Extreme Poverty in Wealthy Nations: Evidence from France*

Christophe Bruneel-Zupanc *KU Leuven*

Alexandre Gaillard *Brown University*

Christian Hellwig *Toulouse School of Economics*

Philipp Wangner *University of Mannheim*

Nicolas Werquin *Chicago Fed*

November 20, 2025

Abstract

While we have by now detailed knowledge of the dynamics of income, consumption and wealth at the top of the distribution, much less is known about the other end, i.e. the poorest households. In this paper, we study the causes and consequences of extreme poverty in an advanced market economy, based on a novel data set from France's largest food assistance charity that is unique in its near universal coverage of poor households. We first offer new empirical facts and insights into the demographics and dynamics of poverty in general, and homelessness in particular. We then uncover the factors that drive people's entry into, and chances to break out of, extreme poverty, focusing on the respective roles of individual characteristics versus local economic conditions – such as labor market conditions, food and rent inflation, and public housing policies. Finally, we explore the consequences of homelessness and access to public housing on employment, consumption, reliance on charity support, and exit from poverty. Results suggest that a doubling of rents in a location raises the probability of being unhoused by about 50%, while those who remain renters cut their non-housing expenses one-for-one and increase their reliance on the charity. Subsidized housing availability has opposite effects: a doubling of public housing reduces homelessness by 10%. Public housing thus appears to be a critical gateway out of homelessness.

*Bruneel-Zupanc: christophe.bruneel@gmail.com. Gaillard: alexandre_gaillard@brown.edu. Hellwig: christian.hellwig@tse-fr.eu. Wangner: philipp.wangner@uni-mannheim.de. Werquin: nwerquin@gmail.com.
We are immensely grateful to Elodie Charmat, and les Restos du Cœur more generally, for sharing their data with us, trusting us to undertake this research agenda, and patiently answering all of our questions. This project would not have been possible without Elodie's unwavering generosity, kindness, and efficiency. We are also very thankful to Bernard Gaillard, our local volunteer point of contact, whose practical knowledge of food bank operations greatly helped us. We also thank Jeff Campbell, Mariacristina De Nardi, Aspen Gorry, François Maniquet, Serdar Ozcan, Diane Schanzenbach, Kamila Sommer, Damian Vergara for useful comments. All remaining errors are ours. Opinions expressed in this article are those of the authors and do not necessarily reflect the views of the Federal Reserve Bank of Chicago, the Federal Reserve System, or Les Restos du Cœur. Christian Hellwig acknowledges funding from the French National Research Agency (ANR) under the Investments for the Future program (Investissements d'Avenir, grant ANR-17-EURE-0010).

1 Introduction

While we have by now detailed knowledge of the dynamics of income and wealth at the top of the distribution, thanks to the highly influential research agenda initiated by Piketty (2003) and Piketty and Saez (2003), much less is known about the other end of the distribution: the poorest households. What are the key drivers of deep poverty and its dynamics—what roles are played by family background and individual characteristics such as human capital, health, household composition, or adverse idiosyncratic shocks, on the one hand, versus local economic conditions such as employment opportunities (or lack thereof), inflation rates, or the generosity of redistributive policies, on the other hand? These questions are particularly timely as recent evidence documents a rapid rise in extreme poverty in rich countries.

Data limitations, however, represent a major challenge for answering them comprehensively. Existing survey panels like the PSID and SIPP for the US or HFCS and EU-SILC for Europe struggle to capture the poorest households, particularly the homeless individuals who may be without a home or a phone at which they can be reached. Administrative tax data also paint an incomplete picture because they exclude undocumented immigrants or any other individual who does not have a tax identifier. Charity data can reach a broader population but may lack representativeness and have sample sizes that are often too small to study heterogeneity across individuals or locations on a large scale—e.g., because of their religious affiliation or their presence in a single neighborhood or city. Empirical studies, especially of the homeless, thus tend to be much more limited in scope than studies of top income earners.

This paper fills this gap and offers new empirical facts and insights into the demography, geography, and dynamics of extreme poverty in an advanced market economy. It exploits a newly available semi-annual panel data set from France's largest food assistance charity that is unique in its coverage of low-income households. By our estimates and comparison with other data sources, our sample includes almost the entire homeless population in the country, as well as most households in slightly less precarious situations, capturing approximately the bottom 1.5% of the French poorest individuals—in terms of consumption—and following them over space and time. Because the charity is present and active across the entire country, we are able to match households to the local economic conditions they experience, and examine the role of person-specific and location-specific determinants of poverty, as well as the efficacy of policies aimed at alleviating poverty.

Literature review

Outline. TBA.

2 The Data

2.1 Data Sources

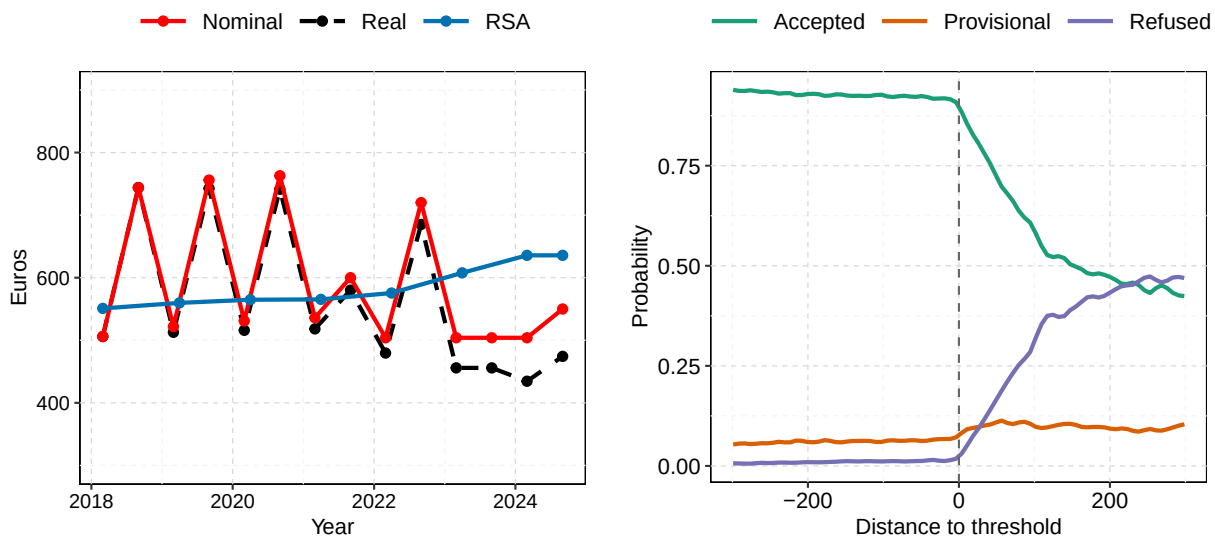
Main Data Source. Our data comes from the largest charity in France, "Les Restos du Cœur" (or "Restaurants of the Heart", henceforth RDC). This charity was founded in 1985 and provides recipients with hot meals,[1] as well as packaged food, hygiene and baby products, educational, cultural, legal, and administrative support. The crucial feature of this charity for our purposes is that households are eligible to receive food assistance if their resources are below a given threshold. This particular rationing criterion leads RDC to collect exhaustive and precise data about individuals who apply for help. Since 2018, they have digitized and anonymized these data (with partial digitalization in 2017). This forms our main dataset. We observe all applicants, including those who were rejected.

Eligibility Criterion. Individuals are surveyed by RDC volunteers on a semi-annual basis, with a "summer" wave in March and a "winter" wave in November. Eligible households get access to free food until the next wave. The eligibility criterion is based on the household's "rest for living" (*"reste à vivre"*), defined as the difference between all income sources and a number of—mainly housing-related—expenses, as explained below. For instance, to be eligible in the winter 2024, the household's rest for living must be lower than a nationwide threshold of 498€ per month for a single individual and 633€ for a couple with no children; more generally, eligibility is adjusted based on the number of family members and the age of children. If a household's rest for living is only slightly above the threshold, a collective decision is made by the volunteers about whether to grant eligibility, giving rise to a kink rather than a sharp discontinuity in the number of recipients at the eligibility threshold.

These eligibility rules are illustrated in Figure 1. The left panel shows the evolution of the monthly eligibility threshold over time for a single individual without children (red line, with inflation adjustment in black). Until 2023, the threshold was higher in the winter to reflect the higher heating costs. For reference, the blue line in the left panel reports the

[1] One meal generally consists of 100 grams of protein product, 100 grams of vegetables, 100 grams of dessert, and either 1 yogurt or 30 grams of cheese or 20 grams of cream. Households get approximately one meal per person per day.

Figure 1. Eligibility threshold for single without children (left) and acceptance probability (right)



amount of the RSA ("*revenu de solidarité active*"), i.e., monthly cash transfers to eligible individuals with no income—one of France's major redistributive policies that we describe in more detail below. The right panel of Figure 1 shows the probability of being accepted for food assistance as a function of the household resources net of their eligibility threshold, for the summer 2021 wave and for legal French residents only.[2]

Coverage of the RDC Data. The left panel of Figure 2 plots the evolution of the number of RDC applicants over time (black line), and of the number of accepted recipients (blue line).[3] The sample includes roughly 450,000 households in 2024, or between 1 and 1.2 million individuals.[4] (For reference, mainland France including Corsica had 66.2 million inhabitants in 2024.) Overall, our data contains more than 5 million individuals across all waves between 2017 and 2024, i.e., about 7% of the French population. We interpret this value as giving the number of individuals at risk of falling into extreme poverty—defined as requiring food assistance—within the last 7 years.

The left panel of Figure 2 also shows the overall number of homeless individuals in our sample: about 300,000 under the strictest definition of homelessness, and 400,000 under the broader definition that includes various forms of unstable housing situations described below. The previous years' annual reports of RDC allow us to measure the number of recipients and

[2]The structural break at the eligibility threshold is under-estimated as we did not correct for the potential self-selection of applicants who choose not to apply if they presume that they will fall to the right of the eligibility threshold.

[3]Recall that the data was only partially digitized before 2018.

[4]Over 160 million meals were served by RDC in 2024.

homeless individuals back to 2009. Notice that the post-Covid period has been marked by a very large—between 20 and 30 percent—increase in the number of both overall and homeless recipients.[5] We study the extent to which food and rent inflation caused this dramatic rise in poverty in Section **??**.

RDC has a very fine geographical coverage. The right panel of Figure 2 shows the location of distribution sites: the black (respectively, red) dots give the location of those that already existed at the beginning of our data set (resp., those that opened between 2018 and 2023). As of 2025, there are 2,348 distribution sites across mainland France, or an average of one site per 230 km^2 (or 90 square miles). This means that, if they were evenly distributed across space, every location in the country would be within 7 miles of an RDC site.

Figure 3 then shows the number of RDC recipients by *canton* (an administrative entity roughly equivalent to a commuting zone in the U.S.) in 2023 as a fraction of the overall local population (left panel), its evolution between 2019 and 2023 (middle panel), and the fraction of (broadly) homeless recipients in the local population by *département* (roughly equivalent to a county in the U.S.). The maps show the high poverty rates in the "empty diagonal" ("*diagonale du vide*") covering the low population density areas from the North-East to the South-West of France. More broadly, there is a significant amount of spatial variation that we will exploit to explore the determinants and consequences of poverty and homelessness.

We believe that our data allows us to observe a very large share of the very poor households in France, and the near universe of the homeless. Besides its wide spatial coverage, RDC is the *only* food charity in France that is completely free of charge for the recipients. It is well-known by virtually everyone in France and has an excellent reputation; it is not associated with any faith (nor lack thereof) or political party. For comparison, the second largest food aid charity, the *Secours Populaire* (SP), currently serves less than 6,500 households in the city Paris each year,[6] compared to 14,159 for RDC in 2024.

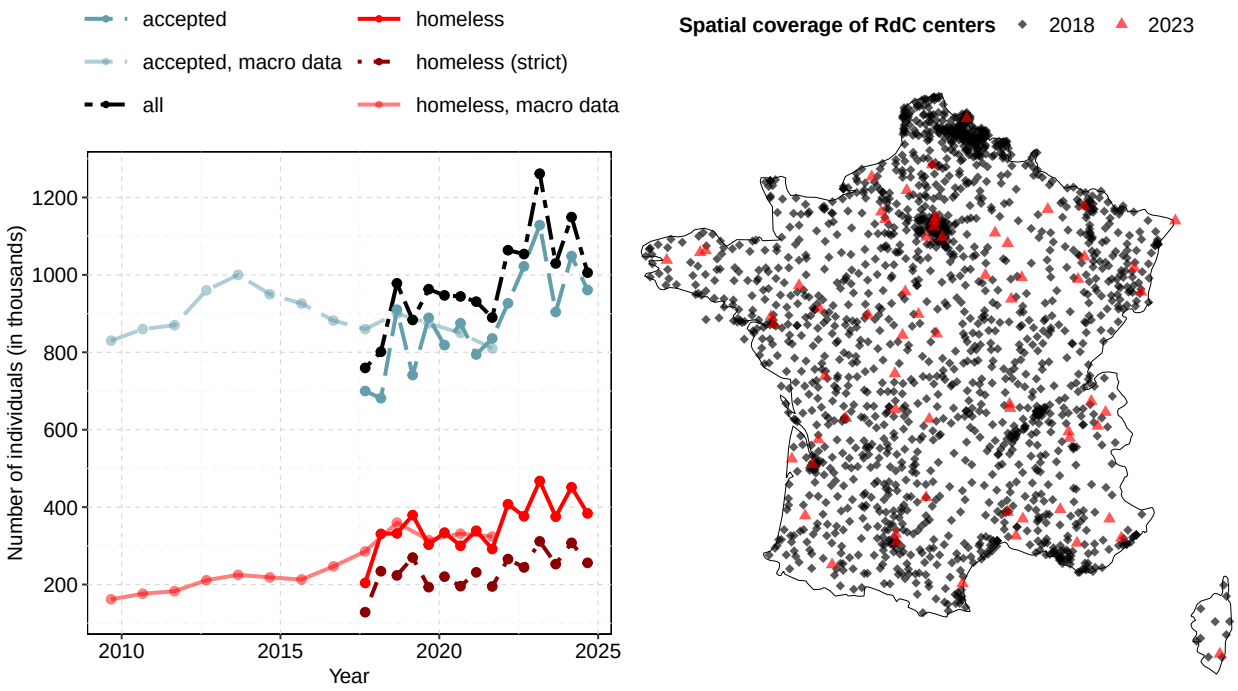
Focusing on the unhoused, who are especially difficult to observe in standard data sets, the OECD confronted multiple reliable sources to estimate that France counted 333,000 homeless individuals in 2022, representing 0.49% of the total population.[7] Their definition of homelessness includes people sleeping in a place not intended for habitation or in an accommodation without rental contract (including refugee shelters), but ignores individuals living in other unstable conditions (e.g., hosted by third parties, etc.). Using a similar

[5] RDC was able to raise the quantities of meals served without lowering eligibility criteria by tapping into their financial reserves and orchestrating a particularly successful fundraising campaign.

[6] Source: click here. Note that a household is allowed to receive food assistance from both RDC and SP.

[7] Source: click here

Figure 2. Number of observations (left) and location of RDC centers (right)



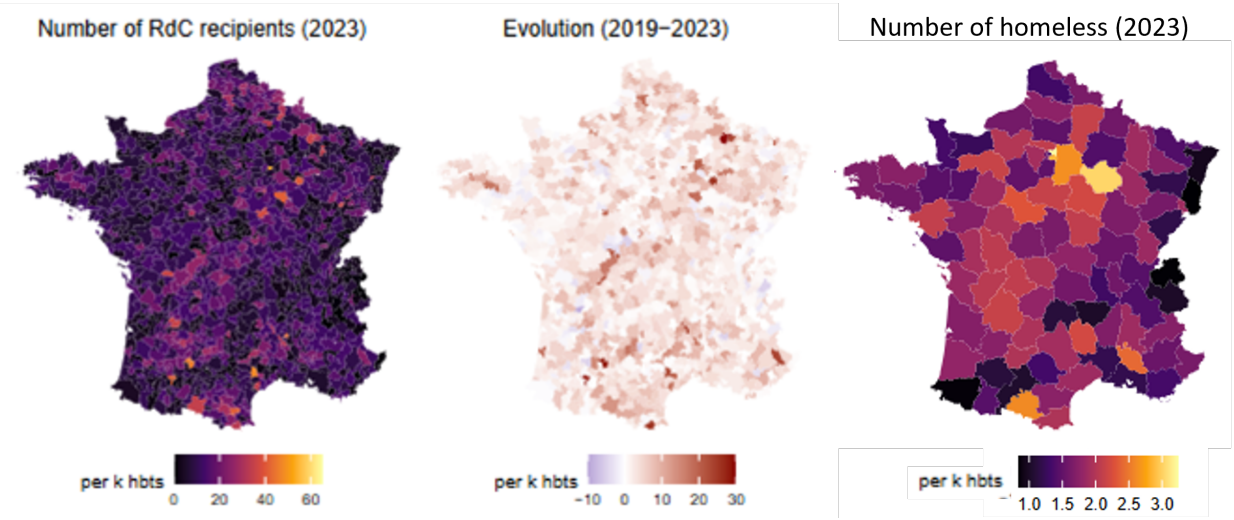
definition, our data in 2022 yields a rate of homelessness of 0.47% on average across the two waves of the survey, an almost identical number to that estimated by the OECD.[8,9] Including precarious and inadequate housing conditions, which we also observe in our data, further raises this population share to 0.67%. (These results are reported in Figure 9.)

Variables in the RDC Data. RDC gives each applicant and their household members (including those who do not come in person to collect the food) both an individual and a household identifier. Importantly, applicants keep their individual identifier even when they re-enter the sample after exiting it, when they move to a different location (they can only receive food from the location to which they applied in the latest wave), or when they form a

[8]More precisely, there are 244,304 (resp., 372,217) individuals who report being either homeless or in shelters (resp., in other unstable situations) in the 2022 winter wave, and 265,862 (resp., 405,832) in the summer wave. Among the non-responses to the housing question, a fraction (around 25% for the French residents and 90% for the non-residents) of applicants also report having 0 housing expenses. We include these observations into homelessness, thus raising the total count by an additional 38,688 individuals in the winter, and 74,335 individuals in the summer.

[9]The remarkable similarity of our estimate and that of the OECD might hide composition effects. First, one of the sources used by the OECD (the INSEE homelessness survey, which dates back to 2012), focuses on cities with more than 20,000 inhabitants, with some information about cities with more than 5,000 inhabitants. Since we also observe homeless individuals in smaller towns, it is possible that we under-estimate the number of homeless in bigger cities by an equivalent amount. Second, the OECD defines homelessness as having been unhoused "the previous night". Our bi-annual survey might ignore such transitory shocks and capture more permanent situations.

Figure 3. Population shares of RDC recipients and homeless individuals



new household after, e.g., getting divorced or leaving their parents' household. This feature allows us to track migration patterns, changes in household structure, and intergenerational linkages. Moreover, we observe when an individual first applied to RDC, even if that predates the first year of our sample.

We observe demographic information for each member of a household: birth date, gender, zip code; and for the applicant, we observe citizenship, residency status, usual language spoken at home, highest educational degree.

Next, we observe some expenses and the income of each household member. Expenses consist of rent, housing and property taxes, utilities (water and energy), alimony, and debt repayment. Income consists of wages, retirement income, government transfers, alimony, and "other regular income". Transfers are composed of the following programs: RSA ("*revenu de solidarité active*", explained in more detail below); employment bonus ("*prime d'activité*", similar to the EITC in the U.S.); ARE ("*allocation de retour à l'emploi*", i.e. unemployment benefits); ASS ("*allocation de solidarité spécifique*", available when unemployment benefits run out); housing subsidies ("*aide au logement*"); child benefits ("*allocations familiales*"); ASPA ("*allocation de solidarité aux personnes âgées*", a floor on pensions available above age 65, equal in 2025 to 1034€ per month minus other income); disability benefits (AAH, "*allocation adulte handicapé*", and ASI, "*allocation supplémentaire d'invalidité*"); and asylum support ("*allocation demandeur d'asile*"). The RSA is close, though not strictly equivalent, to a universal basic income (i.e., the demogrant of the tax schedule). Similar to a UBI, it is only available when an individual's income is equal to zero—or, equivalently, it is distributed "universally" but is phased out through higher taxes at positive income levels. Unlike a strict

UBI, however, eligibility to the RSA is subject to a few conditions. First, the recipient must be at least 25 years old, with some exceptions for single parents with children. Second, the amount an individual can receive depends to some extent on the income (including government transfers) of the other members of their household, and on an assessment of their "lifestyle"—which includes the value of their real estate, vehicles, appliances, vacation, etc. For a single individual with no children, the RSA amounts to 646€ per month in 2025 (see the left panel of Figure 1).

We also observe some labor market variables. For employed workers, we know the type of labor contract: CDD (short-term contract); CDI (long-term contract); or "*alternant*" (e.g., apprenticeship). Otherwise, we know if they are unemployed and searching for a job; student; retired; out of the labor force (working from home, disabled, or without legal right to work); self-employed (entrepreneur, farmer, artisan); or have a disabled worker status (RQTH).

Applicants must further report their housing situation. They can be homeless or in other unstable situations; social housing tenants (details below); private housing tenants; or homeowners. Individuals in unstable housing categories are either homeless (living in the street, hospital, hotel room), without personal accommodation (living in a shelter, women's shelter, migrant shelter, halfway house and other collective housing), with precarious accommodation (hosted by family or third party, subletting, in shared housing, threatened with eviction, in illegal housing), or with inadequate housing (caravan, mobil-home, tent, makeshift dwelling, squat). Social housing (mostly HLM, "*habitation à loyer modéré*") is one of the most important redistributive policies aimed at limiting the housing expenses of low- and moderate-income households. Social housing tenants benefit from subsidized rents. We estimate below that the ratio of social housing rents to private housing rents paid by tenants benefiting from housing subsidies, controlling for location and size, is on average equal to 75% in 2022-23.[10] In 2016, there were 4.8 million social housing units in France, or about 17% of all housing units and almost 50% of all rental housing units. About half of social housing tenants have income in the bottom 25% of the population.[11]

We have limited information about the applicants' health. We know whether they have disability benefits, whether they have health insurance (and if so, what type of coverage),

[10] INSEE estimated that in 2006, the ratio of social to private rents, controlling for location and various characteristics, was on average equal to 54% (source: click here). The difference with our estimate is that we compare the social housing rents to the private rents paid by low-income households, whom we think form a more natural comparison group.

[11] Source: click here.

and whether they express a specific need for help regarding access to healthcare. The data also reports whether they need help with legal issues, toddler care, school tutoring, French learning, IT training, social insurance claims, job searching, finances, or cultural or cooking activities. Finally, we observe how often they collect food from RDC during the period.

Shortcomings of the RDC Data. Our data has two main shortcomings. First, we do not observe individuals after they exit the sample. In particular, we do not know whether they exit because they find a job and no longer apply for assistance—and if so, what their income and subsequent economic outcomes are—or because they move out of the country or pass away. Regarding the latter, the association "*Les morts de la rue*" found that in 2023, a total of 702 homeless individuals passed away in mainland France, including 313 in the Paris metropolitan area ("*Ile de France*"); this amounts to less than 0.25% of all the homeless individuals (with and without shelter access, but excluding other unstable housing situations) in our data set. As we describe in further detail below, we address the broader issue of sample exits of French residents by merging our data with administrative tax data, but this is more difficult to assess for non-residents.

Second, there is potential misreporting by the applicants or by the volunteers who enter the information in the database. There are incentives for applicants to under-report income or over-report expenses in order to clear the eligibility threshold. This issue is partly alleviated by the fact that applicants must provide verifiable evidence of their reported income and expenses each time they renew their enrollment. For instance, if they report earning a certain level of income that allows them to be eligible to some government transfers, they must show proof that they are indeed receiving these transfers. Such a verification is more difficult for non-residents, e.g. undocumented immigrants who are not eligible for transfers.

One (imperfect) way to test whether there is indeed misreporting is to plot the distribution of rest-for-living and to check whether there is a bunching mass at the eligibility threshold. The bottom panels of Figure 5 show the results for the summer and winter 2021. The eligibility threshold is normalized at 0 on the x-axis. In both waves, we do observe a clear bunching mass at the threshold. This could be due to several reasons. First, applicants may misreport their true economic situation. Second, volunteers who run the survey may alter the true values when entering an applicant's information in the database (even though being slightly above the eligibility threshold would still allow an individual to receive assistance if the volunteers collectively decide so, see Figure 1). Third, there might be self-selection, whereby individuals who know that they are not eligible for assistance choose not to apply. The bottom right panel shows another bunching mass at the *previous* wave's

eligibility threshold, suggesting some learning by applicants—although this does not rule out the self-selection explanation.

To better test the accuracy of our data for French residents, we merge our data set with the French administrative welfare benefit (*Caisse d'Allocations Familiales*, or CAF) data, as described in the next paragraph. Despite the potential for misreporting, we find that RDC self-declarations are largely consistent with the CAF administrative records: The average housing subsidy reported in RDC data represents 97% of the amount recorded in CAF, and the distribution of individual-level ratios is tightly centered around one. Finally, among specific subgroups, consistency remains high. For instance, 82% of homeless individuals without shelter have zero housing subsidy in CAF, and the ratio of zeros in RDC relative to CAF is 1.17. Among homeowners, 78% report zero subsidies, with a RDC-to-CAF zero ratio of 1.07.

Other Data Sources. We complement our main data set with a number of additional data sources. First, we merge our data set with the exhaustive French administrative welfare benefits data (CAF). The goal is twofold. First, this allows us to verify the accuracy of income reporting in our sample. Second, it allows us to observe individuals before they enter, and after they exit, the sample—allowing us to understand, for instance, whether they exited because they found a job, and if so with what salary, etc. On the other hand, this is by nature only possible for individuals who have a tax identifier, and hence this merged dataset excludes undocumented immigrants. Using only birth date and zip code, we find that 52% of the resident households can be uniquely matched to a single record in the CAF data. This match rate increases to 80% when incorporating additional variables, such as the spouse's date of birth and the number of children. In the following, we refer to RDC–CAF as the merged dataset.[12]

Second, we collected measures of housing rents at the local level are of particular interest. The CAF data informs us about the rents paid by individuals in their sample—that is, all the tenants who receive any form (not just housing subsidies) of welfare benefits. We can therefore measure the average rents of private housing units at the local level. The housing units occupied by households receiving welfare benefits is exactly the market we should focus on in order to measure the effective local housing prices faced by (existing or potential) low-income renters in our data. Publicly available government data (data.gouv.fr) give us the

[12]The match quality is slightly heterogeneous: matched households tend to be marginally less likely to be homeless or homeowners than the full RDC sample. For instance, 8% of matched households are homeless (compared to 10% in the full sample), and 4% are homeowners (versus 5% overall).

distribution of social housing rents at the local level. The top panels of Figure 4 show the spatial variation in local rents—both for private and social housing units. To complement these data and gather information on rent postings rather than realized rents of occupied units, we exploit a data set that contains the prices (overall and per square meter) of all posted private rental units at the zip code level, obtained from the systematic scraping of online adverts.[13]

Third, in order to explore the role of food inflation in driving poverty, we purchased bar code-level scanner data from . Similar to the Nielsen data set used by, e.g., Kaplan and Schulhofer-Wohl (2017), the data set contains the prices and quantities purchased by a panel of individuals, along with their demographic and income characteristics, in more than 300 stores (the 50 most common ones being almost exclusively supermarkets, sarting with Leclerc, Lidl, Carrefour). As a result, almost all of the bar codes are either food items or cleaning and bathroom products. After basic cleaning of the data, we observe the purchases of $\approx$ 7,500 to $\approx$ 15,000 individuals, and between $\approx$ 130,000 and $\approx$ 160,000 bar codes, per year. Aggregating at the *département* level, we have in 2023—the year with the smallest number of individuals—an average of 80 individuals per location (min = 7 and max = 369, reflecting the overall population of each département), and an average of $\approx$ 10,000 bar codes per location (min $\approx$ 1,200 and max $\approx$ 33,000). This data set allows us to compute local price indices and inflation rates by simply measuring a volume-weighted average of prices of all bar codes in each year and département. Figure **??** shows the evolution of the price index, normalized to 100 for each département in 2016, over time (left panel, each gray line corresponds to one location) and across space in 2023 (right panel).

Fourth, we merge our data with several other local covariates: local GDP or average income per capita, population size and density, unemployment rate, poverty rate and inequality, gas prices, temperature, election results (municipal elections took place in 2008, 2014, and 2020). We also observe, in each location, the number of social housing units, as well as their vacancy rate.[14] Furthermore, we obtained administrative data on local shelter availability for homeless individuals—both their number and, when missing from this first data set, their capacity. The bottom panels of Figure 4 show the results.

Finally, RDC runs additional qualitative surveys on a small sample of recipients. The latest survey asked several questions on mental and physical health—whether the recipient experiences disability, chronic disease, and symptoms of depression, and how they would

[13]We thank Guillaume Chapelle for sharing this data with us.

[14]Most of these local data are publicly available on the data.gouv.fr website. We also used Piketty and Cagé's local inequality data, OFGL for recent population data, INSEE for (TBA).

rate their physical health on a scale from 1 to 10. It also contains questions on housing quality (size, heating, humidity), leisure activities, child care and education, transportation, technology access, ability to take up welfare benefits, ability to get help. For all of these items or activities, the survey also asks to give a reason in case the recipent does not have access to them: financial, administrative, time, or mobility hurdles, feeling of not belonging, etc. Finally, in all of these categories, the survey asks whether the recipient expects that their situation could, or will, improve, and if not, to pick a reason why. Because this survey also contains several covariates that are present in the main data set, we are able to partially merge these two sources, thus giving us additional information about the recipients.

2.2 Selection into the Sample

Overall Recipients. To assess the extent to which our sample population is a selected fraction of the poor living in France, we first compare the distributions of income and rest-for-living in our data and in the broader population, using available survey data (HFCS and EU-SILC) and, for French residents only, the CAF data.

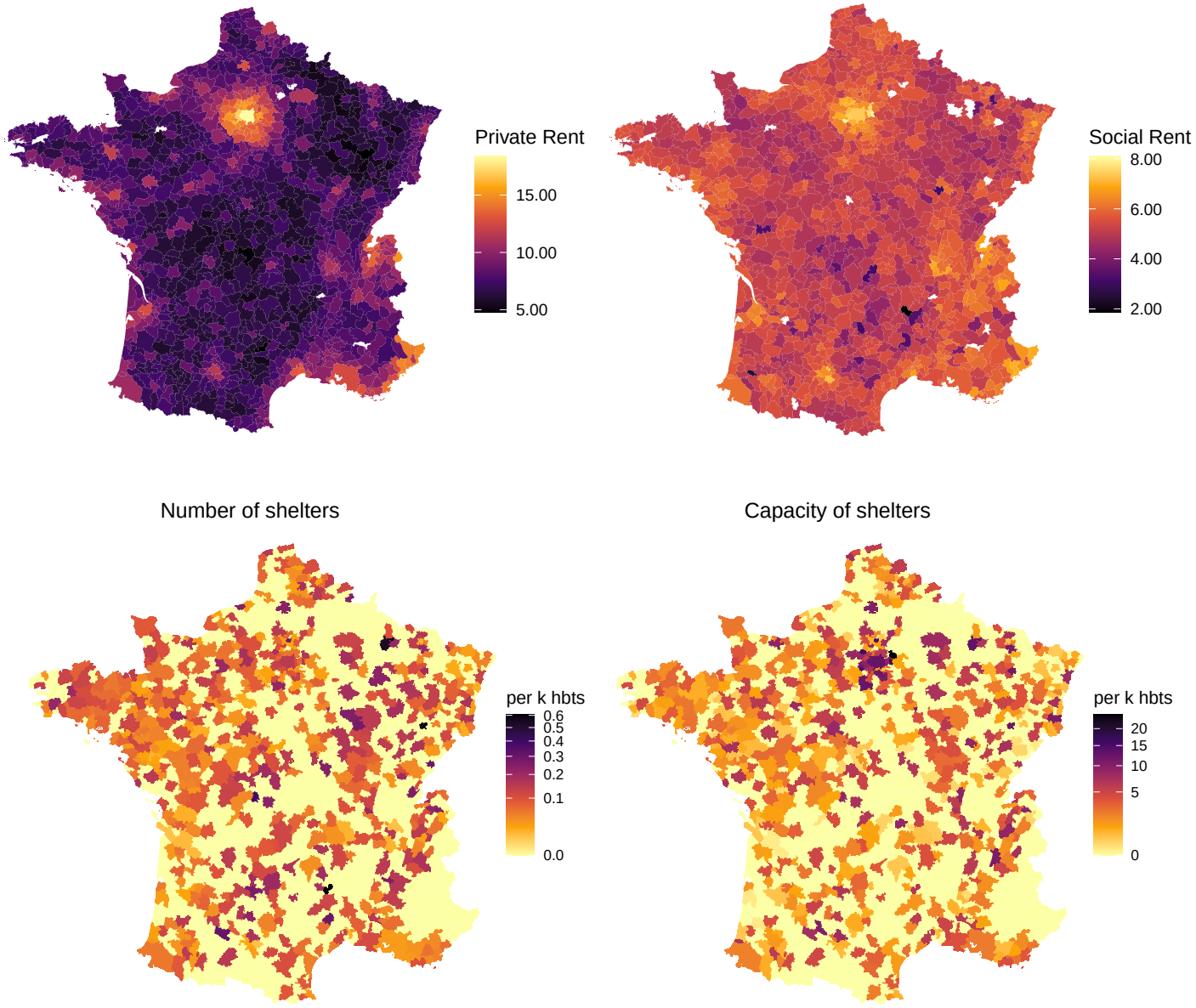
Figure 5 depicts the overall income distribution in our sample (summer and winter 2021), as well as the rest-for-living distribution.[15] The income distribution shows clear bunching masses corresponding to the levels of the RSA for individuals and couples without children. The bottom panels are normalized by the value of the eligibility threshold that varies by household structure. Notice first that our data set contains individuals with relatively high monthly incomes (including transfers). Normalizing income by consumption units, the HFCS places the 10^{th} percentile at 850€, while the 25^{th} percentile around 1,300€.[16] By contrast, our sample (excluding non-residents) has a 90^{th} percentile at 875€, and a 99^{th} percentile slightly below 1,200€ (see Figure 6). In other words, the highest income in RDC is between the 15^{th} and the 20^{th} percentiles of the HFCS, 95% of the sample is below the 10^{th} percentile, and 25% is below the 5^{th} percentile.

These results suggests that our sample recipients are in fact often far from being the poorest in the population. Such a conclusion is misguided, however, for several reasons. First, we think that the HFCS severely understates the take-up of welfare benefits by French residents. The misreporting of transfers is a major problem that is common to surveys in general, and that has become more pronounced in the past few years; see, e.g., Meyer

[15] These distributions are not normalized by consumption units (CU) in the household.

[16] An income of $1,500$ is often reported as being the threshold of the bottom 10% of the distribution (see, e.g., Observatoire des inégalités). Without normalizing by CU, the 10^{th} percentile in the HFCS is at 1,100€.

Figure 4. Private and social rent prices per square meter in 2022 by EPCI (top panels); Number and capacity of shelters by EPCI (bottom panels)



Note: Each area corresponds to an Établissement Public de Coopération Intercommunale (EPCI)—a local administrative entity that groups several neighboring municipalities with shared development objectives. Shelters include emergency accommodation centers (CHRS), mother-child reception centers, parental centers, social-purpose hotel residences, young worker hostels, family hostels, social residences, therapeutic coordination apartments (ACT), health-care support beds (LHSS), medical admission beds (LAM), as well as other temporary reception centers offering non-conventional shelter under social assistance.

Figure 5. Distribution of income (top panels) and rest for living (bottom panels)

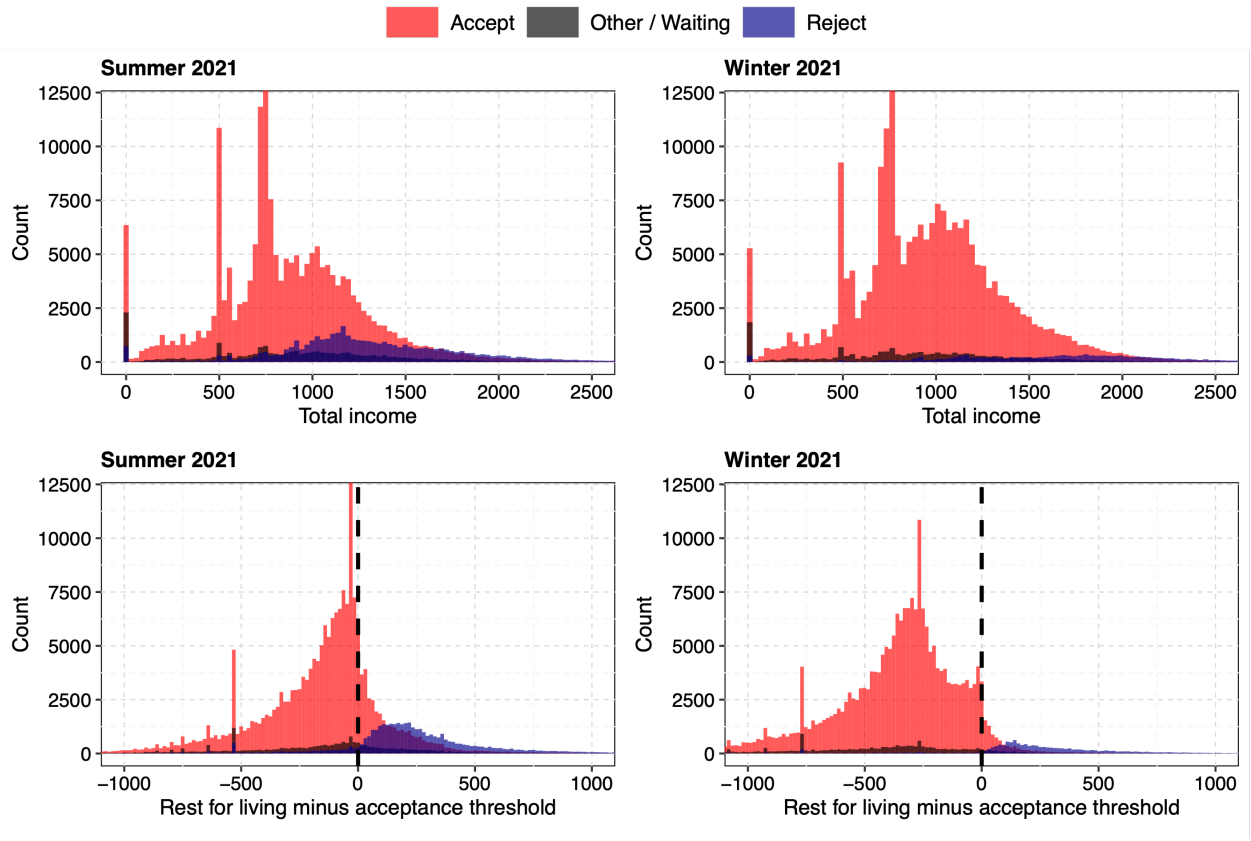


Figure 6. Comparison with HFCS: Income per UC

	source	p01	p05	p10	median	mean	p90	p100
	<chr>	<dbl>	<dbl>	<dbl>	<dbl>	<dbl>	<dbl>	<dbl>
1	HFCS	4.5	733.	1088.	2621.	3406.	6158.	735181.
2	HFCS bottom 10%	-19.9	0	4.5	733.	761.	1544.	3139.
3	RdC	0	166	408	790	848.	1325	5288
4	RdC (with non resident)	0	0	0	599	585.	1202	5288

et al. (2015)). For instance, less than 60% of SNAP receipts were reported in the CPS c. 2010 (source). We find that the HFCS covers a small fraction of the transfers relative to the total distributed amounts recorded in the administrative CAF data—about 40% overall and 25% of the unemployment benefits. This means that incomes in the left tail should be significantly larger than such surveys would suggest. Second, the composition of the left tail in the HFCS looks very different than in the RDC sample, in ways that suggest that the HFCS faces severe misreporting issues. In particular, the HFCS has a very large fraction of homeowners (about 25% in the bottom 10%, compared to 4.7% in our sample) and of indebted individuals (21% vs 12.5% in our sample), and a much smaller fraction of transfers, both on the extensive and the intensive margin: 63.5% of them in the bottom 10% report receiving transfer vs. 85% in our sample, with a mean transfer of 485€ in HFCS vs. 634€ in RDC.

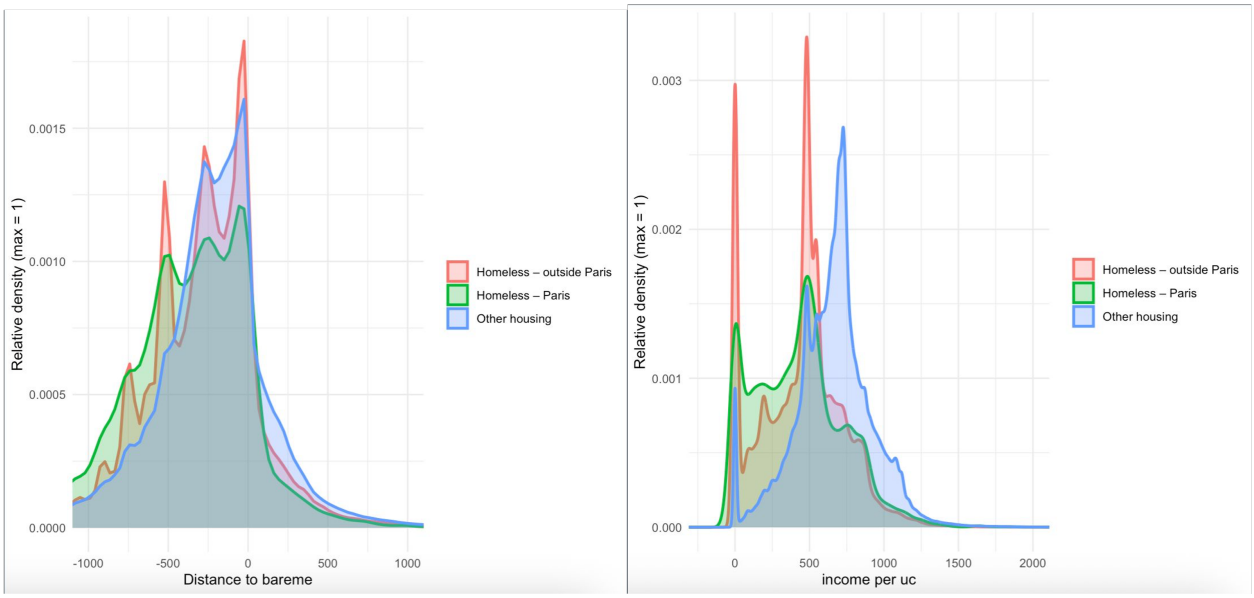
Last, and most importantly, individuals in our sample should not be interpreted as necessarily the most *income*-poor in the country. Rather, they are the *consumption ex-housing*-poor—by definition, they are those who need food assistance—which we think is a more relevant measure of poverty. For instance, an individual with 1,300€ of income (including transfers) might be in extreme poverty, to the point of requesting and receiving help from RDC, if they live in Paris where rents are particularly high, even though their income would place them close to the second decile of the overall French distribution.

Homeless Recipients. Next, we focus more specifically on whether RDC's eligibility criteria create a selection of homeless individuals in our sample. Because they have much lower housing expenditures, it is possible that their rest-for-living (income minus housing expenses) is relatively higher, thus placing them at risk of not being accepted into the charity. By contrast, if the homeless in our sample are systematically infra-marginal, this would mean that they are overwhelmingly accepted into RDC and hence that our sample does cover close to the entire homeless population.

Figure 7 shows the relative density functions of homeless individuals in our sample of French residents (both in Paris, where the rents are particularly high, and in the rest of the country), in terms of rest-for-living (left panel) and income (right panel). The left panel shows that the homeless are clearly the infra-marginal RDC recipients. The right panel shows that this is due in large part to the fact that they have far smaller incomes than the rest of the population.[17] This is due to the combination of several factors: (i) the homeless

[17] In practice, homeless individuals have non-zero housing expenses: e.g., some of them spend some nights in hotels, etc.

Figure 7. Relative densities of housed and unhoused individuals among French residents



are much younger on average, which means that they may not receive the RSA transfer (if they are younger than 25) and that they do not receive pensions, which we show later is the largest source of income for recipients in our sample; (ii) their salaries are lower, conditional on working; (iii) their take-up of welfare benefits may be lower. To the last point, we do have a much larger share of unhoused reporting 0 income. These patterns—and the fact that homeless individuals are infra-marginal—are even more pronounced among non-residents.

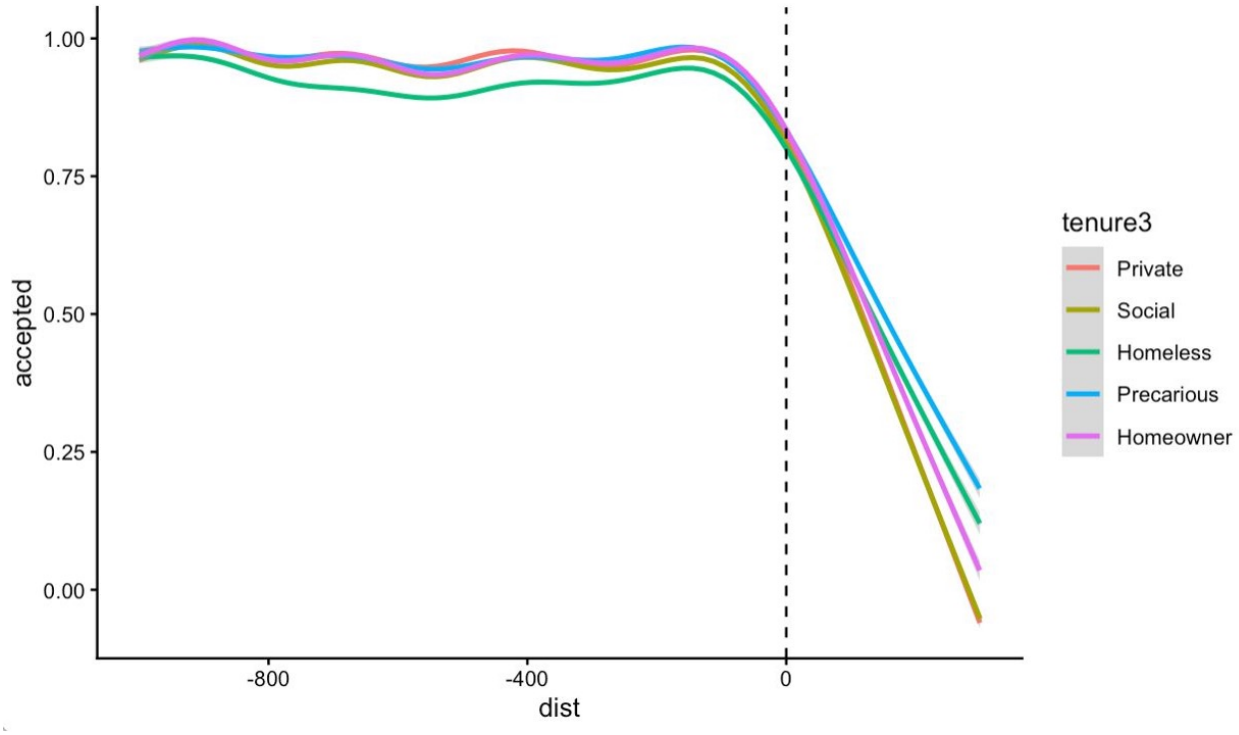
Nevertheless, there are still some homeless individuals who are located to the right of the eligibility threshold, due to much lower housing costs. Some of them do get rejected by RDC. [Give numbers.] Are homeless more likely to get accepted than other applicants when they are located to the right of the eligibility threshold? Figure 8 suggests that this is indeed the case; note that this graph controls for individual characteristics.

2.3 France in the OECD Context

Poverty Rates. The left panel of Figure 9 uses OECD data to compare poverty rates across countries in 2022.[18] The poverty rate is defined as 50% of either median market income (horizontal axis) or median disposable income (vertical axis). According to these data, France has the largest poverty rate among all OECD countries before taxes and transfers: 36.5% of its inhabitants earn less than half of the national median income. After taxes and transfers, however, France has one of the lowest poverty rates (8.3%). Thus, it is one of the most

[18] Source: click here.

Figure 8. Probability of acceptance by housing situation

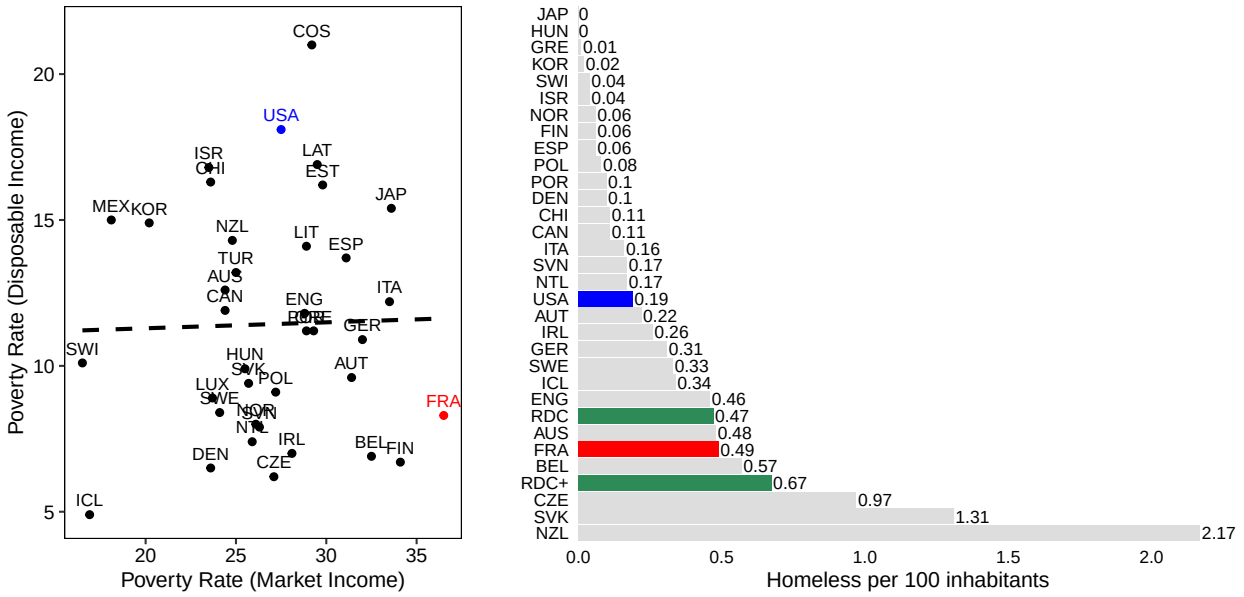


redistributive welfare states. The U.S., by comparison, has an average poverty rate among OECD countries before taxes and transfers, but does relatively little redistribution: after transfers, it has the second largest poverty rate (18.1%).

Homelessness Rates. The right panel of Figure 9 uses OECD data to compare homelessness rates across countries in 2022.[19] We already discussed the comparison between their estimate for France (red bar, 0.49% of the population) with the count in our sample (green bars at 0.47% or 0.67%, depending on whether we include precarious housing situations in the definition of homelessness). For comparison, the U.S. estimate is given by the blue bar (0.19%). Note that different countries use different methodologies to measure homelessness rates; for instance, New Zealand (the highest bar in the graph) includes broader forms of precarious housing in their definition—corresponding to our notion of unstable housing, measured by the higher green bar, labeled "RDC+", in Figure 9. The main take-away is that our data appears to contain close to the *entire* population of homeless individuals as estimated by the OECD, as well as an additional 40% "broadly homeless" individuals in unstable housing situations, who are also extremely difficult to capture in standard data sources.

[19]Source: click here and here.

Figure 9. Poverty rates (left) and homelessness rates (right) in the OECD



Other Variables. In the Appendix, we compare France to the rest of the OECD along various other dimensions, including: (TBA).

Comparing with HUD Data for the U.S. TBA.

3 Aggregate Descriptive Statistics

From now on, we focus on the French residents in our sample, that is, either the French citizens or the foreigners with legal residency status. We run the same analyses for non-residents in the Appendix. In this section, we provide several descriptive statistics from our data with a specific focus on income and expenses, on the one hand, and on housing, on the other hand. The Appendix provides a broader range of descriptive statistics.

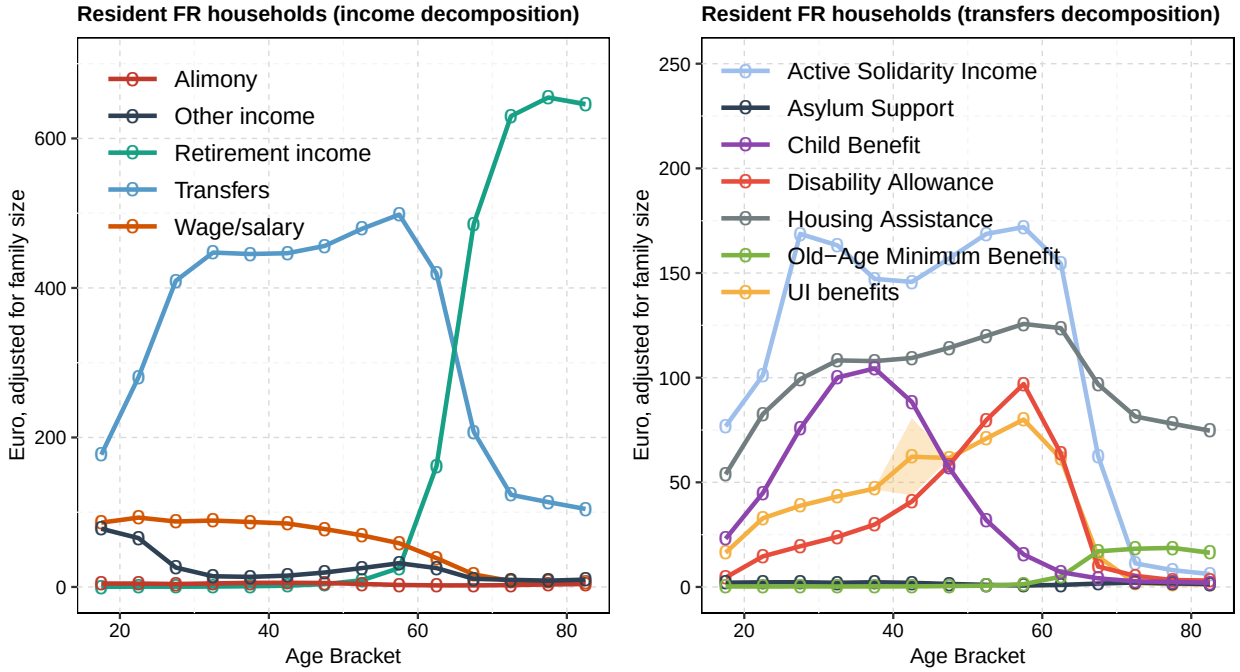
3.1 The Finances of the Poor

We start by describing the finances—income and expenses—of individuals in our sample. The left panel of Figure 10 decomposes overall monthly income as a function of age, on average across individuals in our sample and across years, into its main components: labor income, pensions, welfare transfers, alimony received, and other income. Wages are only a small fraction of household income—on average 100€ per month per working-age individual. This is much smaller than welfare benefits, which account for the largest share of the revenues

between ages 25 and 60: about 450€ per month on average. The minor importance of wage income reflects the sclerotic labor market in France, with an overall unemployment rate of about 7.5%, a youth (below age 24) unemployment rate of close to 20% in 2025, and an unemployment rate of about 5% above age 50. Interestingly, while the main welfare transfer (RSA, described in Section 2) only kicks in at age 25 for most people, younger individuals in our sample do not earn higher wages. Instead, the category "other income" is significantly higher before age 25—as large as wages—and drops when individuals become eligible for RSA. Finally, welfare benefits and wages drop past age 60, at which point pensions take over and reach about 650€ around age 70. It might be surprising that pensions are so high even though wages during working life are so low. But this is because those receiving pensions today are the baby boomer cohorts whose wages were presumably a lot higher during *their* working life several decades ago.

The right panel of 10 gives the decomposition of welfare benefits—the main category of income below retirement age—into its main components, per unit of consumption (1 for the first adult, 0.5 for any other person older than 14 in the household, and 0.3 for children under 14 years old). RSA, or Active Solidarity Income, accounts for the largest share of transfers, amounting to between 150€ and 200€ on average among the 20-60 year old population. The housing subsidy is roughly constant over the life cycle, although smaller for young households, who are more likely to be homeless (see below). Child benefits are, unsurprisingly, largest for middle-age adults, while UI and disability benefits peak for older workers a few years before retirement (the UI duration is progressively extended from 24 to 36 months above age 53). Notice that the old-age minimum benefit accounts for only a small amount: this is because the pensions of these cohorts (left panel) are large enough to make this transfer non-binding for most individuals.

Figure 10. Average income (left) and decomposition of transfers (right) over the life cycle

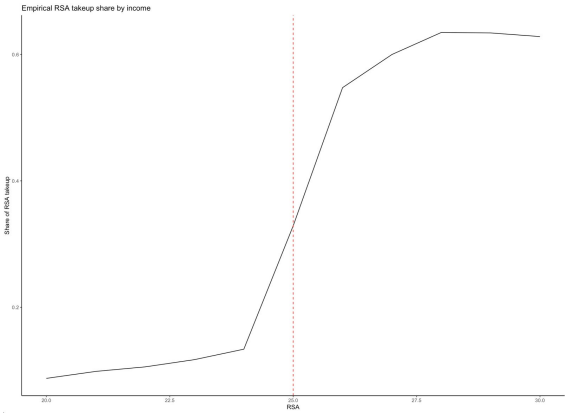


Recall that the level of RSA is about 650€ for a single individual with no children, 970€ for a couple, and between 200€ and 250€ per child. Thus, the average amount of RSA received is much smaller in our data than these statutory amounts would suggest. This is due to the following two reasons. First, even though the RSA can be be received in conjunction with wages and all other welfare benefits, it is reduced one-for-one by the amount of several other transfers—unemployment benefits, child, and disability benefits. It is also reduced by a fixed amount (about 70€ 135€ or 170€ for a single individual, a couple, and a household with at least three members, respectively) if the household receives a housing subsidy. Finally, the amount of RSA is reduced by 70% of the salary income for employed workers. Thus, the fact that the sum of all incomes for the working-age population amounts to a fixed amount per UC (about 600€) regardless of age and of the decomposition of the transfers is by design rather than by coincidence.

The second reason why the RSA is smaller than the maximal statutory amount is because of incomplete take-up of transfers. In the left panel of Figure 11, we estimate that in our sample, slightly more than 80% of eligible individuals collect the RSA transfer. In the right panel, we complement this overall take-up rate with the results of the qualitative survey run by RDC in 2024. To the question "Do you have difficulties accessing your rights (social assistance, housing subsidies, administrative procedures, etc.)", XX% respond "No difficulty", XX% respond "Some difficulty", and XX% respond "Significant difficulty" (the remainder

"do not know or prefer not to say"). To the previous question "Are you comfortable with digital tools (web browsing)" in general and "... for carying out administrative procedures online" in particular, (TBA).

Figure 11. RSA take-up rate (left) and responses to the qualitative survey (right)

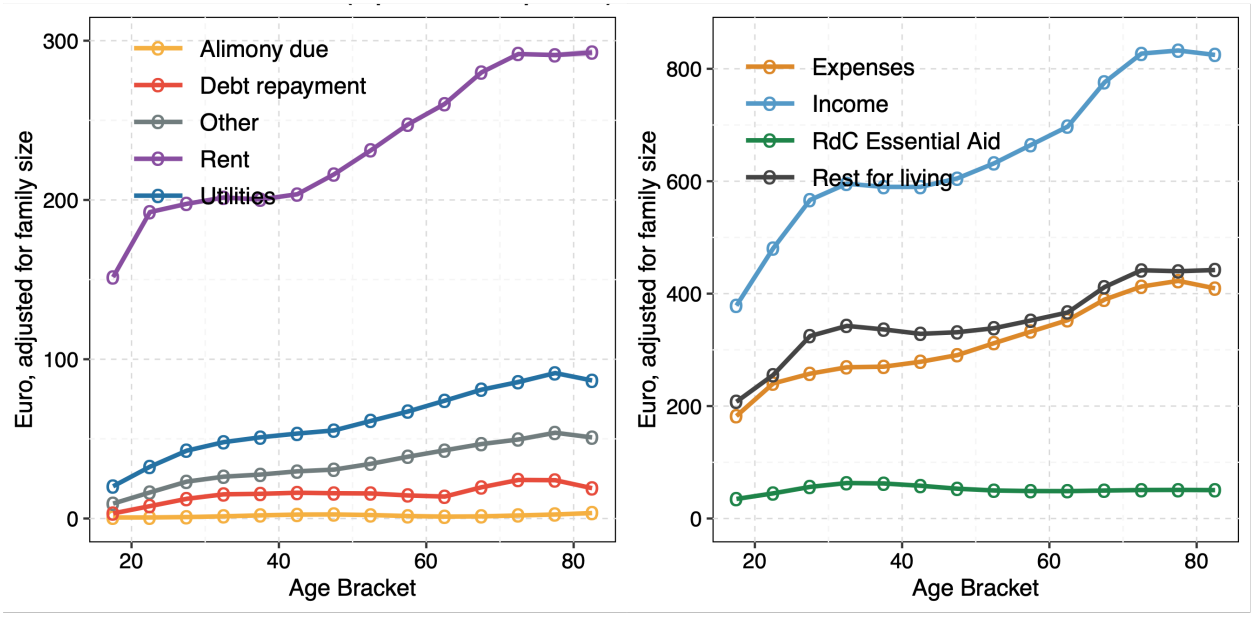


media/TBA.jpg

Next, the left panel of Figure 12 provides information about several household expenses: housing consumption (rent, utilities, other expenses such as mortgage or housing and property taxes) and committed consumption (debt repayment, alimony due). The largest of these expenses is rent—growing from 150€ on average at age 20 to 300€ above age 70. Debt repayment is small, presumably because very few of the individuals in our sample are able to take out loans.[20] The right panel of Figure 12 then subtracts the sum of these expenses from the total income discussed above. The resulting "rest for living" consists mostly of non-housing consumption. RDC also gives us the monetary value of the food they provide, which we report in the figure and amounts to about 50€ per unit of consumption, or 1.70€ per person per day.

[20] While we do not observe whether some individuals went through a personal bankruptcy procedure to have their debt erased, the Banque de France found that French households filed about 135,000 bankruptcy requests in 2024, about 10% more than in 2023, reflecting the consequences of the post-Covid inflation episode, but 40% less than in 2014, reflecting a stricter regulation of consumer credit along with a decline in unemployment.

Figure 12. Average expenses (left) and rest for living (right) over the life cycle



3.2 Housing and Socio-Demographic Characteristics

We now summarize the housing status, and demographic characteristics by housing, of French resident individuals in our sample. Figure 13 gives the shares of individuals in the main housing categories: homelessness, unstable housing (which includes strict homelessness as a sub-category), social housing rental, private housing rental, and homeownership.

The left panel shows that there are about 5% homeowners in our sample, 20 to 25% broadly homeless individuals (the post-Covid rise in this category being attributable to strict homelessness as opposed to other forms of precarious housing), about 30% private renters, and the rest—between 40 and 50%—social housing renters. In terms of evolutions over time, these categories are fairly stable, with two exceptions. First, prior to 2023, the share of social housing tenants (and, to a much lesser extent, that of homeowners) declined in the summer and rose in the winter, with the opposite pattern for the homeless (and, to a much lesser extent, private renters). This pattern mirrors the seasonal eligibility threshold of RDC, clearly indicating that social housing tenants are the marginal, and the homeless the infra-marginal, individuals in the sample: the former exit when the eligibility rule is tighter and re-enter when it is more generous, while the latter are present regardless. Second, the post-2022 period saw a decline in the share of private tenants, and a simultaneous and commensurate increase in the share of (strict) homeless, suggesting difficulties in finding or keeping private housing in times of high inflation. We explore this conjecture in section XX.

Finally, the right panel of Figure 13 shows the same housing shares for individuals who are first entrants in RDC. These show that first entrants are much more likely to be homeless (and, as we show in the Appendix, young), and less likely to be social housing tenants—especially for the 2022 cohort of new entrants—perhaps indicating that a common life cycle pattern consists of starting working life homeless and gradually improving conditions, rather than the other way around.

Figure 13. Housing status in the sample (left) and among first entrants into RDC (right)

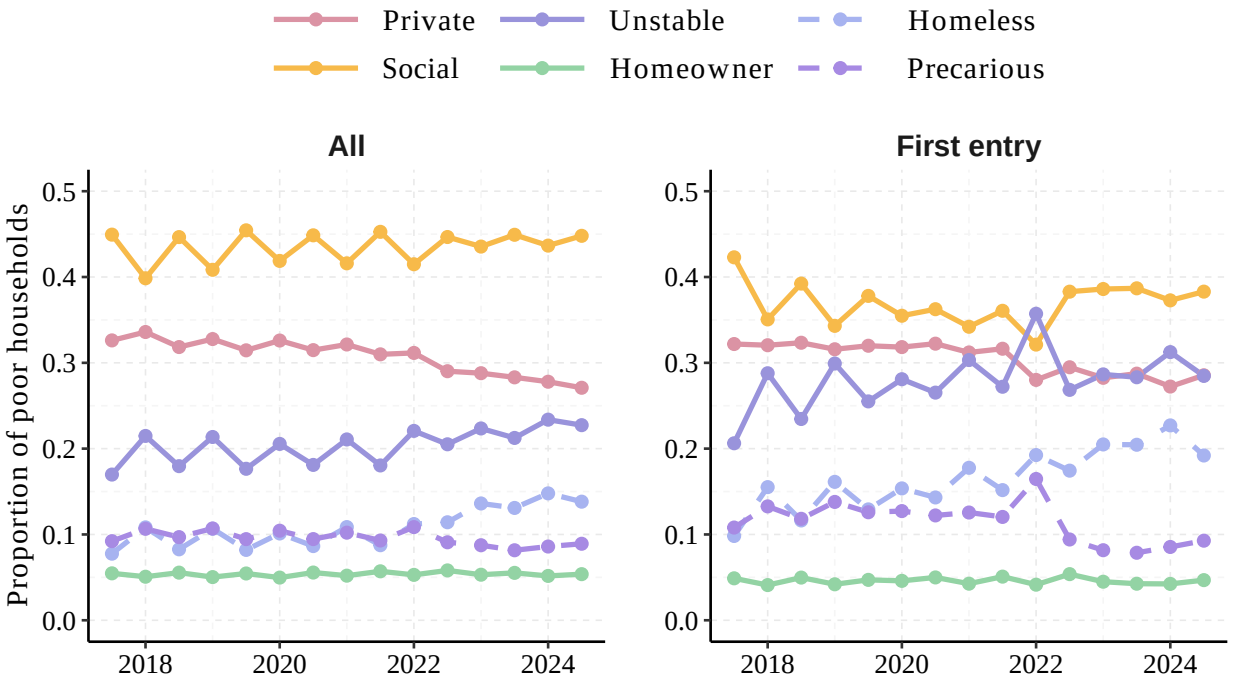


Table 1 then gives the summary statistics of several demographic variables in the whole sample and by housing status. It shows that the homeless are much more likely to have a male head of household (as reported in the RDC survey), younger (39 years old on average, versus 43 in the overall sample), less likely to be in a couple and have children, less likely to be disabled, and much less likely (54% vs 64% in the whole sample) to be French citizens—recall that we are focusing on the French resident population, which includes citizens and legal immigrants. They are also more likely to live in the suburbs of cities rather than in city centers and rural areas, and more likely to live in richer and more populated areas. Unsurprisingly, they are also less likely to be employed, they have lower income (in part because they do not receive housing subsidies), and lower expenses (driven mostly by lower housing expenses, although these are not zero since spending a night in a shelter, a hotel room, or even a third party, is not necessarily free). Finally, they are significantly less likely

to remain in the RDC sample next year, although this is not controlling for the effect of the other covariates (e.g., age)—we study the sample survival properties more carefully in Section XX. Most of these summary statistics are reversed for social housing tenants, who are more likely to be female-headed, older, with children, French, and to live in city centers; and although their employment and labor earnings are smaller than those of private tenants, their rest for living ends up larger because their housing expenses are naturally lower. We study the causal impact of housing status on labor market outcomes and consumption in Section XX.

Table 1. Summary statistics by housing situation

	Full Sample		Private Rental		Social Housing		Homeless	
Variable	Mean	(SD)	Mean	(SD)	Mean	(SD)	Mean	(SD)
Demographics.								
Male head	0.375	(0.484)	0.383	(0.486)	0.306	(0.461)	0.508	(0.500)
Age	43.41	(12.03)	43.12	(12.03)	45.58	(11.36)	39.23	(12.26)
Family Consumption Units	1.57	(0.613)	1.58	(0.615)	1.63	(0.615)	1.42	(0.580)
Couple	0.323	(0.468)	0.351	(0.477)	0.330	(0.470)	0.265	(0.441)
Number of children	0.991	(1.26)	1.01	(1.27)	1.09	(1.28)	0.768	(1.17)
Number of children less than 3 y.o.	0.184	(0.450)	0.181	(0.445)	0.178	(0.443)	0.201	(0.471)
Number of children less than 8 y.o.	0.539	(0.894)	0.540	(0.889)	0.564	(0.915)	0.482	(0.857)
Number of children less than 12 y.o.	0.757	(1.10)	0.767	(1.10)	0.811	(1.13)	0.627	(1.03)
Disabled	0.082	(0.274)	0.093	(0.291)	0.093	(0.290)	0.042	(0.201)
French citizen	0.643	(0.479)	0.680	(0.466)	0.661	(0.473)	0.546	(0.498)
Urbanization of location.								
City center	0.516	(0.500)	0.503	(0.500)	0.530	(0.499)	0.505	(0.500)
Suburb	0.304	(0.460)	0.236	(0.425)	0.336	(0.472)	0.341	(0.474)
Isolated city	0.109	(0.312)	0.141	(0.348)	0.093	(0.291)	0.095	(0.293)
Rural	0.071	(0.257)	0.120	(0.325)	0.041	(0.197)	0.060	(0.237)
Local covariates (EPCI level).								
Local GDP per capita (€)	33465	(15353)	31598	(14054)	33497	(14953)	36303	(17542)
Local unemployment rate	0.080	(0.018)	0.080	(0.019)	0.080	(0.017)	0.080	(0.017)
Local population (in thousands of hbts)	791.53	(1890.23)	631.49	(1710.00)	779.25	(1832.68)	1067.12	(2219.34)
Housing Prices/availability.								
Rent of private housing (€ per sqm)	9.95	(3.27)	9.30	(3.16)	10.07	(3.12)	10.70	(3.57)
Rent of social housing (€ per sqm)	5.62	(0.669)	5.51	(0.659)	5.64	(0.637)	5.75	(0.721)
Number of private rentals (per k hbts)	39.56	(16.01)	40.57	(16.09)	39.01	(15.80)	39.17	(16.26)
Number of social housing units (per k hbts)	80.91	(40.70)	67.23	(39.87)	89.70	(39.53)	83.47	(38.67)
Number of shelters (per k hbts)	0.085	(0.057)	0.074	(0.058)	0.091	(0.056)	0.092	(0.055)
Shelter capacity (per k hbts)	4.12	(3.40)	3.29	(3.21)	4.40	(3.30)	4.84	(3.62)
Income, Expenses and Work.								
Employment	0.090	(0.286)	0.108	(0.310)	0.089	(0.284)	0.064	(0.244)
Earnings	98.16	(281.63)	130.14	(336.26)	81.25	(253.12)	84.48	(238.57)
Total Income	921.86	(435.42)	1015.52	(430.69)	1000.34	(382.81)	608.23	(403.42)
Transfers	739.31	(471.00)	789.05	(489.26)	831.72	(432.40)	464.36	(413.95)
Expenses	399.66	(250.00)	519.75	(236.30)	422.72	(191.17)	163.30	(221.05)
Housing expenses	348.73	(209.72)	464.42	(196.22)	361.95	(141.96)	140.22	(196.81)
Rest for living	522.20	(327.96)	495.77	(334.31)	577.63	(318.80)	444.93	(316.31)
Survival in Sample.								
In RDC sample next year	0.576	(0.494)	0.567	(0.496)	0.627	(0.484)	0.480	(0.500)
Shares of observations	100%		33.19%		45.51%		21.30%	

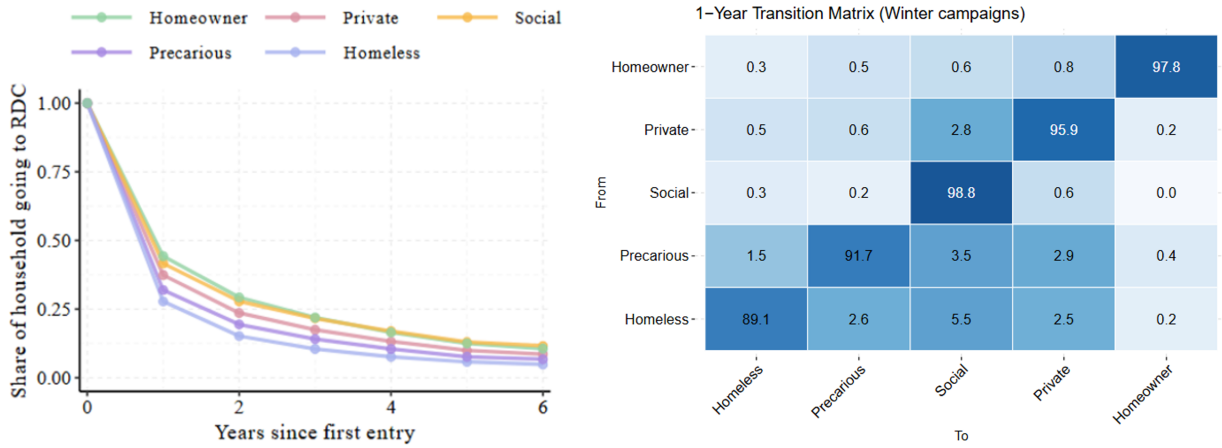
Note: Covariates also include discrete education levels (not reported, missing values are treated as 'Unknown').

3.3 Persistence of Poverty and Housing

We conclude this section by presenting statistics summarizing the aggregate dynamic properties of poverty—which we approximate with presence in our sample—and housing status. The left panel of Figure 14 shows the persistence of (this particular measure of) "poverty" by initial housing status. The figure first reveals a significant sample exit rate: only between 25% and 50% of individuals remain in the sample. Second, this hazard is heterogeneous: homeowners and private renters have a much higher survival rate than homeless individuals, especially so the strictly homeless who are the most transitory RDC recipients—about three quarters of them have left the sample after a year—with social housing tenants in between. Recall that exits from the sample can be due to various factors: people getting "back on their feet" is a likely explanation; we already discussed that deaths affect only a small share of homeless individuals in our sample, and migration outside of France is mitigated by the fact that we are focusing the analysis on legal French residents.

The right panel of Figure 14 shows the year-over-year housing status transition rates, conditional on staying in the sample. Figure XX complements these findings by plotting the transition rates at longer horizons. Social housing and, to a slightly lesser extent, homeownership, are essentially absorbing. To the extent that there is a transition out of these two tenancy categories, it is towards private renting, i.e., a stable housing situation. Private renters are less likely to remain so, but most of the transitions are towards social housing, again a stable status. Overall, the share of stable tenants in our sample (homeowners, private or social renters) who enter instability (homelessness or precarious housing) within a year is relatively modest, XX%. By contrast, there is a non-negligible rate of within-sample exit from instability: about XX% of the homeless find stable housing within one year, mostly—though not entirely—to social housing. We evaluate more formally the efficiency of social housing policies to serve as a pathway out of homelessness in Section XX. To summarize, homeless individuals are fairly likely to exit housing unstability, both by exiting poverty (or, at least, our sample), and by finding a stable accommodation.

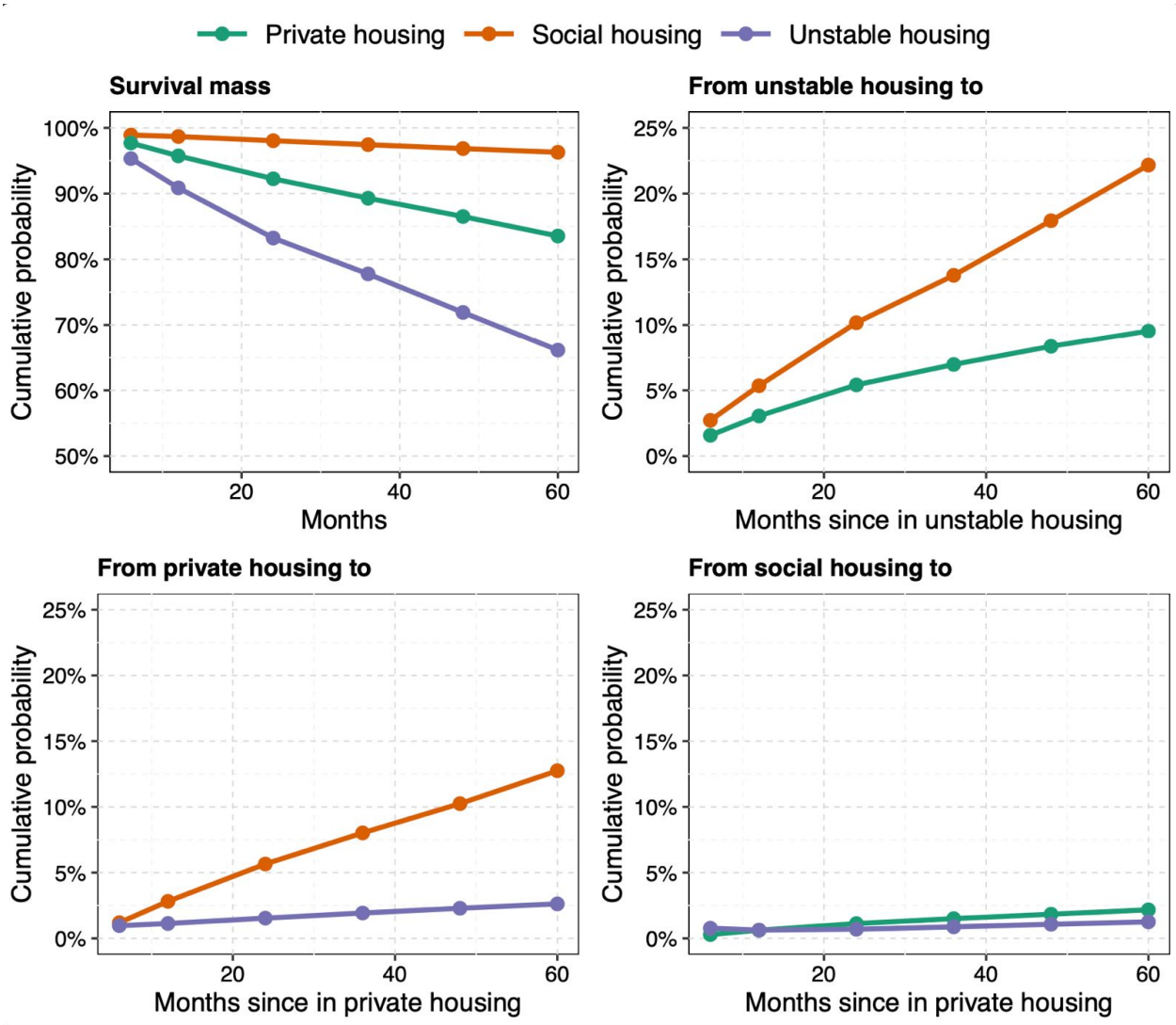
Figure 14. Sample persistence by initial housing status (left) and within-sample persistence of housing (right)



4 Determinants of Poverty and Housing Status

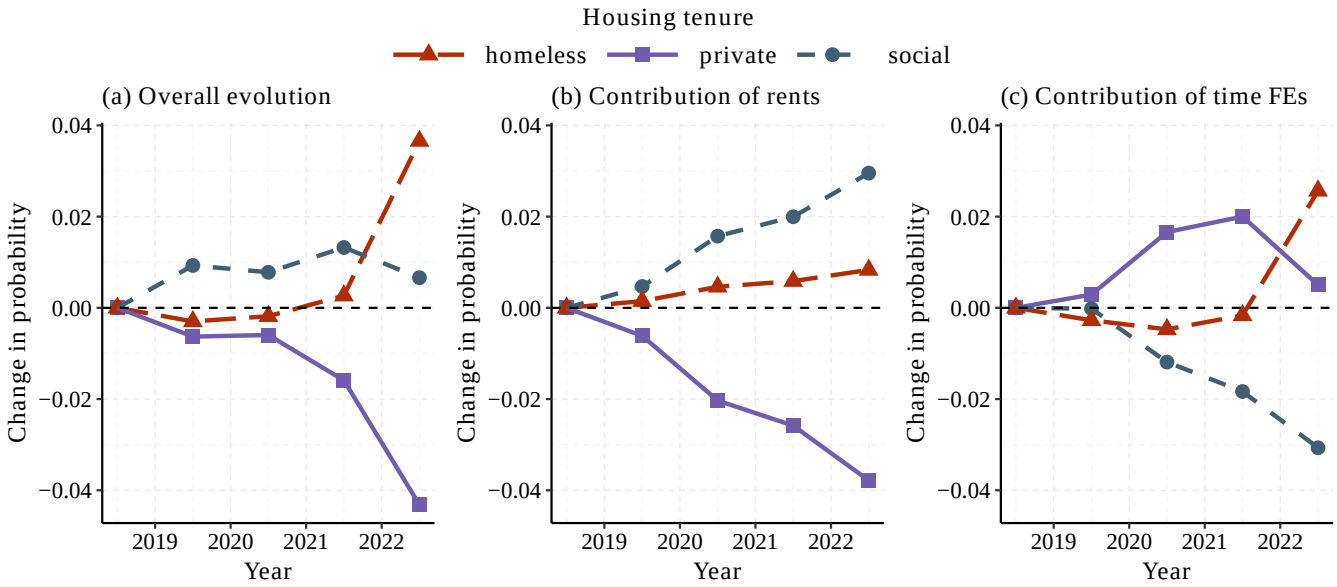
TBA: Describe IV strategy.

Figure 15. Persistence of housing conditions: transition rates



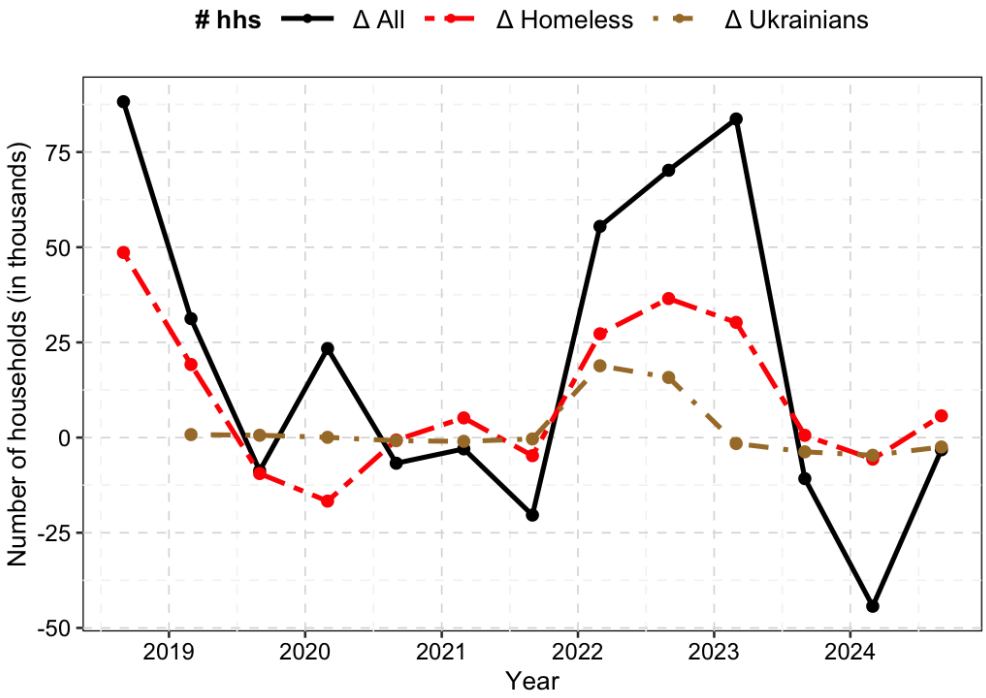
	(Reference: Private rental)	Social housing		Unstable housing	
Demographics	Age 30–34	0.061**	(0.005)	-0.049**	(0.007)
(Reference: 20–24)	Age 45–49	0.173**	(0.006)	-0.146**	(0.008)
	Age 60–64	0.270**	(0.009)	-0.217**	(0.010)
(Reference: couple)	Single man	-0.107**	(0.008)	0.156**	(0.005)
	Single woman	0.046**	(0.007)	0.026**	(0.003)
	Number of children	0.033**	(0.003)	-0.051**	(0.002)
	Number of children $\leq$ 3 y.o.	-0.029**	(0.003)	0.033**	(0.002)
(Reference: French)	Citizenship EU (excl. FR)	-0.125**	(0.011)	0.042**	(0.012)
	Citizenship non-EU	-0.048**	(0.010)	0.095**	(0.004)
	Disabled	0.036**	(0.005)	-0.023**	(0.002)
(Reference: unknown)	High-school dropout	0.023**	(0.008)	0.038***	(0.007)
	College graduate	-0.027**	(0.006)	-0.026**	(0.004)
Finances	Income per UC (in 100€)	0.05***	(1.6e-3)	-0.07***	(3.0e-3)
	Income per UC squared	-0.0045***	(1.4e-4)	0.0032***	(1.9e-4)
	In debt	0.080***	(0.005)	-0.033***	(0.002)
Urbanization	Suburb	0.035***	(0.010)	0.017***	(0.005)
(Reference: city center)	Isolated City	0.005	(0.008)	-0.003	(0.004)
	Rural	-0.055***	(0.011)	0.022***	(0.004)
Local covariates	Local revenue per capita (log)	0.081***	(0.029)	0.060****	(0.015)
	Local unemployment rate (log)	-0.144****	(0.017)	-0.014	(0.010)
	Inflation (all purchases)		*TBA*		
	Inflation (basic necessities)		*TBA*		
Housing variables	Rent of private housing (log)	0.085**	(0.039)	0.087****	(0.019)
	Rent of social housing (log)	-0.086**	(0.040)	0.007	(0.019)
	Number of social housing units (log)	0.177***	(0.010)	-0.020***	(0.004)
	Shelter capacity (per k hbts)	-0.0002	(0.0007)	0.001****	(0.0004)

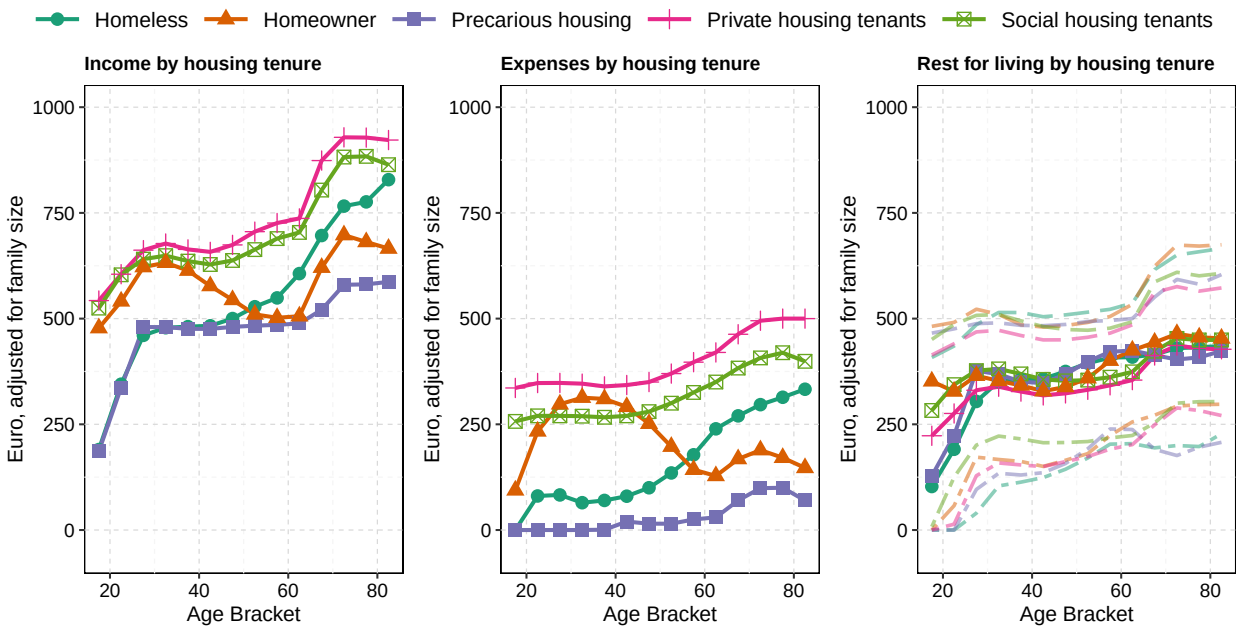
Linear model. Includes département and period fixed effects. $R^2 = 0.149$ and 0.156.



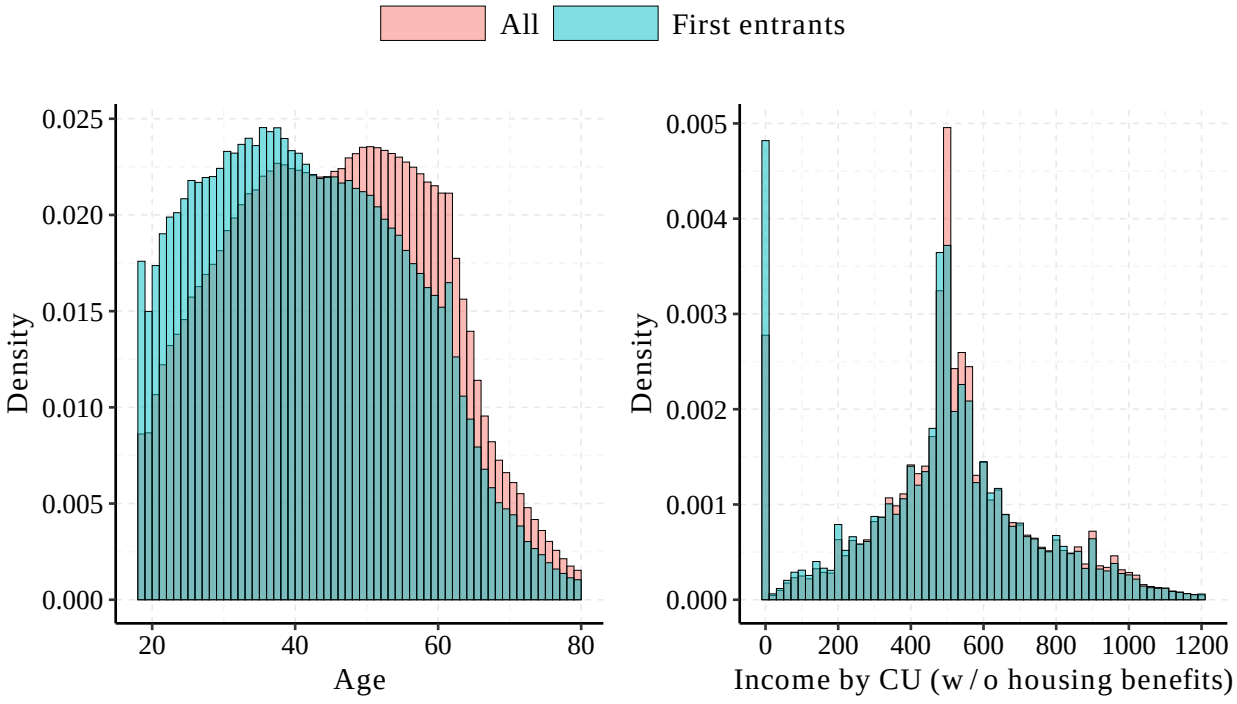
Multinomial logit model. Includes département and period fixed effects.

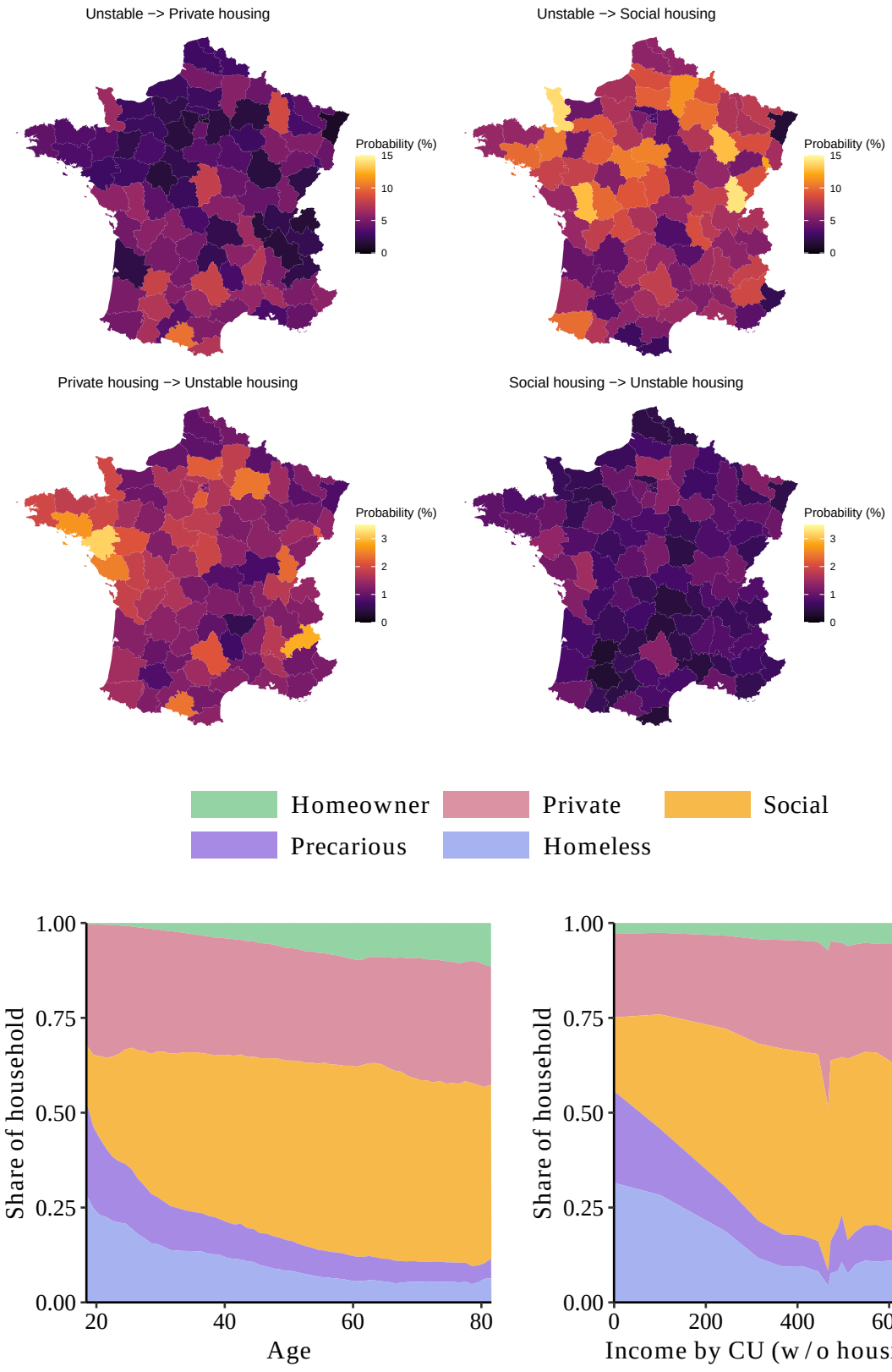
5 Consequences of Poverty and Housing Status





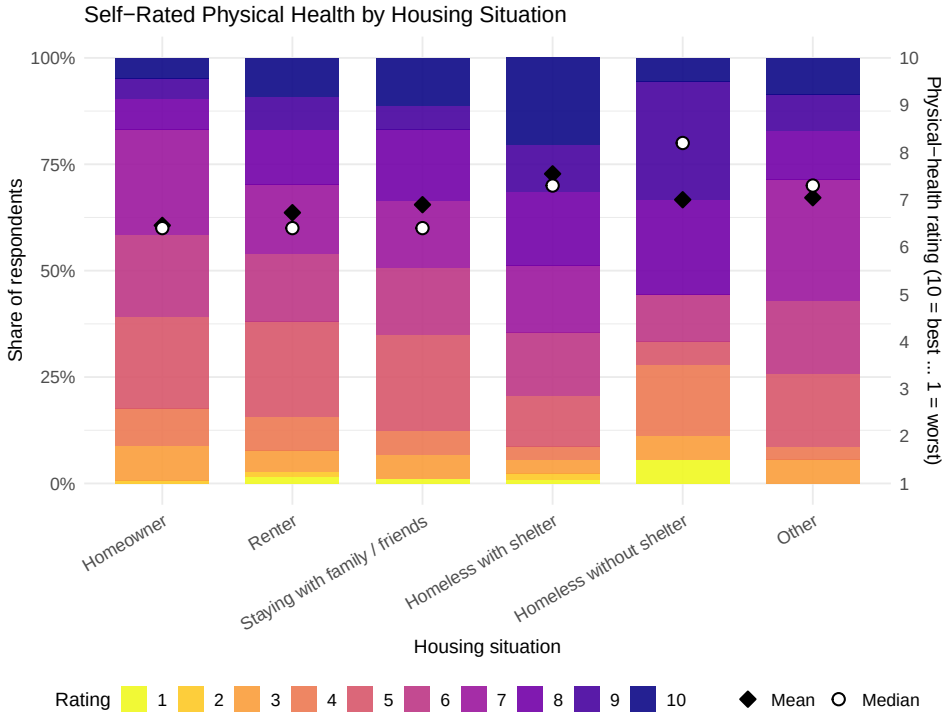
Median income (left), expenses (middle), and median / 25th / 75th percentiles of rest for living (right) by housing situation



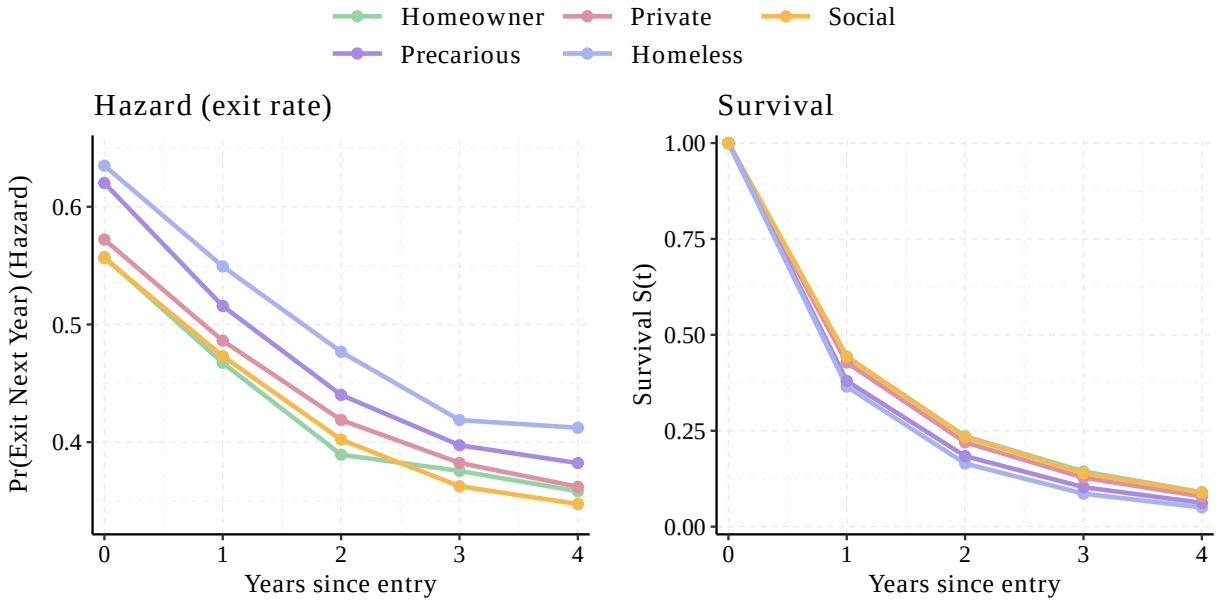

Unstable −> Private housing
Probability (%)
15
10
5
0
Unstable −> Social housing
Probability (%)
15
10
5
0
Private housing −> Unstable housing
Probability (%)
3
2
1
0
Social housing −> Unstable housing
Probability (%)
3
2
1
0
Homeowner
Private
Social
Precarious
Homeless
Share of household
1.00
0.75
0.50
0.25
0.00
20
40
60
80
Age
Share of household
1.00
0.75
0.50
0.25
0.00
0
200
400
600
800
Income by CU (w / o housing benefits)

		RDC consumption		Other cons. (UC)		Housing exp. (UC)		Employment
Avg. Treatment Effect	Social $\mathbf{1}_{\{H=1\}}$	-30.39		177.46		-174.17		
(Ref: private renter)	Unstable $\mathbf{1}_{\{H=2\}}$	56.56		529.83		-622.57		
(Biased) OLS	*Social*	*2.46*		*56.50*		*-74.26*		
(Ref: private renter)	*Unstable*	*-1.70*		*102.81*		*-202.14*		
Housing (semi-IV)	Private rent $\cdot\mathbf{1}_{\{H=0\}}$ (log)	18.6	(14.0)	-202.0**	(38.9)	191.4***	(38.2)	
	Social rent $\cdot\mathbf{1}_{\{H=1\}}$ (log)	28.2*	(14.5)	-81.9**	(37.2)	75.0*	(39.2)	
	Social availability $\cdot\mathbf{1}_{\{H=1\}}$ (log)	12.4	(7.50)	-14.0	(23.0)	7.26	(21.1)	
	Shelter capacity $\cdot\mathbf{1}_{\{H=2\}}$	-0.890	(0.624)	-3.59***	(1.31)	4.96****	(1.45)	
Demographics	Age 30–34	23.4***	(3.55)	7.74	(5.50)	-15.0**	(5.67)	
(Ref: 20–24)	Age 45–49	52.1***	(10.6)	31.5*	(16.3)	-42.8**	(16.3)	
(Ref: couple)	Single man	-50.7***	(12.4)	-38.7*	(20.6)	77.4***	(20.5)	
	Single woman	-37.3***	(2.93)	-9.97	(6.89)	57.6***	(6.79)	
	Number of children	40.3***	(3.98)	23.9**	(6.73)	-42.5***	(6.68)	
	Number of children ≤ 3 y.o.	44.6****	(2.41)	-6.73	(4.17)	2.76	(3.92)	
(Ref: French)	Citizenship non-EU	0.469	(7.83)	-31.4**	(13.4)	36.1***	(12.9)	
	Disabled	5.99***	(1.73)	15.2***	(3.03)	-0.270	(2.96)	
(Ref: unknown)	High-school dropout	2.93	(3.60)	-14.3**	(7.08)	10.7	(6.67)	
Finances	Income per UC (€, w/o APL)	0.074	(0.052)	1.38****	(0.087)	-0.113	(0.086)	
	Income per UC squared	-6.1e-5**	(2.4e-5)	-0.0006***	(3.9e-5)	0.0002***	(3.9e-5)	
	In debt	7.36***	(2.35)	-52.3***	(4.52)	-21.5***	(4.16)	
Local variables	Suburb	-0.604	(2.01)	-15.2***	(4.66)	20.1****	(4.69)	
(Ref: city center)	Rural	-4.08**	(1.72)	-12.0***	(4.00)	6.75*	(3.57)	
	Revenue per capita (log)	-15.2	(10.3)	-44.7**	(20.4)	41.0**	(19.3)	
	Unemployment (log)	-11.2**	(5.48)	34.1**	(15.3)	-18.5	(13.8)	
	Inflation (all purchases)				*TBA*			
	Inflation (basic necessities)				*TBA*			

Linear model. Baseline average values: 89€, 334€, 242€.

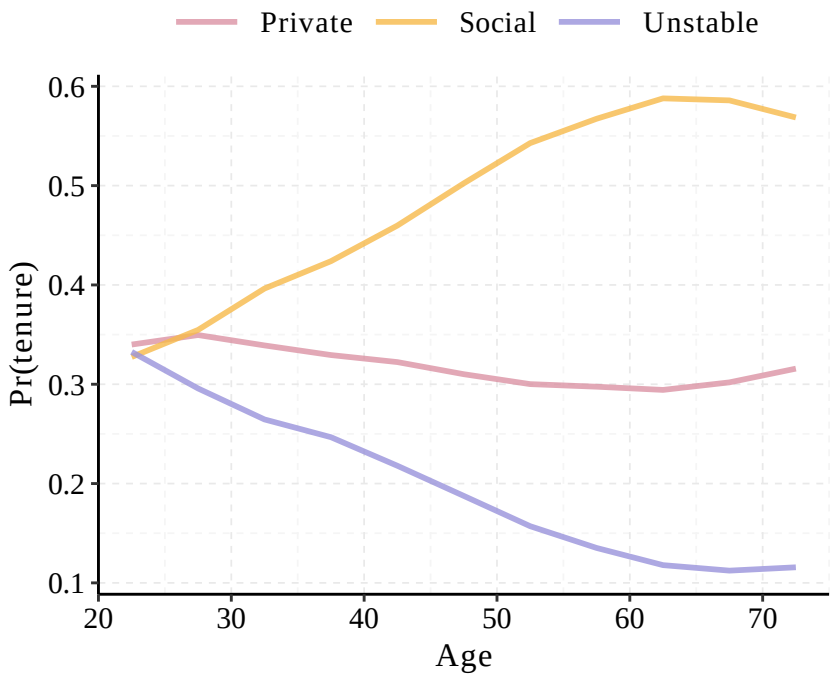


	Variable	Unstable		Social Housing		Private Housing	
Demographics	Age	40.47	(14.11)	48.11	(13.67)	45.56	(14.60)
	Male head	0.50	(0.50)	0.31	(0.46)	0.38	(0.49)
	Couple	0.27	(0.44)	0.32	(0.47)	0.33	(0.47)
	Number of children	0.75	(1.17)	0.98	(1.28)	0.90	(1.25)
	Number of children ≤ 3 y.o.	0.19	(0.46)	0.16	(0.42)	0.16	(0.42)
	Disabled	0.05	(0.21)	0.09	(0.29)	0.09	(0.29)
	French citizen	0.53	(0.50)	0.65	(0.48)	0.68	(0.47)
Finances	Employed	0.07	(0.26)	0.10	(0.29)	0.12	(0.32)
	Earnings	99.20	(270.05)	93.11	(278.93)	142.40	(359.96)
	Transfers	443.72	(435.44)	778.58	(491.87)	721.92	(530.47)
	Total Income	617.44	(441.29)	1027.98	(414.33)	1029.96	(456.21)
	Housing expenses	147.06	(204.74)	366.52	(441.42)	466.47	(199.08)
	"Rest for living"	426.06	(351.28)	540.39	(400.86)	462.06	(395.68)
Sample survival	In RDC sample next year	0.44	(0.50)	0.58	(0.49)	0.53	(0.50)
Urbanization	City center	0.51	(0.50)	0.53	(0.50)	0.50	(0.50)
	Suburb	0.33	(0.47)	0.34	(0.47)	0.24	(0.42)
	Isolated city	0.09	(0.29)	0.09	(0.29)	0.14	(0.35)
	Rural	0.06	(0.24)	0.04	(0.20)	0.12	(0.33)
EPCI covariates	Local GDP per inhabitant (€)	36212	(17507)	33743	(15377)	31386	(13774)
	Local unemployment rate	0.08	(0.02)	0.08	(0.02)	0.08	(0.02)
	Local population (in k hbts)	1068	(2224)	822	(1902)	608	(1675)
Housing variables	Rent of private housing (€per sqm)	10.72	(3.59)	10.15	(3.20)	9.31	(3.15)
	Rent of social housing (€per sqm)	5.90	(0.79)	5.78	(0.72)	5.63	(0.71)
	Nb of social housing units (per khbts)	83.02	(38.70)	89.40	(39.46)	66.30	(39.64)
	Shelter capacity (per khbts)	4.79	(3.60)	4.39	(3.31)	3.22	(3.17)



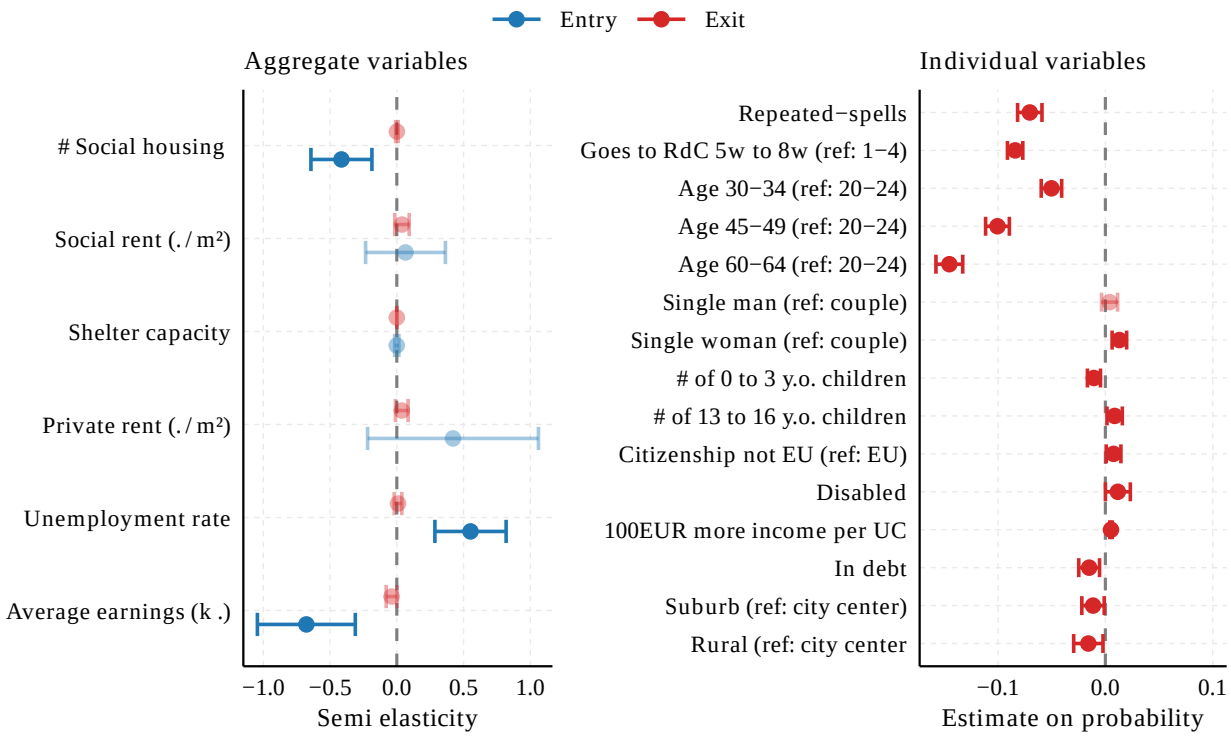
	Sadness[21]	Handicap (H)	Chronic disease (C)	H or C	Sample share
Less than 1 year in RDC	67.3%	22.4%	24.2%	33.8%	30.0%
1–3 years	62.5%	24.9%	30.8%	39.7%	33.7%
More than 3 years	58.2%	29.7%	36.8%	48.6%	29.2%
NA	20.8%	13.2%	13.2%	18.9%	7.1%
Whole population	59.7%	24.7%	29.3%	39.1%	100.0%

	Sadness	Handicap (H)	Chronic disease (C)	H or C	%
Homeowner	64.9%	32.1%	32.1%	46.3%	8.9%
Renter	59.1%	27.8%	32.4%	43.5%	69.5%
Staying with family / friends	66.3%	19.6%	23.9%	31.5%	6.1%
Homeless with shelter	62.6%	6.1%	13.7%	16.0%	8.7%
Homeless without shelter	84.2%	15.8%	21.1%	26.3%	1.3%
Other	73.0%	8.1%	21.6%	21.6%	2.5%
NA	15.6%	13.3%	15.6%	17.8%	3.0%
Whole population	59.7%	24.7%	29.3%	39.1%	100.0%

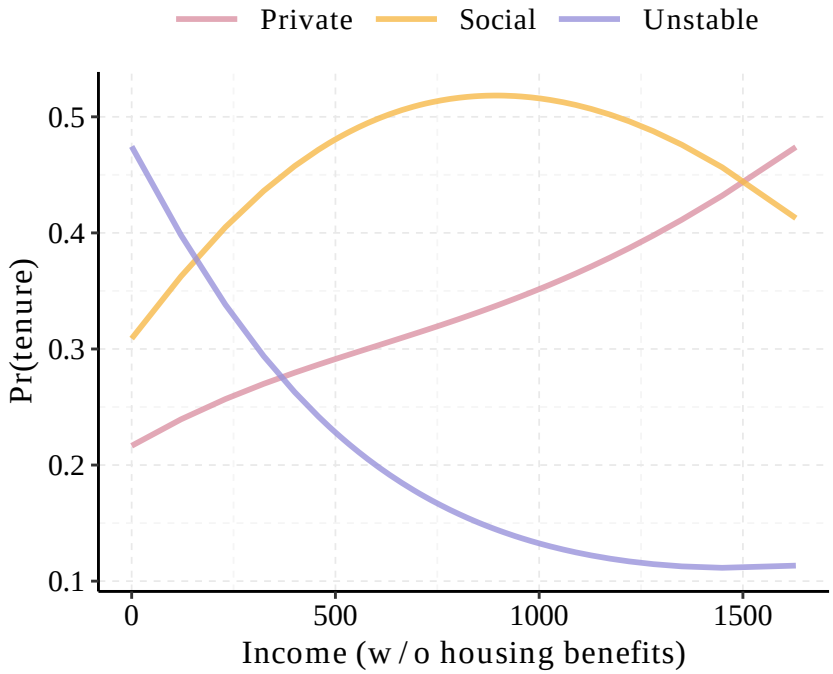


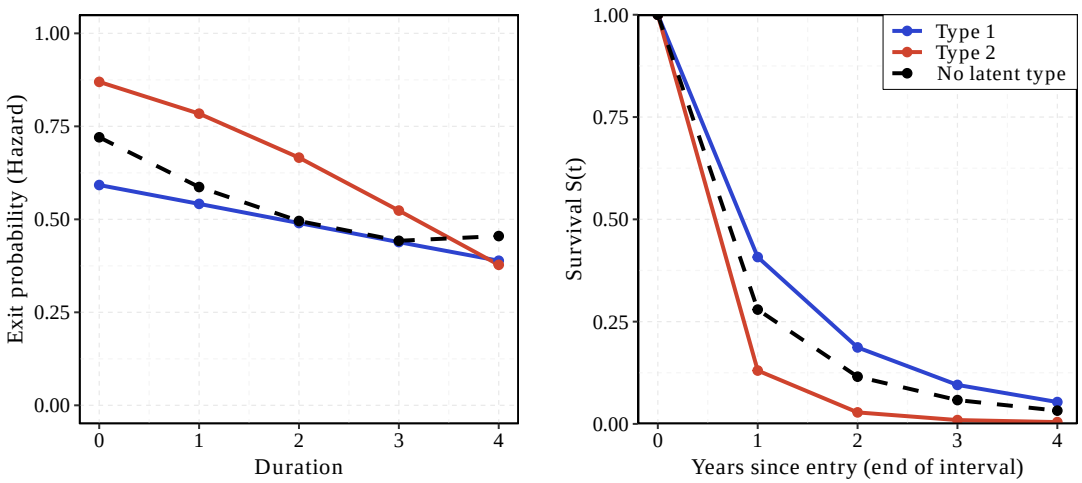
Dep variable: 1-year ahead exit from...		**Sample**	**Unstable**
Duration	Time spent in ...	*next slide*	
	Repeated-spells	-0.041***	-0.070***
RDC dependence	Goes to RDC: 5 to 8 times	-0.097***	-0.084***
(Ref: 1 to 4)	Goes to RDC: 9 to 12 times	-0.172***	-0.159***
	Goes to RDC: 13 to 16 times	-0.316***	-0.289***
Demographics	Age 30–34	-0.069***	-0.050***
(Reference: 20–24)	Age 45–49	-0.132***	-0.101***
	Age 60–64	-0.183***	-0.145***
(Reference: couple)	Single man	-0.004	0.004
	Single woman	-0.007***	0.013***
	Number of 0 to 3 y.o. children	-0.016***	-0.011***
	Number of 13 to 16 y.o. children	0.019***	0.009*
(Reference: French)	Citizenship EU (excl. FR)	0.007	0.010
	Citizenship Other	-0.009***	0.008**
	Disabled	0.012***	0.012*
Finances	Income per UC	0.00011***	0.00005***
	In debt	-0.017***	-0.015**
Urbanization	Suburb	0.001	-0.011*
(Reference: city center)	Isolated City	-0.001	0.002
	Rural	-0.001	-0.016*
Local covariates	Local revenue per capita (log)	-0.016	-0.039*
(next period)	Local unemployment rate (log)	0.009	0.009
Housing variables	Rent of private housing (log)	-0.020	0.037
(next period)	Rent of social housing (log)	0.020	0.039
	Number of social housing units (per k hbts)	0.006	0.001
	Shelter capacity (per k hbts)	0.0004	0.0002

Linear model. Includes département and period fixed effects. R2 = 0.134 and 0.127.



Linear probability model at the canton level. Includes département and year fixed effects.





References

Kaplan, Greg and Sam Schulhofer-Wohl (2017) "Inflation at the household level," *Journal of Monetary Economics*, 91, 19–38.

Meyer, Bruce D, Wallace KC Mok, and James X Sullivan (2015) "Household surveys in crisis," *Journal of Economic Perspectives*, 29 (4), 199–226.

Piketty, Thomas (2003) "Income inequality in France, 1901–1998," *Journal of political economy*, 111 (5), 1004–1042.

Piketty, Thomas and Emmanuel Saez (2003) "Income inequality in the United States, 1913–1998," *The Quarterly journal of economics*, 118 (1), 1–41.