Hunger, food assistance and poverty in rich countries (with illustrations from France and the US)

Hunger in France: constantly on the rise

A little more than 10 years ago, lafaimexpliquee.org (the sister website of hungerexplained.org, in French) warned, to the surprise of many of its readers, that "two phantoms of the past were again threatening France: poverty and hunger" [read in French].

Unfortunately, after a decade of growing inequalities [read], a pandemic [read] and now the return of inflation that hits food particularly hard, it can only be said that this warning was highly justified.

There is no estimate of prevalence of hunger in France - this type of estimate is mostly made for the so-called "developing countries" or "countries in transition" -, but it is possible to get a grasp of the evolution of hunger by using a proxy indicator: the importance of food assistance distributed.

The data available for France are crystal clear:

The Restos du coeur, a private food assistance association created in 1984 by French comedian Coluche, distributed every year 115 million meals to 0.9 million people in 2012¹. In 2021/2022, the Restos provided 142 million meals to 1.1 million people [read in French]. Early 2023, the Restos observed a 22% increase of the number of people going to their centres.



¹ The population of France in 2012 was 63 million.

- The Food Banks (Banques alimentaires) helped 2.4 million people in 2022 [read in French] to be compared to 0.8 million in 2011 and 1.9 million in 2014 [read in French].
- According to the Inspectorate General of Social Affairs (Inspection générale des affaires sociales IGAS), 5 to 7 million people (around 1 out of 10 persons)
 benefited from food assistance in 2019, while the volume distributed doubled between 2008 and 2018, long before the start of the COVID-19 pandemic [read in French]. In the 1990s, around 5% of the French lived in precariousness and approximately 2 million people were using food assistance, a figure constantly on the increase during the decade [read in French].
- A study by DREES, the Inter-ministerial Directorate of Research, Studies, Evaluation and Statistics shows that during the pandemic, the attendance of distribution centres grew, particularly in large cities more exposed to poverty, with important regional disparities [read in French].

It remains rather difficult to get an exhaustive and reliable picture of the importance of the food assistance phenomenon in France, because of the great number and diversity of associations that provide it [read in French]. This makes that the National Institute for Statistics and Economic Studies (INSEE) only publishes data for the main associations. These data are not comparable and cannot be aggregated as each organization uses its own criteria and classifications [read in French]. Some estimates state that total food assistance in France was approximately equivalent to 1.5 billion euros in 2017, distributed almost equally between public funding, private funding and time spent by volunteers [read in French].

Despite these data limitations, one thing is quite clear: food assistance has been growing since the 1990s, with an acceleration during the last 3 to 4 years.

This is no surprise as, according to data of the French Observatory of Inequalities, in 2020, there were around 4.8 million people living below the poverty threshold in France (8% of total population and 500,000 more people than in the year 2000), of which 2 million living in extreme poverty [read in French].

People using food assistance became more diversified

The Food Banks report [read in French], also presents information on the profile of the people to whom they provided food assistance:

- 94% live under the poverty threshold (the average family income is of 850 euros per month).
- 67% consider food assistance as indispensable for them.
- For 83%, it contributes to a more balanced diet.
- 41% live alone, and 31% are single-parent families.
- The average age is 49 years.
- 71% have some health problem (by order of frequency: eyesight, teeth, overweight, diabetes, cardiovascular disease, allergy).

It is important to note this last point as it has an impact on life expectancy of the poor. Not only do they depend on food assistance to eat, but they do also not eat properly. The most affordable food items in supermarkets are usually of bad quality (rich in fat, sugar and salt) and fruits and vegetables are too expensive. Despite efforts made by associations, the food they are able to provide is not sufficiently varied and nutritionally balanced. Moreover, assisted people often do not find the kind of food they would like to eat. This is a source of violence that can have serious psychological implications. This and hidden costs of food assistance (e.g. the time spent in queuing) also means that a portion of the people suffering from hunger (particularly among the elderly) do not go to distribution centres to get food from associations [listen in French].

Fig.1 shows that the profile of people concerned are quite diversified and that there are among them 17% of poor workers <u>with a job</u> (two thirds of them work only part time), while 27% are jobless.

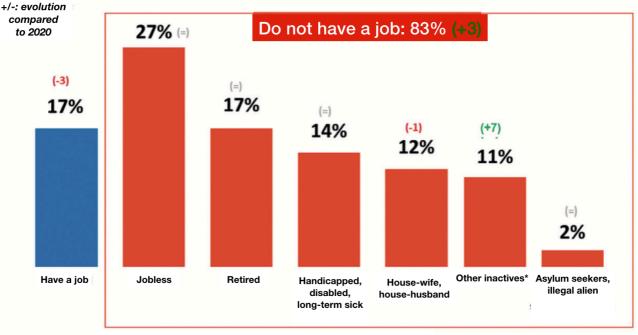


Fig. 1: Diversity of profiles of people using Food Banks in France

* Youths of less than 15 years/Youths who do not work while studying



It has been observed that over time, the individuals using food assistance have grown older and are not just homeless people who were the majority in the past. However, there are still around 23% of the individuals who do not have a personal address, which is a sign of great vulnerability. During the pandemic, there has been a strong increase of youths, in particular students², of women with children and of elderly people. [listen in French].

Food assistance has become a structural phenomenon that is now well established, and it is likely to further develop because of inflation.

This is not specific to France and can also be observed in other rich countries. In the US too, for instance, food assistance has gained reached a massive scale (see Box).

The growing magnitude of food assistance raises questions. Some consider it to be a way to contribute to the profitability and legitimacy of the agro-industrial system that has developed over time, while keeping food prices low, a policy applied for decades in order to preserve low wages, competitiveness and profits of firms in the industrial and service sector [read p 4. and the following].

In France, for example, it appears that the 400 million euros of tax exemptions for private companies on the "surplus" food given to associations are added every year to the profits

² In France, youths aged 18 to 25 have no right of access to the minimum subsistance allowance.

of large retail firms for whom this amount is equivalent to an insurance against waste [read in French]. In addition, food assistance contributes, at a reduced cost, to preserve social peace.

Box: Food insecurity and food assistance in the US

In the US, around 10% of households lived in a situation of food insecurity in 2021, of which 4% at a critically low level. Single-parent, Black, Hispanic and women-alone households were the most concerned.

Food assistance spendings have regularly increased since 1980, with two strong accelerations at the time of the food security crisis (between 2008 and 2013) and since the beginning of the COVID-19 pandemic (Fig.2).

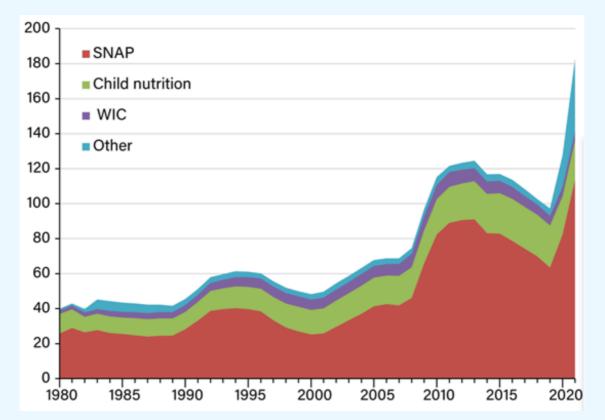


Fig.2 : Food assistance expenditure in the US between 1980 and 2021

Estimates are that almost **17 million people** were not eating sufficiently in 2011, or **5.5% of total population**, while 48.8 million people (16% of the total) had to use food assistance at one moment or another during the year. Food assistance spendings were around **\$110 billion**.

In 2021, **13.5 million** <u>households</u>, or **10.2% of the total**, were food insecure, while **41.5 million** <u>people</u> (12.5% of the total population) took part in the SNAP programme which spends roughly 60% of the food assistance moneys. The total amount spent on food assistance was approximately **\$180 million**.

Source: ERS/USDA.

Being poor is costly

In an article published in the New York Times [read] on poverty in the US that appears to be quite relevant for a number of countries, particularly in Europe, Matthew Desmond, a professor in sociology at Princeton University, wants to understand why, despite huge spendings in social programmes³, poverty persists in the US, enrolling 10 to 15% of US citizens, depending on economic and political vagaries.

In a nutshell, Desmond's answer is: being poor is costly.

To support this, his main arguments (backed by evidence) include:

- The poor may have access to cheap mass-produced consumer goods, but for them, housing, utilities, medical care - things that matter most - are out of reach.
- In poor neighbourhoods rents are overcharged relatively to the quality and value of housing provided, even where there is no shortage. Rents increase faster there than elsewhere, as the poor have no choice to change location, while landlords make more profits there than in wealthier areas. The poor do not have access to mortgages.
- Undocumented labourers (e.g. illegal migrants) are paid below the minimum wage and in most cases are not compensated for overtime. They are obliged to accept these conditions, because they are desperate to find work.
- A large share of workers make low pays. Moving industrial jobs to countries where labour is cheap contributed to reduce job opportunities and keep wages low, particularly when labour unions lost influence and power. Working conditions degraded and race-based segregation resulted in greater poverty in racialized groups.
- In banks, overdraft fees are horrendous, often several times the overdrawn amount. They are a major source of profit for banks. They are mostly paid by holders of accounts with very small balances. A considerable share of the poor (around 5% in the US) do not have a bank account at all and they have to cash their checks in checkcashing outlets at a very high cost.⁴ Moreover, having no accounts, makes getting a job more difficult.



Un p'tit comique

In other words: "Poverty isn't simply the condition of not having enough money. It's the condition of not having enough choice and being taken advantage of because of that."

³ However, a large share of budgeted welfare money may not reach its intended beneficiaries. For example, in the case of the US Temporary Assistance for Needy Families (TANF) programme, a study showed that "for every dollar budgeted in 2020, poor families directly received just 22 cents" [read].

⁴ In 2020, \$1.6 billion was paid in the US to cash checks!

What solutions? Is a social security for food possible?

What could be done in order to improve food security of the poorest without having to resort to food assistance?

Piecemeal solution such as a programme for 1 euro (or dollar) meals for students or subsidized contracted shops for low-income households where food is available at a lower price, may be used. Contracted shops, in particular, could at least give back to poor consumers a part of their power to choose what they eat.

In 2017, in France, the idea of a social security for food was put forward by <u>ISF-AgriSTA</u>. This social security for food scheme would follow the model of the general social security system established in France following World War II. It proposes a systemic solution, instead of ad-hoc fixes.

The idea took shape in a proposal formulated in 2020 by a group of civil society organisations.⁵ It uses the development of food assistance as an opportunity to suggest a system of social security for food that could transform in-depth the existing food system.

It rests on three pillars:

- Universal access.
- Contractual agreements with professionals by democratically managed associations.
- Funding by the creation of a **social contribution** representing a fixed share of valueadded generated.

Concretely, a food card (equivalent for food of what already exists for healthcare) would give access to contacted food items for a total amount of 150 euros⁶ per month and per person, a sum higher than the average food budget of individuals living in poverty and that corresponds to around 60% of the average food budget per person in France. The contractual agreement would most probably trigger in-depth changes in the food system with consequences on the structure and mode of operation of retail, processing as well as primary agricultural production.

The social security for food would therefore require a yearly budget of roughly 118 billion euros that would be financed by a social contribution weighing approximately 8% of GDP. The base of the contribution is yet being discussed. Options envisaged include a contribution on wages or a contribution on value added of companies. The relative share of the employer's and employee's contribution is also still being discussed.

As of today, the political conditions in France are not favourable to the establishment of such a system. The proposal could, however, be brought up on the occasion of forthcoming elections.

Before political leaders react and progress in their (very low level of) thinking on the transition towards a more sustainable food system (socially, economically and

⁵ Ingénieurs sans frontières Agrista, Réseau Salariat, Réseau Civam, la Confédération paysanne, le Collectif Démocratie Alimentaire, l'Ardeur, l'Ufal, Mutuale, l'Atelier Paysan, les Ami.es de la Confédération paysanne, VRAC, les Greniers d'Abondance, le Collectif les pieds dans le plat, le Réseau GRAP, le Miramap et le Secours Catholique.

⁶ The figures mentioned here are in 2020 euros and would have to be updated according to the evolution of food prices.

environmentally), it is quite likely that food assistance will continue to grow, fuelled by current inflationary conditions. So will its negative effects on the poorest population groups. Today's context is all the more unfavourable as the trend is one of increasing military spendings at the expense of social spendings that are more and more criticized if not called into question.

Materne Maetz (March 2023)

To know more

Read:

- Matthew Desmond, <u>Why poverty persists in America</u>, New York Times, 2023.
- Bonzi, B., <u>La France qui a faim Le don à l'épreuve des violences alimentaires</u>, Éditions du Seuil, 2023 (in French).
- FFBA, <u>Etude «Profils» qui sont les personnes accueillies à l'aide alimentaire ?</u>
 Fédération françaises des banques alimentaires, 2023 (in French).
- ERS/USDA, Food Security and Nutrition Assistance, 2022 (on-line, accessed March 2023).
- Retière, J.N. et Le Crom J.P., <u>Une solidarité en miettes Socio-histoire de l'aide</u> <u>alimentaire des années 1930 à nos jours</u> - Presses Universitaires de Rennes, 2018 (in French).
- Rymarsky C. et M-C Thirion, <u>La faim cachée L'aide alimentaire en France</u>, Éditions Charles Léopold Mayer, La librairie FPH, 1997 (in French).

Listen:

- <u>Aide alimentaire : état d'urgence</u>, France Culture, 2023 (in French).

Selection of past articles on hungerexplained.org related to the topic:

- <u>The COVID-19 pandemic hits harder urban areas and women, 2021.</u>
- In Europe, one of the richest regions in the world, more than one person out of six lives in poverty, 2019.
- Borders in the global economy Control of labour, mobility of goods and capital, preservation of profits and exacerbation of inequalities, 2018.
- Growing inequalities are a threat to world social and political stability, 2017.
- More resources are needed to combat hunger in rich countries, 2014.
- Myth 8: Hunger is a consequence of poverty, 2012.
- Deux «revenants» menacent la France: la pauvreté et la faim, 2012 (in French).