part of this expelled society,** people whose pond is more like a muddy swamp and for whom personal, family, and social protection mechanisms have failed or are in serious disrepair.

Far removed from this group is the opportunity society, whose crystal-clear pond offers security and options for development and growth. A group that has shrunk and looks on from a distance **to a group of slightly more than 5.5 million people who make up the insecure society, swimming in a reservoir of uncertainty** and for whom any unforeseen change in their living conditions would mean a slide into exclusion.

Thus, the pandemic has increased the levels of exclusion in the population as a whole and has done so in all the dimensions analysed, although it is still employment (24.7 %) and housing (24 %) that affect the highest percentage of households. **Both dimensions, employment and housing, are seen as structural ailments of our society and as violated rights for a large number of people, regardless of whether the economic context is one of growth or crisis.** A determining relationship between employment and housing is pushing a significant number of families towards social exclusion. The lack of employment, serious job instability, and the partial nature of many occupations, leads to a reality of low and clearly insufficient income for access to and maintenance of housing that remains at high or very high costs.

The COVID-19 crisis and the weakness of public policies mean that the **human rights to housing, energy, water, and internet are once again being violated.** Aspects such as overcrowding, the presence of dampness, or the economic overexertion that families must make to cover the costs of housing and its supplies are increasing and compromise the guarantee of other rights, as well as covering basic needs (food, clothing, transport, etc.).

The serious difficulties that families are experiencing in terms of employment, not only because of unemployment but also because of the reality of an increasingly precarious labour market where it is becoming more and more difficult to obtain a decent job, **have significantly increased exclusion in consumption, which is reflected in an increase in severe poverty.**

Alongside these, **the health dimension has also worsened both in terms of well-being and exposure to dependency, as well as in terms of the lack of economic capacity to meet medical needs.** The population affected by health problems has grown from 14 % in 2018 to 17 % today. This exclusion in the field of health reflects not so much the impact that COVID-19 may have had on people's health, but rather how the social crisis is reducing families' ability to afford treatment due to economic difficulties.

On the other hand, in global terms, COVID-19 does not seem to have had a significant impact on exclusion in the educational dimension. This should not obscure the worrying reality that we reveal in this report: **while educational attainment continues to be a protective element against exclusion, it is becoming less and less so, as shown by the fact that the fastest growing exclusion is among households headed by a person with university education.**

A differential aspect of this crisis is the fact that **the pandemic is strongly eroding the quality of relationships in households, doubling the number of households where the climate of cohabitation presents serious difficulties.** This intra-household tension is even more intense among families who face the greatest obstacles and for whom, in addition to the difficulties of confinement, there is the lack of employment and the consequent reduction in income, poor housing conditions, etc. All of this leads to a climate of personal and social tension that ends up complicating the atmosphere in the home, since as resources and strength diminish, hopelessness and despair also set in.

One element that the pandemic has accelerated is the digitalisation of society, with the digital divide parallelly breaking into the exclusion scenario. The digital divide measured by three elements (having unlimited data connection, a device with an internet connection, and sufficient skills to navigate the digital environment) is making a difference in today's society and does not affect all layers of society equally. **The digital divide is leading to a loss of opportunities in various areas such as employment, education, public administration support, or even social relations.** This situation of inequality leads to the perpetuation and deepening of pre-existing situations of disadvantage, but it has also **become a new factor of social exclusion, even distancing the possibility of full participation in society for the people and families who suffer from it.** A reality that affects 46 % of households in a situation of exclusion compared to 35 % of households as a whole.

However, although the increase in exclusion has been generalised across the population as a whole, we can identify groups and communities whose levels of exclusion have been greater. In this sense, **the difficulties involved in raising children and the weakness of public support for families with dependent minors, increase the risk of social exclusion,** as can be seen in the differential rates between childless couples (18 %) and those with children (27 %) and much more pronounced in the case of a large families (47 %) or single-parent households (49 %).

Lastly, the country of origin is yet another determining factor. Thus, **the pandemic has intensified critical situations of exclusion for the population of immigrant origin, chronifying a clear position of disadvantage** that is evidenced by a clear over-representation of this group in the area of exclusion (38 %), and which is even more marked in the area of severe exclusion (65 %).

Faced with the widening of the margin of exclusion and the emergence of new profiles in society expelled by the very characteristics of the crisis, a system of social protection seems necessary and accessible. And, within this, the guarantee of the right to income seems to be an essential mechanism. Since 1996, the income guarantee has been the structural response that we have been demanding as a basic social protection network in a society where the system is not capable of providing income to all families.

In the context described above of worsening of all dimensions of exclusion, with a strong impact on the loss of household income, it is essential to analyse the existing social protection measures, specifically those that make up our income guarantee system, with a special focus on the Minimum Vital Income (IMV, as per the Spanish acronym) as one of the most important measures approved for emergency at the present time and because of its constitution as a non-contributory benefit that guarantees a minimum level of income to those in a situation of vulnerability.

The operational difficulty of implementing the IMV, which has involved the coordinated efforts of different public administrations, has limited access to many households, and the current coverage is not sufficiently broad as expected at the outset. The administrative obstacles associated with the institutional capacity to manage it, or the bureaucratic burdens faced by citizens in applying for it have been a further barrier. This is shown by the limited number of cases that have been positively resolved compared to the total number of cases accepted and processed, as well as the disproportionate number of households that, although in need of this income, have not applied for it.

If we look specifically at the target population of the benefit, i.e., households in severe poverty with incomes below 40 % of the median, more than half of these households have not received information, and for 10.7 % it was not enough to be able to apply. In sum, only a quarter of these households have received correct and sufficient information to initiate the application.

More than two thirds of households in severe poverty have not applied (67.8 %). It is also important to highlight that 6.2 % of households have tried, but have encountered barriers to carry out the procedure in person or online. Finally, only 25.9 % of households in severe poverty have managed to complete the procedure successfully. About 15.6 % applied online and 10.3 % applied in person.

Despite being very insufficient in terms of scope and coverage, these data force us to reflect on the essence and purpose of the Minimum Vital Income, but from a constructive point of view so that it becomes a true right, according to the European Charter of Social Rights.

According to the profile of the applicants, it is positive that this minimum income guarantee instrument is reaching those households with dependent minors. And it is also positive that it is prioritising single-parent households or large families. However, there are groups that are still unable to access the IMV because they do not meet a series of requirements established in the regulation. In this sense, both the social intervention work carried out by Caritas and the work of the FOESSA Foundation have insisted on the importance of adapting and regulating the IMV in permanent contact with social reality and with the situations of social exclusion of people and households. For this reason, **it is necessary and urgent to correct the main obstacles to access to the Minimum Vital Income, which excludes certain households and people who would improve their living conditions if they had this benefit, by introducing some modifications to its current regulations, and recognising that this instrument of social protection was a necessity and a demand prior to the arrival of the health crisis.**

It is indisputable that the IMV represents a step forward in the consolidation of a non-contributory basic income benefit at state level to prevent situations of more severe poverty. It is a tool that guarantees a basic income under the umbrella of the welfare state, which in this case had not been assumed until now at state level, but rather it was the autonomous communities that ensured a minimum income, depending on the specific regulations of each one of them. However, it is a right enshrined in article 41 of the Spanish Constitution, and so work must continue along these lines to achieve effective compliance with the right to a guaranteed income.

It therefore fills a legal vacuum and a political and social vacuum, although we must not forget that it is still in its infancy and still needs to be developed further. The questions about its current timeliness and effectiveness still require further operationalisation and development in order to respond to the social vulnerability of many families in Spain.

Despite the great distortions of the IMV with respect to the objectives it pursues and its consistency with effective social inclusion, the IMV has been an essential economic support for many families that must continue to improve in terms of coverage and protection. But it is important to note the multi-causal nature of exclusion and that, while financial support is a big step, in many cases it will not be enough. A broader social protection system must guarantee income, but also less tangible aspects aimed at bringing those individuals and families who make up the expelled society and the victims of severe exclusion into the space of integration.

Challenges for improving our social development model

One of the things this pandemic has taught us is that we need each other to deal with the most serious situations. From the beginning of the pandemic, the message was clear: stopping the virus was a matter that we all had a hand in, and to do so we were asked to stay home, limit meetings, respect social distancing, wear masks, get vaccinated...

Overcoming the social crisis generated by this pandemic must also involve everyone, and in order to leave no one behind, we want to launch a series of challenges that will allow us to address the structural imbalances that have been detected:

The challenge of consolidating an income guarantee system that protects. The IMV must continue to improve in terms of coverage and protection in order to be an effective and sustainable economic support for all families who need this income. However, it is important to insist on the multi-causal nature of the situations of social exclusion that affect more and more of the population. Thus, while economic support is a big step towards guaranteeing the right to material survival, in many cases it will not be enough, and **our social protection system needs to be strengthened to guarantee our right to social inclusion as well.**

We urgently need a public housing provision system that better guarantees our rights: the right to housing, energy, water, and internet. The current situation of housing rights violations affects an increasing part of the population in one way or another, and makes some households, under certain circumstances, more vulnerable to the possibility of accessing safe and adequate housing. **We must urgently address the current housing problem in Spain through the implementation of sufficient public policies in this area and a decent labour market.**

Restore dignity to work in order to create decent employment: we have been seeing for some time that work is no longer the main mechanism for social inclusion. More and more people are unable to work their way out of poverty despite having a job. **It is essential to promote a labour market and a productive model that favours the creation of jobs with the capacity for economic and social integration, which will guarantee the right to decent work and decent conditions for all workers.**

The digital divide, a new challenge in the face of social exclusion: in order to promote full participation in today's society, which is moving towards unstoppable digitalisation, it is essential to promote measures and strategies that guarantee access to the right to a good quality internet connection, the right to have devices that enable this connection, and the right to acquire the competences or skills to function in this world. However, despite the efforts undertaken, it is important to remember that not everyone will be able to achieve these digital opportunities, **and it is therefore essential to ensure access to all rights for all people, regardless of their situation in the digital world.**

Poverty and social exclusion continue to affect the population under the age of 18 the hardest in Spain. Furthermore, if we take into account the structure of the household, households where children and adolescents are present, large families, and single-parent families suffer to a greater extent from social exclusion and the reproduction of inequality (intergenerational mobility) is recurrent. Even worse than the data is the fact that families with dependent minors suffer from under-protection. The coverage and adequacy of cash benefits for families and children is still very deficient compared to other countries in the region, and they have a reduced impact on the well-being of children and families. **The deficit in investment in children and family-oriented policies are major challenges in building effective intergenerational solidarity.**

The population of immigrant origin is further away from social inclusion: once again, the population of immigrant origin, particularly from outside the EU, is the group most affected by social exclusion in our country. We are referring in particular to the rights of migrants in an irregular administrative situation as a result of the health crisis, but also to a structural situation that is increasing among people who do not have access to a first residence permit in Spain. **We need solid policies of equity and solidarity with this population that is segregated, occupying the most disadvantaged social levels and with serious difficulties in the areas of employment, housing, and poverty.**

This crisis, in addition to being a health, economic, and social crisis, has been mental crisis. Mental health problems represent one of the most far-reaching consequences of the current pandemic. Moreover, they are taking their toll most severely on the most vulnerable people. In this context, it is essential to reorient our vision and approach to address their consequences and manifestations: people's stress, anxiety, or life fatigue cannot be tackled only from an individual perspective, but it is essential to consider the social environment and contextual factors that affect people's mental health. It is important to integrate into our public health system a collective mental health perspective that allows us to accompany, support, and bring comfort, looking at the challenges of the present through a different lens.