This is a shorter and simplified version of the report the Special Rapporteur on extreme poverty and human rights presented at the 76th session of the UN General Assembly, enriched by selected quotes from the consultations held in preparation of the meeting. The official report (A/76/177) can be found here in the six official languages of the UN. The aim of this version is to improve dissemination and accessibility of the key messages from the report.

Ms S., Peru

"We try hard all the time. But society puts obstacles in our way. You carry a label because you are poor. A burden that you carry from generation to generation. A vicious cycle."

Ms. A., Luxembourg

"Living in poverty is a vicious cycle that is difficult to break. We struggle every day, for ourselves and for our children. But can we do it alone? Can we manage to break this vicious cycle without being taken into consideration, without being listened to and heard?"
1. INTRODUCTION

A just society must afford equal opportunities to all of its members: no child should be punished for being born in poverty. Yet, this ideal is far from being realized today. Children born in poverty have significantly more chances of remaining poor in their adult lives as a result of a number of mechanisms that perpetuate poverty from one generation to the next. For example, in the rich countries that make up the OECD, a child born to a poor family will need four to five generations to reach a level of earnings that is average for the country. At a global scale, it is far more likely that children will remain in the same richest and poorest income groups as their parents, more so than moving down or up the income ladder. Moreover, compared with the 1940s, the ability for children to improve their life prospects compared to their parents’ is declining in the developing world. And persistence of poverty at the bottom is rising.

This report is based on a review of available evidence concerning the perpetuation of poverty and on the contributions of people living in or with an experience of poverty, including two two-day expert meetings, and in-person and virtual participatory dialogues with people in poverty living in Europe (Belgium and Luxembourg), Latin America (Guatemala, Mexico, Peru, and Bolivia), and Africa (DR Congo). The Special Rapporteur wishes to thank all those who prepared for and participated in these dialogues. Their experience and expertise are an essential source of knowledge for combatting poverty around the world.

2. THE FACTORS THAT PERPETUATE POVERTY

Children born to families in poverty have significantly fewer chances of achieving an adequate standard of living in adult life than children born in wealthier families. Inequality, both in terms of income and wealth, is a major explanation for why people remain trapped in poverty. Fewer opportunities for saving, buying, or inheriting assets, and low coverage by social protection mechanisms mean that people experiencing poverty rarely have a chance to change their trajectories. Richer households respond to sudden expenses with their accumulated wealth and earnings, social networks, and higher education levels that enable them to get better paid jobs. Poorer individuals, in contrast, have fewer options to deal with risks and shocks.

“Poor children are deprived of their childhoods.”

Ms L., DR Congo
A. THE DIRE IMPACTS OF INEQUALITY ON HEALTH

More equality means improved health outcomes, in both developed and developing countries. Evidence from Africa and Latin America shows that Gross Domestic Product (GDP) growth in those regions did not automatically lead to better health; how the outcomes of this growth are redistributed mattered far more. Indeed, groups of persons experiencing poverty are exposed to environmental hazards that can threaten health. They also face financial barriers in accessing healthcare. As a result of these and other hardships, including stress faced by children in families experiencing poverty, people in poverty have a shorter life expectancy: in the United States, individuals living in poverty have 10.5 years lower life expectancy than middle-income earners, and in the EU, 30-year-old men with less than upper secondary education can expect to live, on average, about 8 years less than those with a university education.

In turn, poor health also can lead to poverty, due to reduced productivity and high costs of accessing healthcare. Currently, at least half of the world’s population cannot get the healthcare it needs. In 2010, about 808 million people spent more than 10% of their household’s total income on out-of-pocket health expenses. Moreover, almost 100 million people are pushed into poverty each year because they must pay for health expenses themselves (97% of them live in Africa or Asia). This problem explains why nearly half of Africans did not seek the healthcare they needed in 2014-15, and 4 in 10 of those who did had difficulty in accessing that care. Obstacles in accessing healthcare is not only about the money it costs to get treated: fear of discrimination or stigmatization, lack of education and transportation, and corruption also play a role. Around one in seven people who accessed healthcare in Africa had to pay a bribe to do so.
B. HOW LIVING IN PRECARIOUS HOUSING AND NEIGHBORHOODS CONTRIBUTES TO POVERTY

Children from socio-economically disadvantaged households are generally more likely to grow up in overcrowded, poorly insulated housing, exposed to polluted and unsafe environments. They are also more likely to live in neighborhoods that are ghettoized, violent, and with inadequate access to public services. Poor housing conditions affect health, due to exposure to high levels of air pollution, especially where clean energy is inaccessible or regulation insufficient. Moreover, many people in poverty live in poor food environments and have limited access to green areas for physical exercise and leisure.

“Those of us who live in slums are not taken into account. When the pandemic hit, we were not taken into account.”

Ms. Y., Guatemala

Such living conditions also affect social relationships and life chances generally. Living in an overcrowded dwelling leads to disturbed sleep, tenser family relationships, and stress and anxiety, all of which affect children’s education. Poor and segregated neighborhoods mean children will have fewer social connections. Such neighborhoods also typically lack quality public schools, decent job opportunities, and proper healthcare services. In other terms, quite apart from its impacts on the right to adequate housing itself, segregation on grounds of wealth means that people are not afforded equal chances in life.

C. EDUCATION CAN BE TRANSFORMATIVE, BUT INEQUALITIES PERSIST

Impacts on child development occur early on, so early childhood education and care is essential to break the cycles of poverty. In particular, parenting during the early years plays a crucial role, and it should not be affected by socio-economic disadvantage. For instance, reading books to children and having conversations with them affects the extent to which children are stimulated and acquire verbal skills. Such language-rich interactions are more common in wealthier families, because of the time constraints parents face in low-income families (and in single-parent families in particular), and because of the generally lower education levels of low-income parents. The stress associated with economic insecurity also often reduces the availability of parents to such interactions. In the United States, children from professional families have been found to speak more than twice as many words as compared with children from families in poverty. Interventions in early age childhood are particularly effective at closing the gap between children in poverty and their wealthier peers compared with later life remediation efforts.

Adults living in poverty often cannot ensure means for their children to grow up with better
Second, children from poor families also face exclusion at school due to their socioeconomic background. For example, one in ten children in European OECD countries lacks access to basic clothing, which can lead those children to be discriminated against, excluded, or bullied at school both by their peers and school staff. A participatory action research project on education in Belgium identified that shame experienced by children in poverty was one of the key obstacles to successful schooling.

All parents, those who are poor, feel very bad when children are expelled from school because they cannot pay the school fees. At school, the children are mistreated and marginalized.

Mr. P., DR Congo

opportunities than they had, despite their best efforts to do so. Many parents express the hope that their children will go to school and even complete university education. Yet being raised in a low-income family has significant impacts on access to education and on educational achievement. Schools should be institutions compensating for inequalities between children of different socio-economic backgrounds. Instead, participants in the dialogues organized in preparation of this report repeatedly described schools as at best reproducing such hierarchies, and at worst magnifying them further. Four specific mechanisms are at work.

First, children from disadvantaged backgrounds face obstacles to access quality education. In low and lower-middle income countries, the likelihood of enrollment in primary, lower-secondary, and upper-secondary school still depends on parental income and education levels to a significant extent. While, officially, education is provided free-of-charge almost universally, extra fees related to school supplies and learning materials, as well as transportation, still prevent children from poorer families from accessing good schools.

School is often also the first place of failure for the child; it’s where he experiences mistreatment for the first time; the first experiences of being judged and of being labelled as «poor» because he doesn’t wear the right brands or has dirty teeth.

Ms. L., Luxembourg

Third, children from higher socioeconomic backgrounds tend to be better prepared for formal education, both in terms of cognitive abilities and social behavior. Where children from poor families exhibit learning deficiencies, these often appear even before they are enrolled in school. As a result, across nearly all countries, the family background of a student (parental education, socioeconomic status, conditions at home) remains the single most important predictor of learning outcomes.

"Second, children from poor families also face exclusion at school due to their socioeconomic background. For example, one in ten children in European OECD countries lacks access to basic clothing, which can lead those children to be discriminated against, excluded, or bullied at school both by their peers and school staff. A participatory action research project on education in Belgium identified that shame experienced by children in poverty was one of the key obstacles to successful schooling."
Fourth and finally, the level of education of parents has a significant impact on the benefits children may obtain from education: in countries such as France, Japan, South Korea, and the United Kingdom, the children of parents from low-education groups earned 20% less than their peers with parents from high-education groups, even with the same level of qualifications. This may act as a strong disincentive to invest in education: why would one put efforts into performing well at school, if this will not be rewarded in the world of work?

**At school, I was a good student, but my teacher told me "You're not worth anything, sit in the last row." Only the children of privileged parents were considered worthy at the time, and it is still the case today.**

Ms. S., Luxembourg

D. ANY JOB WILL DO?
**THE TYPE OF WORK MATTERS**

Taking up decent employment that provides a living wage and allows workers to support themselves and their families is generally the best route out of poverty. But employment opportunities may be insufficient, even where the degrees and skills rise within the population. Schooling not leading to better employment opportunities may be an important source of frustration, and lead parents to invest too little in education for their children. Moreover, even general improvements in the labor market may not benefit people facing socio-economic disadvantage as much as other parts of the population: some estimates have found that at least 50% of the variability of lifetime earnings across individuals is due to attributes determined by age 18, and most of these attributes are in fact already present at age 5. But this does not mean that experiencing poverty is pre-determined. Much has to do with economic conditions in the labor market.

**First, not all jobs are decent jobs.** Because they often have lower educational levels and qualifications, people in poverty have higher chances of remaining in poverty even when in employment, whether formal or informal. Most of the poor in low-income countries are employed, but their labor does not allow them to rise above the poverty line. Globally, an estimated 327 million wage earners (including 152 million women) are paid at or below the applicable hourly minimum wage, representing 19 per cent of all wage earners. At the same time, half of children

**Even with their low pay, persons in poverty work very hard. Sometimes they work in inhumane conditions to ensure a better life for their offspring.**

Mr. A., DR Congo
Since 1980, half of the world’s income has been in the hands of the top 10% of earners. The share of the income held by the top 1% of earners has been increasing, from 16% in 1980 to 22% in 2000, while the share of the global bottom 50% remained around 9%. The speed at which incomes are growing is also unequal: in three-quarters of OECD countries, incomes of households at the top 10% have grown faster than those of the poorest 10%.

Inequality in terms of wealth is even greater, and has grown even faster, than inequality in terms of income. Across the OECD, wealth inequality is twice the level of income inequality on average: the wealthiest 10% holds 52% of total net wealth, while the top 10% with highest incomes captures 24% of total income. In turn, the 60% least wealthy households own little over 12% of total wealth. Even people with decent incomes are at risk where important wealth inequalities persist: over a third of people with incomes above the poverty line in the OECD lack the financing resources necessary to deal with sudden loss of income, for instance, in case of unemployment, family breakdown, or illness.

Inequality both encourages, and is supported by, an outdated and by now discredited understanding of “meritocracy”. Economic success is still sometimes seen as reflecting one’s effort and ability, a belief that is especially prevalent in highly unequal countries, and that is entertained in particular, perhaps unsurprisingly, by high-income earners. Higher inequality thus leads those on higher incomes to perceive the poor as less “meritorious” and as not deserving public support. This perspective in turn leads...
to see personal failings as the main cause of poverty: people in poverty are blamed for being poor. “Meritocracy” both reduces empathy towards affected groups and makes inequality look like an inevitable and, to some extent, even desirable phenomenon – a means to incentivize people to achieve more.

Poverty, however, is not the result of laziness, lack of self-control, and deficient planning: it has its sources in structural factors such as high unemployment, stagnating wages, and discrimination. And inequality is not a factor that stimulates achievement: to the contrary, it lowers social mobility, in part because it lowers the incentives for people in poverty to invest in human capital, and because success in life depends on access to resources, both monetary and non-monetary, that rich segments of society find it easier to mobilize.

4. BREAKING THE VICIOUS CYCLES OF POVERTY: RECOMMENDATIONS

INVESTMENT IN EARLY CHILDHOOD

Children born in poverty are denied the right to equal opportunities, and high levels of inequality result in low social mobility. But these children are not doomed to fail. Support provided to families during early childhood can significantly help to reduce child poverty. Such support increases children’s chances of improving their livelihoods as adults, thus improving social cohesion. Maternity benefits, for instance, lead to more time spent with the child, with significant gains in educational outcomes and in later adult life. Universal child benefits have shown to be effective in this regard, particularly since they...
reduce the risks of stigmatization. Affirmative programs, including desegregating neighborhoods and encouraging access to higher education, can also break the persistence of disadvantage across generations.

Improved early childhood education and care and support to families experiencing hardship are essential to break the cycles of poverty. Rather than creating new forms of dependencies, the role of social services should be to form partnerships with parents focused on the best interests of the child, and to promote the autonomy of the families through direct financial support, parental assistance, and guidance. Where there is a risk of abuse, neglect, violence, and maltreatment, social services should seek to identify in-house measures where children can continue living with their families and communities rather than separating and placing them in residential or family-based care. Access to affordable, high-quality day care for low-income families is also essential, to ensure children are better prepared for school.

INCLUSIVE EDUCATION

Schools themselves often cannot fully compensate for differentials in pre-school education between children of different socio-economic backgrounds, especially where residential segregation between rich and poor is pronounced. More than the resources available to the school or the size of classrooms, what matters is peer influences, teachers' mo-
role and qualifications, and schools’ emphasis on academic preparation.

In other terms, what is needed is to give a second chance to children through a desegregated and inclusive educational system that seeks to provide equal opportunities to disadvantaged children. Truly inclusive schools are schools that provide more extracurricular opportunities after school hours and that strengthen the links between the school and the community in order to improve social capital and access to various networks for the child. Inclusive schools also reduce the role of selection and assessment of children based on academic performance, and instead value each child for what they contribute to the classroom. Inclusive education ensures that learning orientations are not biased against low-income children, whose choices and aspirations should be fully respected, rather than ignored or dismissed by the common prejudice that such children cannot succeed in certain study courses that are considered more demanding.

Provided that they affirmatively seek to ensure equal opportunities rather than simply reproduce existing inequalities inherited from childhood, schools may provide a second chance to children from families in poverty. More integrated schooling systems also ensure pupils from wealthier backgrounds will develop a more pro-social behavior and greater empathy towards poor students. After elite schools in Delhi were ordered in 2007 to reserve 20 percent of their seats for students from households earning under approximately $2,000 a year, the prejudice against children from low socio-economic status fell significantly. Interventions such as these significantly improve overall social cohesion.

**A BASIC INCOME FOR YOUNG ADULTS**

A third chance may be given when these children enter their adult lives. The provision of a universal basic income (UBI) between the end of secondary education and age 25 may be particularly beneficial. Owing to its universal nature, UBI for the youth is not stigmatizing, and the risks associated with targeting in means-tested programs are avoided. In most countries, such schemes could be financed by increasing taxes on inheritance. This method of financing would also be a coherent way of tackling the growth of wealth inequalities. In OECD countries, the inheritances and gifts reported by the wealthiest households are close to 50 times higher than those reported by the poorest households, which illustrates the important role of inheritance in perpetuating and even reinforcing inequalities. It also shows why taxing inheritance is an effective measure for breaking the cycle of the perpetuation of poverty.
The various measures to break the cycles of poverty should be supported by the overarching objective of combating discrimination on grounds of socio-economic disadvantage. Article 2(2) of the International Covenant on Economic, Social and Cultural Rights mentions “social origin” and “property” among the prohibited grounds of discrimination. The Committee on Economic, Social and Cultural Rights has reiterated that people “must not be arbitrarily treated on account of belonging to a certain economic or social group or strata within society”, and it insists that such grounds should be included in the anti-discrimination framework adopted by the States parties to the Covenant. Yet discrimination against individuals or groups of individuals on grounds of socio-economic disadvantage remains widespread.

Discrimination faced by low-income individuals and households should be seen for what it is: a form of systemic discrimination that affects a range of areas, including health, education, housing, and employment. Prohibiting discrimination on grounds of socio-economic disadvantage can therefore help end the cycles that perpetuate poverty. Three consequences in particular follow from the requirement that disadvantaged groups and individuals are guaranteed equal treatment:

First, in addition to direct discrimination on grounds of socio-economic disadvantage, indirect discrimination should be prohibited, where decisions made on apparently neutral grounds disproportionately affect people in poverty: Employers should not be allowed to reject job applicants based on where they live (e.g., in poor neighborhoods) or on the reputation of the schools the candidate attended (e.g., when they are disproportionately attended by pupils from disadvantaged backgrounds). Landlords should not be allowed to refuse to rent an apartment to a lessee who relies on social assistance. Schools should not be allowed to penalize students who cannot buy teaching materials or lack access to internet. And public entities should not be allowed to make policy decisions or decide regulatory reforms without

“Children must be given the chance to work and train for the profession of their dreams.”
Ms S., Peru

“Those who pay more are treated better than those who pay less, although we are in the same school.”
Mr A., DR Congo
inquiring into the impacts on people in poverty and ensuring that their decisions do not worsen inequalities.

Second, socio-economically disadvantaged individuals should have a right to “reasonable accommodation”, which means in particular that their individual circumstances should be considered, and the particular contributions they can make based on the qualifications gained from their practical experiences should be acknowledged and valued, even when they are atypical. It is this idea that has motivated a number of French municipalities to launch since 2015 the “zero long-term unemployed territories” experiment, based on the idea that people in long-term unemployment have talents that can be employed for the benefit of society, provided these talents are effectively recognized and opportunities created.

Third, to address the systemic nature of discrimination on grounds of poverty, affirmative action programs should be considered to support access of individuals in poverty to higher education and to sectors of employment in which they are underrepresented. Creating such access could also help overcome the limited “aspirations window” and the lack of social networks as part of the factors that can result from the perpetuation of poverty. Affirmative action should not be seen as a substitute for structural measures, such as investments in social housing in poor neighborhoods, increasing funding for schools, or employment policies. However, affirmative action can help desegregate societies that are staunchly separated by wealth.

5. CONCLUSION

By investing in early childhood education and care, by ensuring schools are truly inclusive, and by supporting young adults through a basic income guarantee, the vicious cycles that make poverty repeat itself can be broken. By making discrimination on grounds of socio-economic disadvantage illegal, courts and national human rights institutions can contribute to this effort. This is not in the interest of people in poverty alone: it is in the interest of society as a whole, which can afford neither that talents go to waste, nor the breakdown of the social fabric that results from the growth of inequalities.

When we search for work, we are discriminated against because we come from poor neighborhoods, because we haven't studied, because we don't have money. We are discriminated against because of the color of our skin, because of our indigenous origins, our peasant origins.

Ms B., Bolivia

With courage, with our heads held high, we will move forward. We can't lose hope.

Ms M., Guatemala
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1. INTRODUCTION

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2. THE FACTORS THAT PERPETUATE POVERTY

A• The dire impacts of inequality on health


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**Any job will do? The type of work matters**

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3. INEQUALITY AND THE PERPETUATION OF POVERTY

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4. BREAKING THE VICIOUS CYCLES OF POVERTY: RECOMMENDATIONS

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D• Prohibition of discrimination on the grounds of socio-economic disadvantage

The Committee on Economic, Social and Cultural Rights has reiterated that people «must not be arbitrarily treated on account of belonging to a certain economic or social group or strata within society»: General Comment No. 20: Non-discrimination in economic, social and cultural rights (art. 2, para. 2, of the International Covenant on Economic, Social and Cultural Rights) (E/C.12/GC/20, 2 July 2009), para. 35.

... and it insists that such grounds should be included in the anti-discrimination framework adopted by the States parties to the Covenant: See, for example, Concluding observations on the sixth periodic report of Canada (E/C.12/CAN/CO/6, 23 March 2016, para. 17) (referring to “social condition” as a prohibited ground of discrimination).
First, in addition to direct discrimination on grounds of socio-economic disadvantage, indirect discrimination should be prohibited, where decisions made on apparently neutral grounds disproportionately affect people in poverty: In Ireland, the Equality (Miscellaneous Provisions) Bill 2021, currently pending adoption, defines having a socioeconomic disadvantage as being member of a “socially or geographically identifiable group that suffers from such disadvantage resulting from one or more of the following circumstances: (a) poverty, (b) source of income, (c) illiteracy, (d) level of education, (e) address, type of housing or homelessness, (f) employment status, (g) social or regional accent, or from any other similar circumstance” (available at: https://data.oireachtas.ie/ie/oireachtas/bill/2021/6/eng/initiated/b0621d.pdf). In South Africa, the Promotion of Equality and Prevention of Unfair Discrimination Act (implementing Section 9 of the Constitution) contains a Directive Principle that requires special consideration to be given to the inclusion of, inter alia, socioeconomic status in the list of prohibited grounds: this expression is defined as the “social or economic condition or perceived condition of a person who is disadvantaged by poverty, low employment status or lack of or low-level educational qualifications.”
THE PERSISTENCE OF POVERTY