Journal of Poverty and Social Justice • vol XX • no XX • 1–23 • © Authors 2026
Print ISSN 1759-8273 • Online ISSN 1759-8281 • https://doi.org/10.1332/17598273Y2026D000000064
Accepted for publication 21 April 2026 • First published online 08 June 2026



This article is distributed under the terms of the Creative Commons Attribution 4.0 International license (http://creativecommons.org/licenses/by/4.0/).

research article

The impact of the 2008 economic crisis on the Spanish development model, poverty and inequality

Juan Iglesias, jiglesias@comillas.edu
Comillas P. University, Spain

Diego Sánchez-Ancochea, diego.sanchez-ancochea@qeh.ox.ac.uk
University of Oxford, UK

This article examines the changes in the Spanish socio-economic model following the 2008 Great Recession, using national and European data. It highlights three major transformations: (a) the deepening of a low-productivity accumulation model, (b) a less generous welfare state, particularly contributory policies like unemployment insurance, and (c) the deterioration of the family as a support mechanism. These shifts have led to a weakening of the Spanish development model and resulted in a sustained increase in poverty and inequality. We focus on the emergence of new forms of poverty, particularly the consolidation of a precariat – a growing segment of the population in manual jobs with unstable employment, low wages, and poor working conditions. In parallel, social exclusion has intensified, marked by labour marginality, income deprivation, weak social protection, and the erosion of family support networks. Poverty has also become increasingly feminized, disproportionately affecting young people, families with children, and migrants.

Keywords development model • welfare policies • labour precarity • poverty • inequality • social exclusion • Spain

To cite this article: Iglesias, J. and Sánchez-Ancochea, D. (2026) The impact of the 2008 economic crisis on the Spanish development model, poverty and inequality, *Journal of Poverty and Social Justice*, Early View, DOI: 10.1332/17598273Y2026D000000064

Introduction

The political economy literature has long considered the South European countries as a separate variety of capitalism. Described as part of a 'Mediterranean model' or as 'mixed market economies', these countries have been characterised by an interventionist state, lack of labour market coordination and weak welfare institutions (Molina and Rhodes, 2007; Ferrera, 2010; Moreno-Fuentes and Marí-Klose, 2016).

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

Nevertheless, Southern European countries have been less studied than other cases like the Anglo-Saxon and social democratic ones (Burroni et al, 2021). Moreover, despite the negative impact that the Great Recession of 2008 to 2010 had in these countries, few studies have considered the influence of the crisis on the Mediterranean model.

This article explores this influence for the Spanish case. We focus on two questions: (a) How did the Spanish development model and its fundamental pillars change with the Great Recession? (b) What were the consequences of these structural transformations for inequality and poverty?

Our argument is that the Great Depression deepened many of the weakness of the Spanish development model. The policy response to the crisis accelerated labour market segmentation and reduced social spending. At the same time, a weaker economy and various sociocultural and demographic changes resulted in a deterioration of the protective role of families. We further show how these structural changes have deepened the main characteristics of poverty, inequality and social exclusion.

Spain constitutes an interesting case study for several reasons. First, it is the fourth largest country in the European Union (EU) by GDP and population. Second, it probably constitutes the best example of the Mediterranean model and illustrates its various weaknesses. Third, the country moved from an authoritarian to a democratic regime in the 1970s, a move that had significant implications on public policy. Fourth, Spain has experienced one of the highest immigration rates in Europe, which has compensated for the absolute reduction of the native population.

To develop our argument, we begin in the next section with an examination of the key features of the Spanish development model in the three decades before the crisis. This model was built on three pillars: a low-productivity economy with a segmented labour market, an expanding yet incomplete welfare state, and strong family networks that protected against poverty and provided care services.

In the following section, we show how the crisis exacerbated the model's negative features, deepening labour market segmentation and highlighting the limitations of the Mediterranean welfare state, while weakening the family's role as a social protection mechanism (Ferrera, 2010; Marí-Klose and Moreno-Fuentes, 2013).

In the fourth section, the article explores how these structural shifts have impacted inequality and poverty, showing that both remain high and that the nature of poverty has changed. Poverty has disproportionately affected women, migrants, and young people, and has contributed to the consolidation of a social space of precarity and social exclusion that affects a small but significant segment of the population.

Finally, the conclusion of the article provides a description of its main contributions. We summarise the structural transformations of the main pillars of the Spanish development model and how those changes have reproduced old vulnerabilities and created new ones. We also discuss some policy recommendations and suggest some avenues for further research.

The article relies on a range of data, primarily from the following sources: the Spanish National Statistics Institute (INE) – Labour Force Survey (EPA), Wage Structure Survey (EES), Basic Demographic Indicators (IDB), Continuous Household Survey (ECH), and Living Conditions Survey (ECV); also, the State Public Employment Service (SEPE); the Ministry of Employment and Social Security; the National Survey on the Population of Immigrant Origin (ENPOI); Income and Living Conditions Statistics, EUROSTAT; FOESSA's Inclusion and Social Exclusion

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

Survey (EINSFOESSA); EUROFOUND's European Quality of Life Survey; and the World Inequality Database (WID).

The Spanish socio-economic model before the Great Recession (1975–2008)

In this section, we review the main characteristics of the Spanish socio-economic model that emerged since the late 1970s. They include a flexible, low-productivity model of accumulation, with growing duality in the labour market; the expansion of a welfare state that, nevertheless, remained truncated and incomplete; the persistent role of families in social protection; and the growing role of women and migrants within the labour market.

The country's new model of accumulation

Since the late 1970s, Spain adapted to a changing global environment through four major transformations. First, neoliberal policies promoted liberalisation, deregulation, and privatisation, particularly after Spain joined the European Economic Community in 1986. Second, the share of services in GDP rose from 52 per cent in 1974 to 61 per cent in 2007, while the manufacturing sector weakened. Third, the process of restructuring and decentralisation led large firms to outsource many activities, thus generating networks of small and medium firms with precarious labour relations (Castillo, 2005; Miguélez and Prieto, 2009). Fourth, the public sector reduced its role in production while simultaneously expanding employment in welfare and administration.

These changes consolidated a low-productivity, flexible model centred on tourism, construction, and services, and reliant on cheap and temporary labour (Miguélez and Prieto, 2009; Banyuls and Recio, 2019). This growth pattern increased some of the imbalances that characterised the Spanish economy. For example, the current account balance deteriorated from a surplus of 1.34 per cent of GDP in 1985 to a deficit of 3.36 per cent in 1990, 4.33 per cent in 2000 and 9.45 per cent in 2007 (World Bank, 2024), alongside growing private sector debt.

Because of the new model of accumulation, the labour market transformed, resulting in a rising share of women, youth, and migrants, increasing precarious employment and internal segmentation (Miguélez and Prieto, 2009; Banyuls and Recio, 2017).

Four labour segments emerged: (1) a small group in advanced services and the public sector with high wages and significant security; (2) skilled blue- and white-collar workers with high levels of unionisation; (3) precarious low- and medium-skill jobs, dominated by women, youth, and migrants, which increased from 15 per cent of employment in 1975 to 34 per cent in 1994 (Recio, 2001; Castillo, 2005; Miguélez and Prieto, 2009); and (4) a declining group of long-term unemployed, which represented almost 2 per cent of the workforce in 2007 (INE-EPA, 2002–2023).

The two faces of social protection: welfare states and families

The consolidation of democracy led to the expansion of universal health and education, unemployment insurance, pensions, decentralised social services, and

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

minimum-income programmes (Moreno and Rodríguez Cabrero, 2007; Moreno, 2019). Following the European model, social spending rose from 8.6 per cent of GDP in 1977 to 23.6 per cent in 1994 (at a time when the EU average was 28.6 per cent). Successive Socialist governments established a national health system, expanded unemployment benefits, introduced means-tested pensions, and increased family allowances, while some regions developed minimum-income schemes (Huber and Stephens, 2012).

This remarkable expansion of social spending was abruptly halted in the early 1990s by austerity measures that significantly affected unemployment benefits and social services. This shift stemmed from two factors: the dominance of neoliberal policies in Europe, emphasising fiscal restraint and labour market liberalisation, and the need to align social spending with Spain's low-productivity economic model, which relied on controlling labour costs (Moreno and Marí-Klose, 2013).

After the years of stagnation, social spending increased again during the Zapatero administration (2004–2011) (Moreno, 2019). By 2009, social spending per capita was equivalent to 75 per cent of the EU average, 12 percentage points more than in 2000 (Burroni et al, 2021). The Zapatero administration introduced new programmes, including a national system of care for those in need funded by public funds and out-of-pocket contributions (Huber and Stephens, 2012). The government also increased childcare facilities, created a cash benefit for the birth or adoption of every child, and implemented a cash transfer for young people between 22 and 30 years of age (Del Pino, 2020).

Despite progress, Spain's welfare state remained truncated, marked by an insider–outsider divide, weak protection against new risks, and reliance on families, especially women, for social care (Moreno-Fuentes and Marí-Klose, 2016). Non-contributory minimum-income programmes were characterised by significant regional differences, lack of coordination and insufficient benefits (Ayala et al, 2021). Overall, the welfare state also showed a limited ability to reduce inequalities. In 2007, the difference between the Gini coefficient before and after taxes was 0.14 points in Spain compared to 0.15 in the OECD (Organisation for Economic Co-operation and Development) average and 0.21 in Austria and Ireland (OECD, 2015).

This truncated welfare state led to the establishment of a 'Mediterranean social model' in Spain – and other Southern European countries – that combined limited public protection with a central role for families and, to a lesser extent, community networks. Families, especially women, played a significant part in protecting against risks and economic insecurity (Moreno and Rodríguez Cabrero, 2007; Moreno, 2019). As Moreno (2004: 136) states, 'Mediterranean families have historically functioned as an elective (though informal) 'shock absorber' across various policy areas, such as social care, unemployment assistance, housing, or social assistance. Women have traditionally been pivotal in families, often caring for children or older relatives at the cost of erratic careers or full withdrawal from the labour market.'

Inequality, poverty and social exclusion

Spain's accumulation model with weak social protection resulted in persistent inequality and poverty. Market Gini rose from 0.44 in 1980 to 0.49 in 1989, then stabilised around 0.46 until 2008 (WID, 2024). Poverty rates dropped from 22 per cent

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

in 1985 to 15 per cent in 1991, then rose to 19 per cent in 1995, remaining stable until 2008 (Equipo de Investigación Sociológica (EDIS) et al, 1998). Over 40 per cent of Spaniards, especially women, youth, and later migrants, experienced poverty at some point (Cantó et al, 2012). Poverty in Spain was also persistent: being poor in one year increased the probability of being poor again in the future. Persistence was higher for individuals who lived with a head of household who had no education, or who were were immigrants, ot who cohabited with teenagers (Ayllon, 2013).

In the 1990s, social exclusion became a central concern in Spain (Tezanos and Tezanos, 2005; FOESSA, 2019). Social exclusion, as defined by Castel (1997), is more than extreme or multidimensional poverty. Instead, it is the result of the final stage of structural economic change, which expels large segments of the workforce from the Fordist employment norm that, for years, worked as a social integration space in European societies. As a result, two groups are created: a precariat with unstable and low-paying jobs and limited social protection, and a social exclusion zone marked by weak employment, fragile public protection and weak family/community networks.

The AROPE (At Risk Of Poverty or Social Exclusion) indicator that considers not only monetary poverty but also other indicators of occupational and material risk, can be used to measure social exclusion in European societies. The AROPE indicator placed 25 per cent of Spaniards at risk of poverty or exclusion in 2005, falling slightly to 23.1 per cent in 2007 (INE-ECV, 2007–2024).

The growing role of international labour migration

Between 1994 and 2008, Spain's migrant population rose from 500,000 to almost 7 million (INE-EPC, 2022). Migration was fuelled by two dynamics: (1) the expansionary phase of the low-productivity accumulation model, driven by the construction and tourist sectors (1996–2008), which demanded cheap, temporary labour increasingly supplied by migrants (De Arriba, 2014; Iglesias and Bermejo-Casado, 2026), and (2) shifts in the care economy due to ageing, women's rising labour participation, and the changing lifestyles of the urban middle class (Oso and Parella, 2012). Families outsourced care, first to Spanish working-class women and later to migrant women, employed in precarious and informal conditions. Migrants thus formed an ethnic precariat, sustaining the low-productivity model and the limited welfare while reproducing gender and social inequalities.

The Great Recession and the recovery based on internal devaluation

The economic crisis of 2008 ended the previous period of expansion and led to a prolonged recession. Between 2008 and 2013, GDP decreased by 6.7 per cent, the employment rate by 17.7 per cent and unemployment reached 25 per cent (INE-EPA, 2002–2023). A recovery phase began in 2014 – GDP grew by an average rate of 2.5 per cent between 2014 and 2019 (World Bank, 2024) – driven by a significant reduction in real wages.

This section describes the imbalances created by the crisis, the policy responses, and how they impacted the key characteristics of the Spanish development model. We also explore the evolution of poverty and inequality.

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

The structural imbalances created by the crisis

The crisis reinforced many of the weaknesses of the Spanish economy. The first of these is the volatility of the labour market, which creates large number of jobs, mostly low-paying and temporary in times of expansion, but destroys them during crises (De Arriba, 2014; Banyuls and Recio, 2019). Between 2008 and 2014, 4 million jobs were lost, and the unemployment rate increased from 8 per cent to 26 per cent – 36.5 per cent in the case of the immigrant population because of their over-representation in precarious jobs (INE-EPA, 2002–2023).

The crisis highlighted fundamental macroeconomic imbalances in the Spanish economy. During the previous expansionary period, the low savings model that relied on low wages and low productivity forced households and companies to increase their indebtedness levels. In 2007, just before the crisis, private debt reached €2,200 billion (Banco de España, 2014). Much of this debt was in the hands of European banks, primarily from France and Germany (Banyuls and Recio, 2019; Guillén and González Begega, 2019). By contrast, public debt as a share of GDP decreased from 56 per cent in 2000 to 36 per cent in 2008 (World Bank, 2024).

Economic challenges were particularly evident in the construction sector. The combination of land deregulation, the expansion of housing supply and a credit-fuelled increase in demand resulted in a housing bubble that burst in 2008. Between 1997 and 2007, the housing stock increased by 30 per cent while housing prices rose cumulatively by around 220 per cent (Naredo, 2009; De Arriba, 2014).

The third imbalance was caused by the incapacity of domestic supply to respond to the growing demand for high-quality goods. This was partly the result of stagnant productivity: between 1998 and 2008, productivity grew by an average of just 0.3 per cent compared to 1.3 per cent for the EU average (De Arriba, 2014). As a result, aggregate demand was satisfied primarily with imports, contributing to a growing current account deficit and excessive external borrowing (Banyuls and Recio, 2019).

Policy responses to the crisis

Partly as a result of external pressures, Spain adopted a package of orthodox policies to respond to the crisis, focusing on austerity and the reduction of real wages. Together these policies deepened the pre-existing model of accumulation and its various structural problems, including labour vulnerability.

Austerity

Public debt in Spain rose sharply after the crisis, increasing from 36 per cent of GDP in 2008 to 94 per cent in 2013. This surge was partly due to higher social spending, particularly in unemployment benefits, triggered by the automatic stabilisers. Even more important was the government's decision to convert part of the private debt, particularly in the financial sector, into public debt (Arriba and Rodríguez Cabrero, 2019; Banyuls and Recio, 2019).

This elevated public debt, resulting from the rescue of the private sector, became Spain's primary economic challenge. It triggered austerity measures under the Stability Plan (2011–2014) promoted by the conservative government and supported

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

by the European Commission. The plan included public spending cuts, the freezing of public wages, lower public employment, higher temporary jobs in the public sector, and the outsourcing of some services (Banyuls and Recio, 2017; Fernández et al, 2019). It also imposed new restrictions on social spending, particularly affecting redistributive programmes like unemployment insurance, health and education, policies targeting new social risks (such as childcare and child poverty), and minimum-income programmes (Moreno and Marí-Klose, 2013; Arriba and Rodríguez Cabrero, 2019).

Between 2009 and 2014, the total public adjustment amounted to €30.8 billion, about 3 per cent of GDP. Total public expenditure fell by 15 per cent in real terms during this period (Guillén and González Begega, 2019).

These austerity measures further weakened the Spanish welfare state's capacity to reduce inequality and promote social mobility. The welfare state was attacked for its alleged low quality and inefficiency, while the private sector was praised. These cuts, alongside the ideological rhetoric, led to a gradual shift toward private social services among the middle class (Rodríguez Cabrero, 2011; Del Pino, 2020).

Internal devaluation

Spain had historically responded to economic crises by devaluing the peseta. In the context of the common currency, however, this was not possible. Instead, the government pursued a policy of real wage cuts and labour market liberalisation. Measures aimed at reducing labour and social costs included wage cuts/freezes, greater labour flexibility through outsourcing and externalisation, and reductions in contributory social protection (Banyuls and Recio, 2019).

Probably the most significant policies in this area were the labour reforms implemented in 2010 and 2012. The reforms deepened many of the characteristics of the Spanish labour market, including high levels of temporality, reduction in redundancy benefits, increase in part-time employment, and constraints on collective bargaining, particularly in small companies. These reforms also increased firms' flexibility, so wages and workers' schedules could be adjusted to production needs (Banyuls and Recio, 2019).

These measures led to wage cuts and growing labour market segmentation and precarity (Arriba and Rodríguez Cabrero, 2019; Banyuls and Recio, 2019; Ayala et al, 2021). Real wages fell by 7 per cent from 2009 to 2013 and remained below 2009 levels in 2018 (Sanz-de-Galdeano and Terskaya, 2019). Temporary workers were particularly affected: in 2016, their wages were 36 per cent lower than those of permanent employees (INE-EES, 2016).

Spain witnessed a process of increasing dualisation of the labour market between those workers with stable jobs and relatively high social benefits, and those with precarious employment and weaker social benefits (Banyuls and Recio, 2019). The proportion of workers in Spain within the old Fordist social norm (permanent, full-time contracts) remained low, representing only 54 per cent of total employment in 2008 and 55 per cent in 2019. This means that 45 per cent of workers in Spain were outside this norm, which constitutes the basis of social integration in our societies (INE-EPA, 2002–2023).

Temporary contracts in Spain decreased during the crisis, from 30.8 per cent of salaried workers in 2007 to 24.3 per cent in 2014, as the adjustment primarily targeted

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

temporary employment. However, as the economy recovered, temporary jobs increased again, reaching 26.1 per cent in 2019 (INE-EPA, 2002-2023).

Part-time contracts increased from 12.3 per cent in 2008 to 14.7 per cent in 2019. The expansion took place both in the public sector (from 4.6 per cent to 7.1 per cent) and the private sector (from 8.6 per cent to 16.2 per cent). Women were disproportionally affected due to persistent gender norms, with 23.8 per cent of employed women in part-time work in 2019, compared to 7.0 percent of men. Similarly, among young people aged 25–29, part-time work accounted for 19.5 per cent of total employment in 2019, up from 11.1 per cent in 2007 (INE-EPA, 2002–2023).

Permanent occupations lost protection due to an increase in seasonal contracts, which grew from 1.4 per cent of total employment in 2007 to 2.3 per cent in 2019, and to cuts in severance pay for unfair dismissals. The 2010 and 2012 labour reforms reduced severance pay from 45 days per year of service (with a maximum of 42 months) to 33 days (capped at 24 months) for new permanent contracts. The reforms also expanded criteria for cheaper dismissals, aiming to reduce the gap between temporary and permanent contracts (Gimeno Díaz de Atauri, 2015).

The labour market's dualisation became entrenched during this period, with a growing segment of precarious workers concentrated in low-skilled, manual occupations in low-productivity sectors, accounting for 34.6 per cent of total employment in 2019. These occupations were notably segmented by gender (44 per cent of women in low-paying, low-skilled jobs), age (43.1 per cent of young workers aged 16–29), and ethnicity, with 55.5 per cent of migrants and 63.0 per cent of Latin Americans in these roles (INE-EPA, 2002–2023).

Overall, wage devaluation, which was primarily concentrated among low-wage workers, contributed to the recovery of Spain's competitiveness. Furthermore, the crisis led to the normalisation of precarious employment and the idea that bad jobs were better than no jobs (Banyuls and Recio, 2017).

The weakening of the welfare state

Since 2008, the welfare state's capacity to protect individuals from social risks has deteriorated. Austerity and labour precarity, in a system heavily reliant on payroll contributions, have driven this decline (Arriba and Rodríguez Cabrero, 2019). The problems are evident in both direct transfers, like unemployment benefits, and public services like health and education.

According to Guillén and González Begega (2019), health expenditure decreased by 13.2 per cent between 2009 and 2014, and education spending fell by 14.9 per cent. In healthcare, this led to worsened service quality – partly due to personnel cuts – along with increased inequality in service provision and unequal privatisation across regions (Arriba and Rodríguez Cabrero, 2019).[1] Additionally, between 2009 and 2015, investment in health infrastructure dropped by 37 per cent, and in 2012 the government excluded irregular immigrant adults from access to healthcare.

In education, the conservative government introduced several benefit cuts in 2012 (Del Pino, 2020). These included a 20 per cent increase in class sizes and more teaching hours per student. Regional governments followed suit with cuts, including teacher layoffs, pay reductions, and the scaling back of some scholarship programmes.

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

The weakening of the welfare state occurred alongside rising social risks, such as dependency care, child poverty, immigration, and youth exclusion – issues that the public sector has failed to address effectively (Moreno and Marí-Klose, 2013; Arriba and Rodríguez Cabrero, 2019). For example, spending on child and family allowances decreased by 30.5 per cent between 2009 and 2014 (Guillén and González Begega, 2019).

Long-term care support, which increased under the Zapatero government, was significantly reduced after 2012. The conservative government expanded waiting lists and decreased the money received by dependents by a minimum of 15 per cent (Del Pino, 2020). Overall, the central government's contribution to the long-term care system decreased by 40 per cent, while user contributions rose.

In July 2012 the conservative government also cut unemployment benefits: the replacement rate was reduced from 60 per cent to 50 per cent after the sixth month, and access to benefits was reduced for some groups, including the middle-aged and the elderly (Del Pino, 2020). As a result, nominal expenditures on unemployment went down by 29.1 per cent between 2008 and 2014 (Guillén and González Begega, 2019).

During this period, pension expenditure increased by 26.9 per cent, but this expansion was accompanied by structural reforms that reduced the system's long-term generosity (Zubiri, 2016). The 2011 and 2013 reforms raised the statutory retirement age, extended the contribution period used to calculate benefits, strengthened the link between contributions and entitlements, and introduced sustainability factors tied to life expectancy and economic conditions (Guillén and González-Begega, 2019). Thus, while pensions remained central to the welfare state, austerity measures reinforced their traditional bias and curtailed the development of more investment-oriented social policies.

As a result of all these changes, a growing number of working-class households now have both low-quality jobs and limited social benefits in terms of generosity and quality. Households are thus increasingly dependent on their family networks – even if those have weakened as well.

The weakening of family and local social networks

As discussed in the second section, extended families and, to a lesser extent, local social networks, have historically served as protective mechanisms against poverty and social risks. In this way, families compensated for the weaknesses of the Spanish welfare state (Moreno-Fuentes and Marí-Klose, 2016; FOESSA, 2019).

Families remained a key resource during the Great Recession (Martínez-Virto and Bogino, 2019; Lorenzo, 2022). They responded to worsening living conditions by pooling resources from employment, social benefits, and informal jobs, as well as sharing housing, caregiving, and other goods and services (Pahl, 1984; González de la Rocha, 2020).

Three strategies were most used by families. First, increasing workloads both inside and outside the home led to rising tensions and challenges in balancing work and life. For instance, poor women had to devote more time to domestic care and home-based food production, while still working. Second, young people responded to precarious employment and high housing prices by staying longer in their parents' homes and, in some cases, migrating abroad (Fernández et al, 2019; FOESSA, 2019).

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

Third, there was also an intergenerational transfer of resources (such as pensions, leisure time, housing) from retirees to their adult children and grandchildren. Retirees provided support in many ways, including financial assistance, sharing housing, funding education, and offering childcare support. As shown by Moreno-Fuentes and Marí-Klose (2016), pensions have become more effective than welfare benefits in lifting children out of poverty.

Despite their central role, Spain's family structures have weakened for several reasons, diminishing much of their protective capacity (Moreno and Marí-Klose, 2013; Ayala and Pérez, 2019). Prior to the crisis, the family's role as a protective mechanism was built on significant gender inequality, relegating women to economic and professional marginalisation. However, the erosion of traditional gender roles, along with the widespread integration of women into the workforce and educational system, has significantly transformed family structures, even though women continue to bear most of the domestic and caregiving burden.

Additionally, increasing youth precarity, along with difficulties in accessing decent jobs, professional careers, and affordable housing has delayed young people being able to live independently, contributing to declining marriage and fertility rates. Finally, households have been reshaped by cultural changes that have diversified family structures and altered cultural norms and expectations (Moreno-Fuentes and Marí-Klose, 2016).

All these factors have contributed to socio-demographic changes that have altered Spain's traditional family structure (Moreno-Fuentes and Marí-Klose, 2016). For example, the average age of the first marriage has increased to 32.5 years in 2023, with native Spaniards marrying later (33.14 years) than immigrants (30.52 years) (INE-IDB, 2000–2024). The marriage rate – the number of marriages per thousand inhabitants – has decreased from 10.58 per thousand in 2000 to 7.09 per thousand in 2023. Meanwhile, the rise in divorce and separation rates has significantly altered family dynamics. At the same time, Spain's birth rate has fallen from 10.42 births per 1,000 inhabitants in 2010 to 6.61 per 1,000 in 2023. This decline is even more pronounced among the native population (5.76 births) than among immigrants (12.35 births).

Consequently, the average family size has decreased from 3.70 members in 1986 to 2.53 members in 2022, with the immigrant population still maintaining a larger average family size (3.34 members) (INE-ECH, 2023). The number of single-person households in Spain has grown from 22.50 per cent of all households in 2009 to 28.50 per cent in 2023. Meanwhile, single-parent households have also increased from 7.10 per cent to 8.38 per cent of the total during the same period (INE-ECH, 2023). Finally, only 40 per cent of the native population lives in households with four or more members, compared to 62 per cent of the immigrant population (INE-IDB, 2000–2024; Iglesias and Bermejo-Casado, 2026).

The result of these transformations is a smaller family structure with weaker ties and fewer resources. making it harder for families to protect their members from poverty and other social risks – a particular concern in working-class homes.

Working-class households have also seen their ability to protect their members diminish because of two additional factors. First, the growth of 'new social risks' such as ageing, childcare needs, child poverty, and youth precarity. These risks have never been adequately covered by the state and have consequently been 'privatised' and 're-familiarised' (Moreno-Fuentes and Marí-Klose, 2016). While middle- and upper-class families have found market solutions to these risks, working-class families have been forced to internalise them through collective efforts, overburdening the family

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

system (Arriba and Rodríguez Cabrero, 2019; FOESSA, 2019; Martínez-Virto and Bogino, 2019).

Second, working-class families have seen a reduction in resources due to labour precarity and fewer social benefits. This vulnerability has gradually eroded intra-family solidarity, as repaying favours becomes more difficult and the financial risks of helping others increase (Iglesias, 2004; Martínez-Virto and Bogino, 2019; González de la Rocha, 2020).

The weakening of families as solidarity systems has had significant material and emotional costs. Households have responded to precarity by increasing their participation in the labour market of all their members. Young people have often been forced to abandon their studies to begin working. Children have at times been left alone while their parents work, with negative personal and educational consequences (FOESSA 2019).

These costs have affected women disproportionately. They have been severely hit by the simultaneous intensification of work inside and outside the family. Many women have combined long hours in the labour market with growing domestic work and caring responsibilities. This burden has had negative impacts both physically and mentally (Martínez-Virto and Bogino, 2019; González de la Rocha, 2020).

The weakening of the family's role has also coincided with the fragmentation of local community networks. Historically, these networks, emerging in neighbourhoods, workplaces, and other spaces, played a crucial role in supporting working-class communities and those affected by poverty. Community networks traditionally provided access to work, care support, small loans, financial help, and informal reciprocal jobs.

Several factors explain the crisis of local community networks. Decentralisation and labour deregulation have destroyed stable workspaces. Popular neighbourhoods have undergone significant demographic and residential changes. Reciprocity has been limited by poverty and precarity, and more individualistic lifestyles have emerged (Fernández et al, 2019; González de la Rocha, 2020).

However, data suggests a notable difference between natives and immigrants regarding the role of families and communities. Immigrants tend to live in larger, stronger households than the native population, and they maintain more supportive and active social networks.

The growth of inequality and poverty

As we have just seen, the economic crisis and the policy response to it weakened the Spanish development model and its key pillars, contributed to the expansion of precarious employment and income instability, and to the reduction of social benefits. As a result, inequality and poverty increased after 2008, aggravated by the weakening of family networks (Ayala and Pérez, 2019).

Inequality

The crisis had a negative impact on income distribution. According to OECD data on the distribution of disposable income, the Gini coefficient increased from 0.313

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

in 2007 to 0.344 in 2015 (OECD, 2024). During the Great Recession, Spain became the most unequal country in the EU above Greece (0.340) and Portugal (0.336) (OECD, 2024) (Arriba and Rodríguez Cabrero, 2019).

Other indicators show a similar trend. For example, between 2008 and 2012, the income share of the poorest 20 per cent decreased from 7.1 per cent to 5.3 per cent while that of the top 20 per cent increased from 38.9 percent to 40.8 percent (Banyuls and Recio, 2019).

As in the past, the Gini coefficient behaved counter-cyclically. The recovery of economic growth and employment after 2014 resulted in a reduction of inequality. The Gini coefficient of disposable income decreased from 0.344 in 2015 to 0.316 in 2019 (OECD, 2024). Meanwhile, the income ratio between the richest 20 per cent and the poorest 20 per cent fell from 6.9 in 2014 to 5.5 in 2022 (INE-ECV, 2007–2024).

Overall, Spain has maintained a relatively high Gini coefficient when compared to neighbouring countries. It also shows less capacity to reduce inequality through taxes and social spending. According to Fuenmayor et al (2020: 3), 'the redistributive capacity of the Spanish taxes and transfers system is among the lowest in the European Union (EU-28), with a reduction of 0.194 points in the Gini index, whereas the European average is 0.209 points.'

There are at least two reasons for Spain's low redistributive capacity (Gómez et al, 2016). First, Spain spends less than neighbouring countries in social protection. Second, in recent years Spain has increased taxes on consumption and fees for some public services while reducing income taxes on individuals and corporations. According to Gómez et al (2016: 108), 'the development pattern of the Spanish economy tends to consolidate inequality along with monetary poverty. The state has not been able to ensure social cohesion and there is a risk that this situation will continue to consolidate if current policies are not reversed.'

Poverty

Like inequality, poverty increased during the Great Recession to later decrease with the economic and employment recovery. For example, poverty measured as the population with income below 60 per cent of the median income increased from 19.8 per cent in 2007 to 22.3 per cent in 2015, then decreased to 20.2 per cent in 2022 (INE-ECV, 2007–2024).[2]

Other indicators confirm the increase in the poverty rate and Spain's comparative high levels. The AROPE indicator, which measures the share of the population at risk of poverty and/or social exclusion went from 22.3 per cent of the total population in 2008 to 26.8 per cent in 2019 – well above the EU average of 22.5 per cent (EUROSTAT, 2024).

Furthermore, the percentage of poor workers – those below the poverty line despite having a job – grew as well, to 15 per cent of all workers in 2017. In that year, 2 million workers received less than the minimum wage (€707 per month), which put Spain at fourth place among the EU countries with the highest share of workers at risk of social exclusion (INE-ECV, 2007–2024).

Mirroring the findings regarding income inequality, Spain's welfare state has been relatively unsuccessful in reducing poverty. In 2022, Spain's poverty rate went down by 22.4 percentage points after social transfers compared to 26.7 in the European average and 27.7 in Italy (EUROSTAT, 2024).

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

The new dimensions of poverty

As we saw in the previous section, the period of economic crisis and subsequent recovery has resulted in the further entrenchment of the low-productivity accumulation model, a weakening of the welfare state, and the erosion of the family as a supporting network. These trends explain the consolidation of a new cycle of vulnerability and poverty, which has had a particularly adverse impact on the working class (Ayala and Pérez, 2019; Fernández et al, 2019). This section examines the main characteristics of this cycle of vulnerability, including the consolidation of social exclusion.

The precariat and rising economic and social insecurity

The reproduction of the low-productivity accumulation model has contributed to the consolidation of precarious employment – characterised by temporary, part-time, and poorly paid jobs – within the Spanish economy. Precarious workers no longer benefit from traditional, high-quality Fordist jobs (Miguélez and Prieto, 2009; Banyuls and Recio, 2019). In 2019, 45 per cent of all employed individuals in Spain were outside the traditional Fordist social norm – permanent, full-time contracts – with this percentage being notably higher among individuals under 40 years of age (INE-EPA, 2002–2023).

Precarity is exacerbated by two additional vulnerabilities: low social protection and increasingly weak family and social networks. Many households have seen the erosion of the main mechanisms of solidarity and support that once protected them from economic insecurity, intensifying their vulnerability and creating new tensions (Fernández et al, 2019; Iglesias and Bermejo-Casado, 2026).

A growing number of working-class households now alternate between periods of precarious employment and unemployment, compounded by reduced social protection, including low unemployment benefits. For example, the percentage of the unemployed receiving benefits dropped from 80 per cent to 54 per cent between 2010 and 2016 (State Public Employment Service [SEPE], 2017).

In Spain, poverty is more closely associated with this precarity than with long-term unemployment. In fact, as Cantó et al (2012) show that, when analysed longitudinally, poverty in Spain is more a transitory and recurrent phenomenon (affecting 44 per cent of the population) than a persistent or chronic condition, which affects only 1.2 per cent of the population. Furthermore, poverty after the Great Recession is increasingly associated with precarious employment, as cross-sectional studies by the European Anti-Poverty Network (EAPN) indicate. In fact, 14 per cent of Spanish workers are classified as poor, and around 30 per cent of the poor population in Spain is currently employed (EAPN, 2022). Of course, one of the central triggers of poverty episodes remains unemployment (Ayala et al, 2017; EAPN, 2022), but longitudinal analyses show that most poor households and individuals move in and out of poverty, depending on the quality of their jobs, social protection, and family networks at any given time (FOESSA, 2019).

Poverty in Spain is thus characterised by both low and unstable incomes, largely due to labour precarity and temporary employment. Moreover, this type of poverty has been further exacerbated by the continuous decline in purchasing power, affecting basic needs such as housing, food, and expenses not covered by public services, including dental care and eye care (Ayala and Pérez, 2019). According to FEDEA (2025), between

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

2009 and 2019, the average real wage fell by 2.5 per cent, representing a loss of purchasing power for Spanish households, particularly the poorest families. Indeed, the OECD (2024) notes that over the past three decades, real wages in Spain have barely increased – by only 2.8 per cent in total – compared with an average increase of 30.8 per cent in OECD member countries.

Finally, although most of the Spanish population owns their home, certain groups – such as the youth, immigrants, and young families – cannot afford housing due to low wages and rising prices, compounded by a lack of public housing (only 1.4 per cent of homes in Spain are social housing). In fact, renting is strongly linked to the risk of poverty (FOESSA, 2019).

The ethnic component of poverty

Since the early 2000s, millions of migrants from the Global South have arrived in Spain, filling low-paying, manual jobs and integrating into the Spanish working class (Fernández et al, 2019). The migrant population, which reached 17.1 per cent of the population in Spain in 2023, has strengthened its legal status, gained citizenship, built social ties, and settled in working-class areas in recent years (Iglesias and Bermejo-Casado, 2026).

Despite these gains, migrants continue to occupy weak positions in the labour market, with high rates of temporary and low-wage employment, and limited access to social benefits (FOESSA, 2019). In 2023, 59 per cent of immigrants remained in low-skill occupations. Only 27 per cent of immigrants, compared to 55 per cent of natives, held full-time, permanent contracts. Additionally, 89 per cent of immigrants earned less than €1,500 per month, with an average income 38 per cent lower than native workers (Iglesias and Bermejo-Casado, 2026).

Consequently, immigrants face high poverty rates – 47 per cent in 2022, compared to 21 per cent for the native population (INE-ECV, 2007-2024) – and their annual income is on average 47 per cent lower than that of natives (Iglesias and Bermejo-Casado, 2026). They also experience poor housing conditions, with many migrants concentrated in ageing, overcrowded houses in working-class neighbourhoods.

The limited capacity of the Spanish welfare system is particularly evident in the case of immigrants, who remain in a subordinate position, especially regarding benefits that protect against poverty such as unemployment insurance and pensions. This is due to their higher labour precarity, low representation in the over-65 age group, and legal barriers (Iglesias and Bermejo-Casado, 2026).

Despite worse socio-economic and welfare conditions, immigrants benefit from stronger family ties and social support mechanisms than natives. Their larger, more supportive families and active ethnic social networks provide crucial resources, such as housing, access to labour markets, and affordable goods and services, protecting them against labour insecurity and poverty (Zugasti and García, 2019; Iglesias and Bermejo-Casado, 2026).

Gender, precarity and new poverty

In the years following the Great Recession, the gender gap in poverty narrowed significantly, due largely to a decline in men's living standards. Women's risk of poverty

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

increased from 21.2 per cent in 2008 to 21.8 per cent in 2015, while men's risk grew from 18.4 per cent to 22.5 per cent in the same period (INE-ECV, 2007–2024). However, as the economy recovered, the gender gap began to widen again (Damonti, 2018). By 2018, men's risk of poverty (20.9 per cent) was once again lower than that of women (22.2 per cent) (INE-ECV, 2007–2024).

Women continue to face a more precarious position in the labour market, with lower participation rates, higher levels of temporary and part-time employment, greater concentration in low-skill jobs, and higher unemployment rates. These gender disparities are especially evident during women's peak reproductive years (Damonti, 2018).

Due to their weaker labour market position, women also suffer from more limited social protection. They are over-represented in non-contributory welfare programmes and under-represented in contributory ones (Damonti, 2018). Additionally, the lack of state support for domestic work and caregiving, and the persistence of traditional gender roles, exacerbates their social and labour vulnerabilities.

Gender inequalities in domestic and caregiving responsibilities persist. Since the 1980s, women's entry into the workforce has been accompanied by the 'double shift', where they work outside the home and continue to perform domestic labour. The privatisation of caregiving after the 2008 crisis and cuts to public schemes have made this situation worse. According to the European Quality of Life Survey – Spain (EUROFOUND, 2016) women spend 38 hours on childcare, compared to just 23 hours in the case of men.

The impact of the double shift varies by class. Upper middle- and middle-class women experience higher rates of part-time work, lower professional advancement, and overwork, but they often receive support from hired domestic workers, many of whom are migrant women from the Global South. In contrast, working-class women face longer workdays, combining precarious employment with domestic and care duties. They lack the resources to hire help and receive minimal support from the welfare system (Martínez-Virto and Bogino, 2019).[3]

Additionally, working-class women have been disproportionately affected by the household strategies adopted during the crisis and by the rise of new social risks. While remaining in precarious jobs, they have spent more time on domestic labour and caregiving, as well as investing more time in maintaining their supportive social networks. These demands have had negative consequences on their mental and physical wellbeing (Martínez-Virto and Bogino, 2019; Zugasti and García, 2019).

Changes in other socio-demographic characteristics of poverty

The socio-demographic characteristics of poverty have shifted significantly since the Great Recession (Ayala and Cantó, 2022). Households led by individuals 65 years of age or older now have a lower poverty risk than the national average. In 2021, 20.5 per cent of those aged 65 or older faced poverty or social exclusion, compared to the national average of 26.4 per cent (INE-ECV, 2007–2024). This is largely due to the pension system, which offers a stable income that has declined less than wages in recent years (FOESSA, 2019).

Meanwhile, the situation of households with children has worsened. Around 30 per cent of households with children live below the poverty line – 10 percentage

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

points higher than the European average (Ayala and Pérez, 2019). These families face precarious labour market conditions and insufficient public support. Single-parent households, particularly those headed by women (86 per cent of the total) are disproportionately affected. In 2018, 28.6 per cent of all single-parent households suffered social exclusion, according to the FOESSA indicator (Ayala and Pérez, 2019).

Young people are highly vulnerable, with 30.3 per cent of individuals aged 16 to 29 at risk of poverty or social exclusion in 2021 – a higher level than any other group except children (INE-ECV, 2007-2024). Young people face challenges such as poor labour market integration, high temporary and part-time work rates, and expensive housing. This delays them being able to live independently compared to peers in other European countries. Due to their age and labour situation, young people are under-represented in social protection schemes, making them the group least able to reduce poverty through social transfers (FOESSA, 2019). Unlike previous generations, their prospects for upward mobility are limited, with their future increasingly shaped by class and ethnicity (Fernández et al, 2019; Iglesias and Bermejo-Casado, 2026).

Social exclusion, the last stage of erosion of the development model

As noted earlier, social exclusion refers to the formation of a very vulnerable social space characterised by marginal employment, low income, limited public social protection (relying mostly on social assistance), and fragile family and social support networks (Castel, 1997; FOESSA, 2019). It is also frequently associated with other social problems and the need for basic support from non-profit organisations (Ayala and Pérez, 2019).

Social exclusion has grown in recent years in Spain. The AROPE indicator, which measures the share of the population at risk of poverty and/or social exclusion went from 22.3 per cent of the total population in 2008 to 26.8 per cent in 2019 – well above the EU average of 22.5 per cent (EUROSTAT, 2024).

The EINSFOESSA index based on Caritas' national survey uses 35 indicators and divides society into four segments: integrated, precarious, moderate exclusion and severe exclusion. According to this indicator, the excluded population in Spain increased from 15.8 per cent in 2008 to 25.3 per cent in 2013, dropping to 17.4 per cent in 2019 (FOESSA, 2019).

Severe social exclusion rose from 6.3 per cent in 2007 to 10.8 per cent in 2013, and 8.8 per cent in 2018. FOESSA (2019) identifies 4.1 million people in severe social exclusion in Spain, up from 2.8 million in 2007, primarily affecting women (9.4 per cent), young people (12.8 per cent) and immigrants (22.0 per cent).

Key features of this group include weak labour conditions with short- and long-term unemployment, as well as unstable, precarious jobs. Due to poor labour status, people under social exclusion have access to limited social protection – mostly non-contributory benefits and underdeveloped schemes like minimum income. Consequently, excluded individuals and households often face poor income and vulnerable housing conditions, including overcrowding, dampness, instability, and homelessness (Ayala and Pérez, 2019). The FOESSA survey also shows the weakening of family and community support networks, which were initially helpful during the 2008 crisis but became overloaded and less effective over time.

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

Discussion and conclusions

Between 1975 and 2008, Spain consolidated a new development model characterised by three elements: a low-productivity economy with a segmented labour market, a growing but limited welfare state, and strong family networks offering protection against precarity, poverty, and life risks (Ayala and Pérez, 2019; Banyuls and Recio, 2019; Fernández et al, 2019). This development model resulted in relatively high levels of inequality and poverty, which were, nevertheless, mitigated by public social protection and supportive family and community networks.

This article has shown how some of the negative features the Spanish development model deepened after the 2008 Great Recession: the low-productivity economy persisted, labour and economic asymmetries worsened, the welfare state weakened, and the family's role as a protective mechanism declined (Moreno-Fuentes and Marí-Klose, 2016; Zalakain and Barragué, 2017).

The crisis did not merely reveal temporary shortcomings but also exposed structural weaknesses in the Spanish welfare state that deepened after the neoliberal reforms adopted to address the recession. These include a strong reliance on contributory benefits – particularly pensions – alongside an underdeveloped and limited system of minimum-income protection and social assistance; territorial inequalities stemming from fragmented regional competences; and persistent labour market dualisation, which leaves outsiders – temporary workers, the unemployed and many migrants – insufficiently protected.

The weakening of the traditional family as a protective mechanism after the Great Recession arose not only from changes in the male-breadwinner model and its gendered roles, but also from broader social, cultural, and demographic transformations. Moreover, increasingly fragile family networks have been forced to absorb rising levels of labour precarity and economic insecurity, while simultaneously assuming greater responsibilities for supporting young people, children, and the elderly.

Because of these structural transformations, high levels of poverty and inequality have persisted, while both the state and households have seen their capacity to address them diminish (Gómez et al, 2016; FOESSA, 2019; Cabrera et al, 2021).

Poverty in Spain is strongly and systematically associated with the three core pillars of its development model. First, quantitative evidence shows a robust statistical relationship between poverty and labour market segmentation, instability and dualism. Households linked to low-productivity, temporary and low-paid sectors display significantly higher poverty risks, while wage inequality and low work intensity are also strongly correlated with both poverty levels and persistence (Cantó et al, 2012; Ayala et al, 2017).

Second, poverty is statistically associated with the limited redistributive capacity of the welfare state. Cash transfers have a weaker poverty-reduction effect than in most EU countries, and minimum-income schemes and unemployment benefits show limited coverage and effectiveness, whereas pensions are clearly linked to lower poverty rates (Cantó, 2013; Marí-Klose and Martínez Pérez, 2015; Ayala et al, 2021).

Finally, the erosion of the family model is significantly associated with increased poverty risk, particularly among single-parent households (Moreno and Marí-Klose, 2013).

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

After the crisis, therefore, the downward reproduction of the Spanish development model generated significant shifts in poverty, affecting primarily the working classes (Arriba and Rodríguez Cabrero, 2019).

First, we observe the growth and consolidation of a precarious space (Castel, 1997; Standing, 2014). Labour precarity now affects a growing share of the working class and results in unstable employment, low wages, and poor working conditions. Unstable jobs go hand in hand with less generous welfare benefits and weaker family support (Martínez-Virto and Bogino, 2019).

This precariat is both a consequence of Spain's low-productivity model – which requires cheap, 'flexible' labour to stay competitive – and a critical factor in its reproduction, as poverty and economic insecurity make precarious jobs more acceptable (Castillo, 2005; Miguélez and Prieto, 2009; Banyuls and Recio, 2017). Alongside this precarious space, a zone of social exclusion is growing in Spain as reflected in the AROPE and EINSFOESSA indicators. Social exclusion represents the most extreme consequence of the deterioration of the Spanish development model (Castel, 1997; FOESSA, 2019; Iglesias and Bermejo-Casado, 2026). It is characterised by labour marginality, material deprivation, weak social protection based on social assistance, and the loss of family and community networks that traditionally protected against poverty (FOESSA, 2019).

Social exclusion is both the structural process of expulsion of broad segments of the population from the Fordist social norm of integration, and the creation of zones of vulnerability and social exclusion, marked by the deterioration of employment and welfare (Castel, 1997). We should consider and measure both processes simultaneously, pointing out not only the amount of people living outside of the social norm of integration but also the people and homes that are in both precarious and social exclusion situations (FOESSA, 2019).

The third dimension of poverty is the persistence of gender inequalities in income, opportunities, and time use. Gender inequalities are linked to the sexual division of labour, reflected in low-paid jobs, more part-time employment, and the double shift. Women continue to bear a heavier domestic and caregiving load, with higher costs and mental burdens, especially linked to efforts made to mitigate poverty and life risks.

The fourth element is the new ethnic dimension of poverty. Migrant families and their children have become a central segment of Spain's increasingly diverse working class. They face worse jobs, poor housing, and fewer social benefits, forming a new ethnic precariat beneath the native one. Yet, unlike the native working class, migrants benefit from stronger family and community networks, which help them confront poverty and social exclusion.

The fifth element concerns the socio-demographic profile of poverty in Spain. Young people, particularly from working-class backgrounds, face poor labour, economic, and housing conditions. Poverty also disproportionately affects families with children, especially single-parent households (Martínez-Virto and Bogino, 2019).

Spain shares many of these trends with other Southern European countries. After the crisis, the Mediterranean model has come under increasing strain due to demographic change, economic constraints, policy reforms and new social risks, underscoring the need for welfare reforms to prevent the progressive individualisation of economic and social risks (Moreno-Fuentes and Marí-Klose, 2016; Moreno, 2019).

Some policy recommendations emerge from this analysis. Precarity and social exclusion should be central to public policy, as both processes share the same structural

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

roots and require common responses. These include reforming the productive system, restructuring and expanding welfare interventions, and strengthening family and community networks. If policies focus too narrowly on social exclusion, they may alleviate specific situations without addressing underlying structural challenges. It is essential to recognise that precarious and excluded populations belong to the same working classes and share labour markets, neighbourhoods, public resources and social ties.

Spain needs a more universal welfare state that compensates for declining family support and better protects those affected by precarity and exclusion. This involves strengthening and harmonising minimum-income schemes, rebalancing social spending towards younger people, families and the unemployed, and expanding family and care policies. To ensure migrant inclusion, policies should adopt an intercultural approach recognising Spain's ethnic and racial diversity (Zalakain and Barragué, 2017).

Finally, more research is needed on how the Spanish model has evolved after the pandemic, especially regarding the crisis of families and communities as protective instruments. It is crucial to explore the structural factors that have eroded solidarity within families and neighbourhoods, as well as the differences in supportive family and social networks between migrants and natives (Pahl, 1984; Fernández et al, 2019; González de la Rocha, 2020).

Notes

[1] Between 2009 and 2014, public hospitals saw a reduction of 9,600 jobs. Meanwhile, the share of private spending in total health expenditure rose from 26.4 per cent in 2008 to 29.2 per cent in 2017 (Córdoba-Doña and Escolar-Pujolar, 2019).

[2] For a discussion of poverty and inequality among the 17 states in Spain, see Apergis, Delgado and Suarez-Arbesú (2025).

[3] For instance, although the Dependency Law approved in 2006 represented an important step towards supporting the care of dependent and elderly people through the public welfare system, its implementation has been constrained by insufficient funding (Martínez-Virto and Bogino, 2019).

ORCiD IDs

Juan Iglesias https://orcid.org/0000-0002-8333-7834
Diego Sánchez-Ancochea https://orcid.org/0000-0001-6243-0784

Funding

The authors received no financial support for the research, authorship, and/or publication of this article.

Contributor statement

JI and DSA contributed to the conception and design of the study. JI and DSA also performed material preparation, data collection and analysis. JI and DSA read and approved the final manuscript.

Research ethics statement

The author(s) of this article have declared that research ethics approval was not required since the article does not present or draw directly on data/findings from empirical research.

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

Conflict of interest

The authors declare that there is no conflict of interest.

References

Apergis, N., Delgado, F.J. and Suárez-Arbesú, C. (2025) Inequality and poverty in Spain: insights from a regional convergence analysis, *International Journal of Finance & Economics*, 30(2): 1707–23, doi: 10.1002/ijfe.2992

Arriba, A. and Rodríguez Cabrero, G. (2019) El papel de las políticas sociales en la salida de la crisis, in *VIII Informe sobre exclusión y desarrollo social en España*, FOESSA, pp 305–96.

Ayala, L. and Cantó, O. (2022) *Radiografía de medio siglo de desigualdad en España*, Observatorio Social La Caixa.

Ayala, L. and Pérez, B. (2019) La evolución de la exclusión en España, in *VIII Informe sobre exclusión y desarrollo social en España*, FOESSA, pp 205–92.

Ayala, L., Canto, O. and Rodríguez, J.G. (2017) Poverty and the business cycle: a regional panel data analysis for Spain using alternative measures of unemployment, *Journal of Economic Inequality*, 15: 47–73, doi: 10.1007/s10888-016-9343-5

Ayala, L., Arranz, J., García-Serrano, C. and Martínez-Virto, L. (2021) The effectiveness of minimum income benefits in poverty reduction in Spain, *International Journal of Social Welfare*, 30(2): 152–69, doi: 10.1111/ijsw.12447

Ayllon, S. (2013) Understanding poverty persistence in Spain, *SERIEs*, 4: 201–33, doi: 10.1007/s13209-012-0089-4

Banco de España (2014) *Informe Anual 2014*, Banco de España.

Banyuls, J. and Recio, A. (2017) Labour segmentation and precariousness in Spain: theories and evidence, in D. Grimshaw, C. Fagan, G. Hebson and I. Tavora (eds) *Making Work More Equal*, Manchester University Press, pp 129–49.

Banyuls, J. and Recio, A. (2019) *Desigualdades en el mercado laboural. Una propuesta interpretativa*, Documento de Trabajo 2.2. Informe FOESSA 2019, FOESSA.

Burroni, L., Pavolini, E. and Regini, M. (eds) (2021) *Mediterranean Capitalism Revisited: One Model, Different Trajectories*, Cornell University Press.

Cabrera, L., Marrero, G., Rodríguez, J.G. and Salas-Rojo, P. (2021) Inequality of opportunity in Spain: new insights from new data, *Hacienda Pública Española/ Review of Public Economics*, 237(2): 153–85, doi: 10.7866/HPE-RPE.21.2.6

Cantó, O. (2013) La capacidad redistributiva del sistema español de prestaciones e impuestos, *Papeles de Economía Española*, 135: 140–52.

Cantó, O., Gradín, C. and Del Río, C. (2012) Pobreza crónica, transitoria y recurrente en España, *Revista de Economía Aplicada*, 20(58): 69–94.

Castel, R. (1997) *La metamorfosis de la cuestión social*, Paidós.

Castillo, J.J. (2005) *El trabajo recobrado*, Miño y Dávila.

Córdoba-Doña, J.A. and Escolar-Pujolar, A. (2019) The lasting effects of a 'Relentless Crisis': the Great Recession and health inequalities in Spain, *E-cadernos CES*, 31, doi: 10.4000/eces.4223

Damonti, P. (2018) *Desigualdades de género y procesos de empobrecimiento y exclusión social*, Documento de Trabajo 2.4. Informe FOESSA 2019, FOESSA.

De Arriba, R. (2014) Crisis, política económica y desigualdad en España, *Papeles de Europa*, 27(2): 70–84.

Del Pino, E. (2020) Welfare state, in D. Muro and I. Lago (eds) *The Oxford Handbook of Spanish Politics*, Oxford University Press.

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

EAPN (2022) *El estado de la pobreza*, EAPN Spain.
EUROFOUND (2016) European quality of life survey (EQLS), EUROFOUND, https://www.eurofound.europa.eu/en/surveys/european-quality-life-surveys-eqls (Accessed: 18 November 2024).
EUROSTAT (2024) Income and living conditions statistics, EUROSTATS, https://ec.europa.eu/eurostat/web/income-and-living-conditions/database (Accessed: 10 February 2025).
Equipo de Investigación Sociológica (EDIS), Ayala, L., Esteve, F., García Lizana, A., Muñoz de Bustillo, R., Renes, V., et al (1998) *Las condiciones de vida de la población pobre en España*, FOESSA.
FEDEA (2025, mayo 28) *El desacople entre el poder adquisitivo de los salarios reales y el coste laboral para las empresas*, FEDEA.
Fernández, J.A., Alas-Pumariño, A. and López Calle, P. (2019) *Ciudad Periferia: El 'fracaso' de la reconversión industrial madrileña 1980–2020*, Editorial Complutense.
Ferrera, M. (2010) The South European countries, in *The Oxford Handbook of the Welfare State*, Oxford University Press, pp 616–29.
FOESSA (2019) *VIII Informe sobre exclusión y desarrollo social en España*, FOESSA.
Fuenmayor, A., Granell, R. and Savall, T. (2020) Tax-benefit systems and gender gap. An across-Europe study, *Hacienda Publica Espanola*, 235: 87–118, doi: 10.7866/HPE-RPE.20.4.5
Gimeno Díaz de Atauri, P. (2015) The cost of dismissals in Spain before and after the labour reforms, *Spanish Labour Law and Employment Relations Journal*, 4(1-2): 32–46.
Gómez, P.J., Molero-Simarro, R. and Buendía, L. (2016) The impact of the 2008/9 crisis on inequality and poverty in Southern Europe: the case of Spain, *Journal of Australian Political Economy*, 78: 87–101.
González de la Rocha, M. (2020) Of morals and markets: social exchange and poverty in contemporary urban Mexico, *Annals of the American Academy*, 689: 26–43, doi: 10.1177/0002716220916700
Guillén, A.M. and González-Begega, S. (2019) Spain: economic crisis and the politics of welfare under austerity, in S. Olafsson, et al (eds) *Welfare and the Great Recession: A Comparative Approach*, Oxford University Press, pp 56–76, doi: 10.1093/oso/9780198830962.003.0006
Huber, E. and Stephens, J. (2012) *Democracy and the Left: Social Policy and Inequality in Latin America*, University of Chicago Press.
Iglesias, J. (2004) Los enfoques teóricos de la pobreza: del pobre soñado al trabajador proletarizado, in A. García-Mina and M.J. Carrasco (eds) *Genero y desigualdad: la feminización de la pobreza*, Universidad P. Comillas, pp 75–172.
Iglesias, J. and Bermejo-Casado, R. (2026) Structural racism? The socioeconomic segregation of the immigrant population in Spain and its drivers, *Societies*, 16(2): 40, doi: 10.3390/soc16020040
Instituto Nacional de Estadística (INE) (2000–2024) Basic demographic indicators (IDB), INE, https://www.ine.es (Accessed: 9 February 2025).
Instituto Nacional de Estadística (INE) (2002–2023) Labour force survey (EPA), INE, https://www.ine.es (Accessed: 20 January 2024).
Instituto Nacional de Estadística (INE) (2007–2024) Living conditions survey (ECV), INE, https://www.ine.es (Accessed: 4 February 2025).
Instituto Nacional de Estadística (INE) (2016) Wage structure survey (EES), INE, https://www.ine.es (Accessed: 18 January 2025).

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

Instituto Nacional de Estadística (INE) (2022) Statistics from Spain's Continuous Population Register (EPC), INE, https://www.ine.es (Accessed: 3 February 2025).
Instituto Nacional de Estadística (INE) (2023) Continuous household survey (ECH), INE, https://www.ine.es (Accessed: 9 February 2025).
Lorenzo, F.J. (2022) Las estrategias desplegadas por los hogares en respuesta a la crisis, in L. Ayala and M. Laparra (eds) *Evolución de la cohesión social y consecuencias de la C19 en España*, FOESSA, pp 519–42.
Marí-Klose, P. and Martínez Pérez, A. (2015) Empobrecimiento en tiempos de crisis: vulnerabilidad y (des)protección social en un contexto de adversidad, *Panorama Social*, 22: 1–26.
Marí-Klose, P. and Moreno-Fuentes, F.J. (2013) The Southern European welfare model in the post-industrial order: still a distinctive cluster? *European Societies*, 15(4): 475–92, doi: 10.1080/14616696.2013.835853
Martínez-Virto, L. and Bogino, V. (2019) *¿Resistencia en familia? Estrategias y costes de la recuperación de la crisis*, FOESSA.
Miguélez, F. and Prieto, C. (2009) Trasformaciones del empleo, flexibilidad y relaciones laborales en Europa, *Política y Sociedad*, 46: 275–87.
Molina, O. and Rhodes, M. (2007) The political economy of adjustment in mixed market economies: a study of Spain and Italy, in R. Hancké, M. Rhodes and M. Thatcher (eds) *Beyond Varieties of Capitalism: Conflicts, Contradictions and Complementarities in the European Economy*, Oxford University Press, pp 223–52, doi: 10.1093/acprof:oso/9780199206483.001.0001
Moreno, L. (2004) Spain's transition to new risks: a farewell to 'superwomen', in P. Taylor-Gooby (eds) *New Risks, New Welfare: The Transformation of the European Welfare State*, Oxford University Press, pp 42–61, doi: 10.1093/019926726X.003.0006
Moreno, L. (2019) El futuro del modelo social europeo, in C. Ares and L. Bouza (ed) *Política de la Unión Europea: Crisis y continuidad*, CIS, pp 291–306.
Moreno, L. and Marí-Klose, P. (2013) Youth, family change and welfare arrangements, *European Societies*, 15(4): 493–513, doi: 10.1080/14616696.2013.836400
Moreno, L. and Rodríguez Cabrero, G. (2007) Política social y estado del bienestar en España, in M. Pérez Yruela (ed) *La sociología en España*, CIS, pp 645–66.
Moreno-Fuentes, F.J. and Marí-Klose, P. (eds) (2016) *The Mediterranean Welfare Regime and the Economic Crisis*, Routledge.
Naredo, J.M. (2009) La cara oculta de la crisis : el fin del boom inmobiliario y sus consecuencias, *Revista de Economía Crítica*, 7: 21–37.
OECD (2015) *Government at a Glance*, OECD.
OECD (2024) *OECD Employment Outlook 2024: Country Note Spain [Report]*, OECD Publishing.
Oso, L. and Parella, S. (2012) Inmigración, género y mercado de trabajo: una panorámica de la investigación sobre la inserción laboral de las mujeres inmigrantes en España, *Cuadernos de Relaciones Laborales*, 30(1): 11–44.
Pahl, R. (1984) *Las Divisiones del Trabajo*, Ministerio del Trabajo.
Recio, A. (2001) Una nota sobre bajos salarios en España, *Cuadernos de Relaciones Laborales*, 18: 15–45.
Rodríguez Cabrero, G. (2011) The consolidation of the Spanish welfare state (1975–2010), in A.M. Guillén and M. León (eds) *The Spanish Welfare State in European Context*, Routledge, pp 91–117, doi: 10.4324/9781315552552

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC

Sanz-de-Galdeano, A. and Terskaya, A. (2019) *The Labour Market in Spain, 2002–2018*, IZA World of Labour, doi: 10.15185/izawol.403.v2

Standing, G. (2014) ¿Por qué el precariado no es un concepto espurio? *Sociología del Trabajo*, 82: 7–15.

State Public Employment Service (SEPE) (2017) Unemployment benefit statistics, Ministry of Employment and Social Security, https://www.sepe.es/HomeSepe/que-es-el-sepe/estadisticas.html (Accessed: 6 February 2025).

Tezanos, J.F. and Tezanos, S. (2005) Tendencias en exclusión social en España, *Panorama Social*, 1: 58–67.

World Bank (2024) *Annual Report*, World Bank.

World Inequality Database (WID) (2024) Income inequality data, https://wid.world (Accessed: 6 February 2025).

Zalakain, J. and Barragué, B. (2017) *Repensar las políticas sociales*, Grupo 5.

Zubiri, I. (2016) Las pensiones en España: situación y alternativas de reforma, *Papeles de Economía Española*, 147: 23–42.

Zugasti, N. and García, A. (2019) *La recuperación económica se olvida de los más vulnerables. Una lectura de los cambios en el espacio social de la exclusión tras la crisis en España*, VIII Informe FOESSA, Documento de trabajo 3.1, FOESSA.

Unauthenticated | Downloaded 09/20/26 05:47 PM UTC