

Lectures to the XVII International Conference of the Basic Income Earth Network in Lisbon, Portugal, September 25-27, 2017

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This text comprehends my both contributions: First, about The Construction of a Fair and Civilized Country: The Perspective of the Transition from “Bolsa Família” to the “Renda Básica de Cidadania”; in the parallel section 26 - UBI in Brazil, mediated by Jorge Pinto, with the participation of Leandro Teodoro Perreira, Maria Ozanira Silva e Silva Valéria Ferreira Santos de Almada Lima and Thiago Santos Rocha, Second: The Plenary Section Chaired by Professor Philippe Van Parijs where I speak about “The Great Challenge: How to Finance and Implement UBI in Portugal and in Brazil? And Professor Francisco Louçã speaks about: “Is the Universal Basic Income Feasible and a Adequate Social Strategy for Fairness”

Since the first time that I have participated in an International Congress of BIEN, in September 1994, in London, it was the Fifth, when I interacted with the its founders such as Philippe Van Parijs, Guy Standing, Clauss Offe, that had already made conferences in São Paulo and Rio de Janeiro, Brazil, plus Walter Van Trier, Bridget Meade-Dommen, the daughter of James Edward Meade (1907-1995), the author of “Agathotopia”, that received a homage at that V Congress, and so many of you, I became more and more enthusiastic about the proposal of an Unconditional Basic Income. In that year, there was already a debate about the idea in several nations and an important experience in Alaska (USA). I decided to visit Alaska in July 1995, for 7 days, three in Juneau, two in Anchorage and three in a beautiful National park to see the bears and so many animals. During the seven days, besides visiting the headquarters of the Alaska Permanent Fund, I asked everyone that I met about the Alaska dividend system. Almost everyone said enthusiastic words about it. I remember one man that said that since he had an annual income of US\$ 70,000.00 per year, for him US\$ 1,000 or 2,000 more did not make a great difference. I returned to Brazil with much certainty that the basic income was an excellent proposal. In 1980, Alaska was the most unequal of the 50 American States. Today, after 35 years of paying an equal dividend to all residents living there for an year or more, that has varied from US\$ 300.00 in the early eighties to a maximum of US\$ 3,269.00 in 2008, when the price of oil went very high, Alaska and Utah are the most equal of the 50 American States.

What really impressed me very much is that today the debates, experiences and developments of the Basic Income are spreading all over the world, all continents. Let me mention some of them, as we may follow at the BIEN News Flash as well by the several presentations made to the XVII International Congress of BIEN, in Lisbon, this September 25-27, 2017:

In Belgium, especially at the Catholic University of Louvain, Philippe Van Parijs and Yannick Vanderborght, besides organizing a marvelous 500th hundred

anniversary of the publication of “UTOPIA”, by Thomas More, on February 2nd, 2016, have just published an excellent book, “Basic Income, A Radical Proposal for a Free Society and a Sane Economy” (Harvard University Press, 2017) that soon will be published in Portuguese and in so many other languages. When we become friends in a group of people such as the one that is gathered in this BIEN Conference, we like to tell the good things that have happened to us. In that beautiful ceremony in Homage to Thomas More, The Catholic University of Louvain ortogated me the title of Doctor Honoris Causa for my log and persistent struggle in favor of the Basic Income in Brazil and on Earth

In Swiss, in July 5, 2015, a Referendum was organized after the initiative of the Swiss Citizen’s Institute, co-initiated by Enno Schmidt that gathered 130,000 signatures. 77% voted against the UBI and 23% voted in favor. Philippe Van Parijs mentioned in the BIEN’s News Flash that it was a very good step in our struggle since never before had been the basic income proposal been covered and debated in all main international means of communications.

In Finland, last December 14 the Finnish Parliament passed an act authorizing the Finnish Parliament an experiment of basic income that begun on January 1st, 2017. A random sample of 2.000 individuals selected from a pool of unemployment benefit recipients, between the ages of 25 and 58, since last January, are receiving an unconditional basic income of 560 EUR per month for a two-year period. The primary objective of the experiment is to access whether an unconditional basic income promotes employment; remove work disincentives in the current welfare system as well as to reduce bureaucracy.

In Scotland interest in the basic income is growing and pilot experiments are about to start, including in Glasgow, the largest city. The country largest political party, the Scottish National Party, passed a motion supporting basic income in different taxation models. The opportunity to hear about it from Mr. Ronnie Cowan, a Member of Parliament in United Kingdom, is presented to us in this BIEN Congress.

Seán Healy and Brigit Reynolds explained the intense debates about the politics of basic income in Ireland. Social Justice Ireland, an independent think tank and justice advocacy organization, directed by Dr. Sean Healy, has endorsed proposals for the introduction of an European Union wide basic income system

In the Netherlands, researches in several Dutch municipalities are preparing experiments to test the effects of the removal of conditions on social assistance. Although not testing basic income per se, the experiments will examine one of its key attributes (the reduction of conditionality). The municipalities of Groningen, Waningen, Tilburg, Deventer and Ten Boer have received permission from the Dutch Ministry of Social Affairs and Employment to realize proposed social assistance experiments. Utrecht has also announced interest in testing the basic income.

In Spain, the city of Barcelona is preparing to test an income maintenance program in one of its poorest districts. While it has been called a “basic income”,

the tested program diverges in several ways from BIEN's definition of the term. The Podemos political party also decided to push for basic income in the Spanish Andalusia region.

In Italy, in June 2017, many associations, collectives, social movements, students and activists have joined the "Rete dei Numeri Pari" (Even Numbers Network to which BIN – Italian Basic Income Network - is also a part of), promoting a social campaign for the "income for dignity".

Annamaria Artner, from King Sigisnd University, Budapest , Hungary, spoke about UBI within the Framework of Capitalism. While Hilmet Gülçin Beken, form Gumushane University, Turkey asked if the Basic Income is a New Way to Save 212st Century Capitalism.

Professor Guy Standing, from the SOAS University of London, was the chair of a debate about Ideologies and Politics of UBI between Almaz Zelleke , from the NYU Shanghai, Télémaque Masson, of EHESS, Paris France, Liz Fouksman , from Harvard and Elise Klein , from the University of Melbourne, Australia, and Reimund Acker, from Netzwerk Grundeeinkommen, Germany

Evelyn Forget, from Canada, spoke at the Lisbon BIEN Congress about the Narratives of Change and experiments of basic income in four high income countries. Karen Glass, also from Canada, presented an enthusiastic report about a basic income pilot project for Ontario. Jenna van Draamen contributed with her analysis about the trends in basic income.

It was important news that the State of Hawaii, USA, with the initiative of representative Chriss Lee, approved in both houses of the State Legislature a resolution supporting basic income.

A Constituent Assembly of Mexico City has included an article specifying a right to a vital minimum in 2016, a very significant step that had the important contribution of Pablo Yanez. Senators and Federal Deputies in the National Congress of Mexico have presented projects to institute a Basic income.

The Faculties of the Universidad de la República have united efforts this year to study the viability to create a basic income in Uruguay. Ex-President and today Senator Pepe Mujica, as well as the now Vice President Lucia Topolansky, his wife, that had been elected Senator with more votes, have several times supported the basic income, including in his recent visit to Brazil on the occasion of his participation in the State Congress of the Worker's Party (PT), in São Paulo. In his visit to Chile, last June, Pepe Mujica said: "How can the workers and their organizations confront the new challenges of the world and to build a new future of work that we want? In the field of work the world will live, I believe, a future cataclysm. The numbers that have been published are of terror: to generate 600 million work places, with the expansion of work, is not a small thing... There will be struggles, inevitable global fights for basic incomes. At the end, even capitalism will have to replace, because robots may substitute the work of men, but they do not buy, and therefore they do not offer work for you to live, to consume."

In Argentina, since the nineties, Rubén Lo Vuolo e Alberto Barbeito have been struggling in favor of a basic income for all. They have helped Elisa Carrió and Elisa Carca in presenting a project of law in 1997 to institute an Infant Basic Income to all until 18 years of age. Here in Lisbon, Leticia Morales, from The National University of La Plata, is presenting The Democratic Case for a Robust Right to Income.

Different approaches are being considering for a UBI in Guatemala, Australia and Bilbao.

In Namibia, in 2015 President Hage Geingob, who had been one of the voluntary contributors for the very successful three year experience of a basic income in Otjivero, for all 1000 inhabitants, coordinated by Bishop Zephania Kametta, President of the Namibian Coalition for a Basic Income, was elected by more than 70% of the votes. I visited Otjivero in February 2011 and was very positively impressed. In 2016 the President nominated Bishop Zephania Kametta the Minister of Poverty Eradication and Social Affairs. Last year, President Hage Geingob announced a program to eradicate poverty in Namibia up to 2025 in which the basic income will have a key role.

In Kenya, as a result of the initiative of GiveDirectly, a New York-based non-profit organization, with significant support form entrepreneurs from the Silicon Valley, in California, a basic income experience started in villages of three different counties. There are three different groups: one in which all adult residents receive a guaranteed basic income for 12 years, one in which all adult residents receive a guaranteed basic income for two years, and one in which all adult residents receive a lump sum equivalent to the two-year basic income. The amount of the basic income will be US\$ 22.00 per month. GiveDirectly include 40 villages in the first group and 80 in each of the latter two. This results in roughly 26.000 individuals receiving cash. The pilot is part of a larger plan in Kenya to offer similar unconditional transfers to people in 200 villages. Also Omidyar Network, a “philanthropic investment firm created by eBay founded Pierre Omidyar, announced on February 2017 that would donate US\$ 493,000 to GiveDirectly to support the basic income experience in Kenya.

In South Africa, where the XI International Congress of BIEN was held, in 2006, that was opened by a video conclamation of Bishop Desmond Tutu asking all of us to try to implement a US \$ 2.00 a day basic income in all countries of the world. The president of the Congress of South African Trade Unions (COSATU) has called on government, in December 2016, to implement a basic income guarantee. In June 2017, South African businessman Johan Rupert, chairman of a Swiss Luxury goods company and South African Investment holding company Remgro Limited, mentioned that “In order to mitigate the job losses through automation, we will have to talk about unconditional basic income.” Julio Andrade, from The Ethics Institute, South Africa, is presenting here, in Lisbon, how to implement a Basic Income.

In Uganda, Eight, a charitable organization based in Belgium is running a basic income experience pilot. The two-year pilot program will form the basis for a documentary by filmmaker Steven Jansen and sociologist Maarten Goethals.

In India, the Universal Basic Income has gained much attention mainly after the Madya Pradesh very successful experiences coordinated by the Self Employed Women Association, SEWA, supervised by Guy Standing, financed by UNICEF. During two years, 20 villages have been object of the research. In 8 of them, 6.000 people received 350 rupees per month, half of this value to people up to 18 years of age. In other 12 villages of similar characteristics, 6.000 people have not received. All social economic results were very positive for those who have received the basic income. A first Indian National Conference dedicated to UBI was held in March 2017. Amartya Sen has expressed that Health Services to all India should be a first priority. Under his view, basic income should be an alternative after a country has reached a certain level in social policy in general. But other economists such as Pranab Bardhan, Sudipto Mundle and Vilay Joshi have recently prescribed UBI for the country.

In Macau, an ex-colony of Portugal in Asia since the sixteenth Century, has lastly became part of the People's Republic of China, in 1999, however with an autonomous legislation. From 2000 on, Macau allowed foreign investments in casinos and hotels. It became a large center for tourism, today with more casinos than Las Vegas. In 2006, there was a strong social tension in Macau. From 2008 on, Macau decided to distribute a dividend to all permanent residents, the "Wealth Partaking System". In 2008 it started with 4.000 patacas. In 2017, 638.000 Macau Permanent residents received 9,000 patacas, equivalent to US\$ 1,128.00. Those considered to be non-permanent citizens received 5,400 patacas.

From Japan, we are having significant contributions from Toru Yamamori, of the Doshiha University, Kyoto, Kaori Katada, of The Hosei University – Tokyo, and Masahiko Yamada on how to implement a Basic Income.

Jaeseop Kim, presented the Tio Su-ki Project, a Basic Income Pilot Project by Korean Youth: Imagine another World.

In Iran, in 2010, the Parliament approved a law to cut the subsidies to oil and gasoline, because the prices were much lower than in neighboring countries and internationally. In order to compensate the increase in the cost of living, the government decided to pay an equal dividend, first to all citizens, asking, however, the richest not to receive.

I believe to be relevant at this BIEN Congress that we register the Inaugural Address of the creator of the Facebook, Mark Zuckerberg at Harvard University this year:

"We should have a society that measures progress not just by economic metrics like GDP, but by how many of us have a role we find meaningful. We should explore ideas like the universal basic income to give everyone a cushion to try new things".

Another high point in this congress was the exhibition of the excellent documentary “Free Lunch Society”, of the Austrian director Christian Tod about how the in the world , from poor nations like Namibia, Kenia, to rich nations like Germany, USA, Finland, Holland, Canada are doing experiences and thinking about the Unconditional Basic Income. The film shows the success of the Alaska Permanent Fund dividend system as well as the experience of a modest basic income to all 1000 inhabitants of Otjivero, in Namibia. The film takes as point of departure an ethic justification of basic income founded on the premise that natural resources belong to us all. Some Nobel Prize Economists and entrepreneurs such as Götz W. Werner, the owner of the largest Drug Store, DM, in Germany, argues enthusiastically about the proposal.

Brazil is the first nation in the world where a Unconditional Citizen’s Basic Income was approved by the National Congress. First, in 2002, by the Federal Senate, then, in 2003, by the Chamber of Deputies, by all parties, and sanctioned by President Luiz Inácio Lula da Silva on January 8, 2003. The law, however, says in a paragraph, that the basic income will be instituted step by step, taking into account, first, those most in need, such as the Bolsa Família Program does it. The Bolsa Familia Program resulted from the rationalization and unification of four different income transfer programs, the Bolsa Escola, the Bolsa Alimentação, the Auxílio Gás, that were put into practice during the presidency of Fernando Henrique Cardoso, 1994-2002, and the Cartão Alimentação, started in the first semester of the administration of Luiz Inácio Lula da Silva. The Bolsa Escola and Bolsa Alimentação were the result of the debate about the first project that I had presented as a Senator in April 1991, to institute a Guaranteed Minimum Income in the form of a negative income tax. Professor José Márcio Camargo, in a debate of economists with affinity with the Worker’s Party, in August 1996, said that it would be good to provide a minimum income to poor families as long their children were going to school. He wrote about this proposal to “Folha de S. Paulo”, in 1991 and 1993, and in 1995 pioneer initiatives along those lines started successfully in the Federal District and in the municipality of Campinas, with Governor Cristóvam Buarque (PT), and in Campinas, with the Mayor José Roberto Magalhães Teixeira (PSDB). The example was followed by tens of cities. In the Brazilian Congress six projects appeared for the Federal Government to finance the municipalities that would put into practice those programs. In August, 1996, I took Professor Philippe Van Parijs to an audience with President Fernando Henrique Cardoso, where he explained that an Unconditional Basic Income would be the best objective to be attained, but to start income programs provided since children were going to school would mean an investment in human capital. Then, President Fernando Henrique gave green light for those projects to be approved.

More and more, interacting with the members of BIEN and the literature, I became persuaded that the Unconditional Basic Income would be even better. In December 2001, I presented the project of Law to the Senate to institute a Citizen’s Basic Income from 2005 on. Thanks to the proposal of the rapporteur, Senator Francelino Pereira (PFL-MG), that the Basic Income would be introduced step by step, so as to be compatible with the Law of Budget

Responsibility, that says that each expense must be met by the necessary revenue, it was approved. At the time I thought of James Edward Meade advice, in Agathotopia, that in order to get to the good world, with the best institutions, we need to do it gradually. Otherwise, political instabilities will make it difficult. With the positive approval of all parties, the Senate approved the project in December 2002, the Chamber of Deputies approved it, also by all parties, in December 2003. It went to President Luiz Inácio Lula da Silva to sanction it or not in January 2004. After my conversation with the Minister of Finance, Antônio Palloci, he explained to the President that since it was to be instituted gradually, it was feasible. On January 8, 2004, President Lula sanctioned the Law 10.835/2004 that institutes the CBI in a beautiful ceremony at the Palácio do Planalto, with the presence of Professor Philippe Van Parijs.

In the State of São Paulo, two municipalities have already approved local projects to institute a Citizen's Basic Income, to be introduced gradually, in cooperation with the State and the Federal Governments: Santo Antonio do Pinhal (6,500 inhabitants), by the initiative of its mayor, José Augusto Guarnieri Pereira (PT) and Apiaí (28,000 inhabitants), by the initiative of Samuel Antoni Carriel de Lima, a councilman, sanctioned by Ari Knor (Communist Party of Brazil - PCdoB) but they have not started the implementat yet. In the State of Rio de Janeiro, by the initiative of Mayor Washington Quaquá (PT) of the Municipality of Maricá (150,000 inhabitants) a law to institute a Citizen's Basic Income was approved since January 2016, and has already started with a very modest value of R\$ 10.00 per month. From January 2017, it increased to R\$ 20.00. It May go up to R\$ 100.00 by the end of 2017, or January 2018. The Mayor Fernando Haddad of São Paulo (12 million inhabitants), in his last day in office, December 30, 2016, sent to the Municipal City Council a Project of Law to institute gradually a Citizen's Basic Income. On the first of January, 2017, on the first day of work as a City Councilman of São Paulo (with 301.446 votes, a record in São Paulo and in Brazil for a city councilman), I presented the justification for this project. It has been already approved by two commissions, of Constitution and Justice, and of Public Administration. Another significant experience in Brazil is under responsibility of Bruna Augusto Pereira and Marcos Vinicius Brancaglione of the RECIVITAS, Instituto de Revitalização de Cidadania, in Quatinga Velho, a district of Mogi das Cruzes (SP). Trough gathering voluntary contributions they have provided for more than seven years a monthly Basic Income today of R\$ 40.00 per month for about 70 people of a very modest community.

Since the sanction of the Federal Law, in 2004, I have been insisting that the President form a working group to study the steps toward the Citizen's Basic Income. Especially, since June 2013 to 2016, I wrote 34 letters to President Dilma Rousseff trying to persuade her to have a meeting with me about this proposal. She finally received me on June 1, 2016, already at the Alvorada Palace, waiting for the decision of the Brazilian Senate that finally ousted her from the Presidency. If I was still a Senator, for sure I would have voted against the impeachment. She considered the formation of the Working Group a nice idea. But this step became possible, not in an official form, but by the initiative of the President Márcio Pochmann of Fundação Perseu Abramo, related to the PT. Its first meeting was held last July 25 at the Câmara Municipal de São

Paulo, with the cooperation of the Rede Brasileira da Renda Básica de Cidadania.

It is my experience that wherever I have the time to explain the advantages of the Citizen's Basic Income, unconditionally, paid to everyone residing in the nation, including foreigners living in the country for five years or more, no matter origin, race, sex, civil or social economic condition, in auditoriums of all natures, in schools, universities, worker's unions, churches, civil social organizations, 1 to 5 times a week, in general all the people in the auditorium becomes in favor of the Basic Income.

Normally I start my lectures saying that we should think about the tools of economic policy that will help us in building a just and civilized society, such as thought by Paul and Greg Davidson in "Economics for a Civilized and Just Society" (London: Macmillan 1988). In order to do so, we must take into account those values that are not only to take advantage of everything, even by hurting your neighbor – of course, everyone likes to progress and we are happy when our dear sons and daughters are having success, but I also teach them that we must consider the values that also pertain to mankind's history, and even in Brazil, such as the search for the truth, transparency, ethics, justice, democracy, freedom, fraternity, solidarity, such as are so well expressed in the words of one of the most beautiful speeches in man's history, "I Have a Dream", by Martin Luther King Jr: " I have a dream that one day..., sons of former slaves and the sons of former slave owners will be able to sit down together in the table of brotherhood."

When slavery was ended we have raised the level of justice. If we provide very good education to boys and girls, all young people, even adults, we are raising the level of justice. If we stimulate the cooperatives and the microcredit opportunities we are raising the level of justice. If we transform the several income transfer programs into the Citizen's Basic Income, we will also improve the level of justice.

In 2005, Harvard University invited Philippe Van Parijs to substitute John Rawls, who died in November 2002, to teach Philosophy. Being a very good friend and admirer of Philippe, Amartya Sen invited Philippe to both offer a discipline "Justice and Cultural Diversity" for graduate students. I was invited to attend the first lecture. Since there were about 80 students in a class with fifty chairs, Amartya Sen said: since we will have a course about justice we must ask Harvard administration to offer another class room. 10 minutes later we were in a room with chairs for everyone. Then Philippe asked how many there had another mother language that was not English. About 1/3 of the students raised their hands. He observed that we may have different origins, races, languages, but about how to attain justice we may have a common view. Amartya Sen then explained that in that discipline we would talk about the instruments that could raise the level of justice in society. After mentioning the abolition of slavery, good education for all boys and girls, he said that 'in that course we would examine to what extent a Unconditional Basic Income to all, such as argued by Professor Van Parijs and the Brazilian Senator Eduardo Matarazzo Suplicy, that

was visiting us on that day, would increase the level of justice in society'. I got very happy.

In "A Theory of Justice" (Harvard, 1971), John Rawls argues that we should put into practice the instruments of economic policy that signify the application of the principles of justice: of equality of freedom, that means that everyone must have basic human rights that must be extended to all citizens in society; of difference, that says that if we are going to accept social economic differences in society they may be only justifiable if it is to the benefits to those that don't have so much, and that will proportionate equality of opportunities to all. Then he exemplifies the instrument of a guaranteed minimum income through a negative income tax as an instrument that would attend the realization of the three principles. Philippe Van Parijs, however, in "Real Freedom for All - What (if Anything) can Justify Capitalism" (Oxford, 1995) as well as in his new book, "Basic Income: A Radical Proposal for a free Economy and a Sane Society", argues that even better than a negative income tax the best way to apply the principles of justice will be the Unconditional basic income.

Today in Brazil we have several income transfer programs such as the retirement pensions, the Benefício de Prestação Continuada, the unemployment insurance, the Bolsa Família Program that can be seen as a step towards the Citizen's Basic Income. Today all families with an income per capita below R\$ 170.00 per month have the right to the Bolsa Família. If the Family income does not attain R\$ 85.00 per month per capita, the benefit to the family starts with R\$ 85.00 plus R\$ 39.00, 2 times R\$ 39.00, 3 times R\$ 39.00, 4 times R\$ 39.00, 5 times R\$ 39.00 if the family has one, two, three, four, five or more children up to 15 years and 11 months of age; plus R\$ 46.00, plus R\$ 46.00 per month if the family has one or two adolescents from 16 to 18 years of age. There are conditionality's:

If the mother is pregnant she must go to the health facilities to do the prenatal exams to see how her health is and her baby's until he is born in the Health Centers. She has the right to R\$ 39.00 per months during the 9 months of pregnancy. The parents must take their children up to sixteen years of age at the Health Facilities to take the vaccines according to the Health Ministry calendar. Children from 7 to 15 years and 11 months must go to school at least 85% of the classes. Adolescents from 16 to 18 years of age must go to school at least 75% of the classes. Since the end of 2012, President Dilma Rousseff enacted the Brazil Carinhoso or Brazilian Darling program. In a family that is under the parameters of the Bolsa Família Program and we add the income of the family and the benefits of the Bolsa Família and divide this sum by the number of members of the family and the result is below R\$ 85.00 per month, then the Federal Government will complete what is necessary to complete R\$ 85.00 per capita per month in the family. In 2011, President Dilma Rousseff announced the Active Search through which all State Governments, Municipalities and civil entities should make an effort to check if any family is under the parameters of the Bolsa Família Program and if it is not enrolled yet they must tell the family that it should enroll in the program and start receiving the benefit by filling the necessary registration in the nearest municipality center responsible for social assistance.

The number of families being beneficiaries increased gradually from 3.5million in December 2003 to 14,204,000 families in July 2015. Until December, 2016, the number of families was always above 13.9 million. The program has significantly contributed for the eradication of extreme and absolute poverty as well as to diminish inequality in Brazil. Then, it started to diminish to 13,495,513 families last August 2017. In accordance with the Annual Budget Law for the years 2016, 2017 and 2018 the expenditures for the Bolsa Família Program are respectively R\$ 28.8 billion, R\$ 29 billion and R\$ 26 billion. Even without any adjustment according to inflation in the value of the Bolsa Família Program, the number of families enrolled in the program might diminish to 12.055.119 in 2018. If there is an adjustment in the value of the benefit, the number of beneficiaries will be even smaller. This is clearly a sign that the present President Michel Temer Government is acting contrary to one of the fundamental objectives of the Federal Republic of Brazil as written in Article 3.III of our Constitution: “to eradicate poverty and marginalization and to reduce the social and regional inequalities.”

After explaining the functioning of the Bolsa Família Program, in 4 or 5 minutes, normally I explain how the Basic Income would function: Suppose President directly elected by the people would announce: from January 1st, 2018 on, every person resident in Brazil, no matter origin, race, sex, civil or socioeconomic condition, including foreigners living in Brazil for five years or more, will have the right to receive a monthly income sufficiently to attend the basic needs of each one, starting from a modest value of R\$ 100.00, but better than what de Bolsa Família benefit guaranteed to each one, R\$ 85.00 per month, but with the progress of the nation one day it will be R\$ 200.00, R\$ 500,00, R\$ 1000,00 and so on. It will be the right of everyone to participate in the common wealth of the nation. To no one it will be denied.

This was enunciated in a little more than 1 minute. Then I ask “What was easier to understand: the Bolsa Família Program or the Citizen’s Basic Income Program? Tell me sincerely”. Normally all the people answer’s that the basic is easier.

Well. That is the first advantage. But there are more. There is no more bureaucracy to know how much each person is earning, in the formal market, in your worker’s booklet, or in the informal market, in any activity that you do, for example when the mother takes care of the neighbor’s children and receive some money on the next day; There is no more stigma or sentiment of shame of someone having to tell, I receive only this much, that is why a need a complement of income; we eliminate the dependency phenomena that occurs when a person is deciding to accept or not a job that will pay a certain amount. Then he accept the job and the remuneration, but then the government takes away what he was earning in that social program, and then he quits and enters in the unemployment or the poverty trap; With the citizen’s basic income, everyone will have progress from that level on. But will the CBI provoke idleness?

What are we going to do with the ones that have a tendency for laziness? Let us think in us human beings: women and men. All of us are always ready to do many activities without any remuneration. The mother's, when they are feeding their babies, any time of the day or the night; we, parents, when we are taking care of our children, for them to develop, to be well fed, not to be hurt; or when our grand mother and father gets old and needs our assistance, there we are; in the neighboring associations, in the churches of all denominations, in the student directories, how many of us are always ready to organize and promote activities because we like to be useful for the communities; When the great painters, Amedeo Modigliani and Vincent Van Gogh painted their works, they use to go to the streets to try to sell them, to get their survival, but it was difficult. They both got ill very early and died in poverty. Today their works are sold by millions of dollars. The Brazilian Constitution as of so many countries recognizes the right to private property. This means that if a person owns a factory, a farm, a bank, a restaurant, a hotel, a financial title, a real state property, it has the right to receive profits, interest and rents, the remuneration of capital. Has the owner of this form of capital the obligation to show that he is working to receive that remuneration? Has he the obligation to show that their children and adolescents are really going to school? No. Therefore, if we allow those people to receive the remuneration from capital without any conditionality, why not to allow everyone in society to participate at least some part in the common wealth of the nation through a basic income for all? It is a common sense proposal.

But what is the main advantage of the Citizen's Basic Income? It is from the point of view of dignity and freedom as so many authors like Philippe Van Parijs, Guy Standing, Louise Haag, Karl Widerquist argues. From the point of view of what the Nobel Prize economist, Amartya Sen tell us in his "Development as Freedom" (1999), where he says that development, to be relevant, must mean greater degree of freedom for all in society. He tells that when he was a boy and was living in India, his father was a good professor and they lived in a fine house. One day, when he was playing in the garden of his house, suddenly a man came in through the door running, asking for help. The worker, Kader Mia, had been knifed in his neck. He immediately called for his father that soon came and took that man to the hospital. Amartya was together. On the way, Kader Mia told that his wife had advised him not to go in that area that was characterized by ethnical fights. But he mentioned that he had no other alternative to have the necessary means for the survival of his family. When they arrived at the hospital, he had a strong hemorrhage and died. Amartya then says that Kader Mia had no other alternative than to risk his life to get the necessary for the survival of his family. He did not have real freedom.

Once, Father Ricardo Rezende from the "Pastoral da Terra" "Land Pastoral" invited some Congressmen to visit Rio Maria, in South Pará, a Northern State in Brazil, to know the working conditions that resemble slavery. As a Senator I went there in 1992. Tens of workers told us the following story "We come here in front of the restaurant, the hotel or the bus station. Then the farmer or his administrator tells us: you are going to the farm in the middle of the forest, about 400 km from here."

- You will cut the wood, sow the land, harvest and will earn that much.
- After four weeks of work we ask the administrator about our payment. "I have worked a lot. I need to send money to my family".
- Well, Up to now you are owing more then you would receive.
- How come. In this case I will return and go home.
- Then I will shoot you

And many got shot.

Typically, those workers had no real freedom. In the case of the woman that having no other alternative to give food to her children and mother at home, and decides to sell her own body; or in the case of that young fellow that having no other way to help his family decides to become a member of a narcotraffic gang such as the "Man on the Road", "O Homem na Estrada" of Mano Brown, from the "Racionais MCs", one of the most popular Rap Brazilian songs that are well known by the young people of the periphery of our large cities:

Homem Na Estrada **Racionais Mc's**

"A man in the highway resumes his/her life. His/her purpose: his/her freedom. That it was lost, subtracted; and he/she wants to prove to himself that really changed, that he/she recovered and he/she wants to live in peace, not to look back, to tell to the crime: never again! Because his/her childhood was not a sea of roses, not. In Febem, painful memories, then. Yes, to win rich money, ficar, finally. Many died yes, dreaming loud like this, tell me who is happy, who doesn't lose hope, sells his/her son to be born in the cradle of the poverty. A place where they only had as attraction, the bar, and the candomblé for taking the blessing. That is the stage of the history that will be told by me. ... a man in the highway. Balanced in an uncomfortable ravine, badly finishing and dirty, however, his/her only home, his/her good and yours refuge. A horrible smell of sewer in the back yard, for top or underneath, if it rains it will be fatal. A piece of the hell, here is where I am. Until IBGE it passed here and it never again returned. He/she numbered the huts, he/she made a shovel of questions. Therefore later they forgot, children of the prostitute! They found a dead mine and raped, they should be with a lot of rage I "pour, how much blow! ". He/she

was unrecognizable, the deformed face. He/she gave half night and the body was still there, covered with sheet, very dry for the sun, played. IML was alone ten hours delayed. Yes, to win money, to be rich, finally, I want that my son nor remember of here, have a life hold. I don't want him to grow with a "oitão" in the waist and a "PT" in the head. And the rest of the dawn without sleeping, he thinks what to do to leave that situation. Dismissed then. With bad reputation. He/she lived in the detention. Nobody not trusts. ... and that man's life forever it was damaged. A man in the highway... A man in the highway.. One dawns more day and everything is exactly equal. Unbearable heat, 28 degrees. He/she lacked water, it is already routine, monotony, doesn't have period for returning, hã! they already do five days. It is ten, the street is agitated, an ambulance was called with extreme urgency. Madness, exaggerating violence. He/she burst the own mother, it was intoxicated. But well before the hangover he was judged. Dragged by the street the poor of the element, the inevitable lynching, only imagine! He was very ugly, they didn't have pity. The rich ones make campaign against the drugs and they talk about his/her destructive power. On the other hand they promote and they make a lot of money with the alcohol that is sold at the slum. Puffy he leaves, he/she will give a rolê. He/she doesn't believe in what sees, not of that it sorts things out, children, cats, dogs dispute his/her breakfast inch by inch in the lateral of the fair, Urchin without future, I already get to see, only space in the school for eating, Just anything plus, as it is that they will learn without incentive of somebody, without pride and without respect, without health and without peace. My brother tava making a money, he/she had bought a car, even rolex had! It was shot her burns clothes in the school, supplying the flour playboyzada, He/she was famous, it became news, it yielded money to the newspapers, hu! , poster to it polices her Twenty years of age, it reached the first places... superstar of the popular news! One week later the crack, rich people arrived for back, management. Here, periphery, surplus poverty. A wage a day it guarantees the labor. The clientele has money and purchase well, everything in house, partner's hot coast. The very crazy playboyzada until the bones! To sell drug for here, great business. Yes, to win money to be rich

finally, I want a better future, I don't want to die like this, in any mortuary, as indigent, without name and without anything, the man in the highway. Assaults in the roundness lifted suspicions, therefore they accused the slum to vary, And the rumor that runs is that that man is, with his/her name there in the suspects' list, preached in the wall of the bar. The night arrives and the strange climate in the air, and him without distrusting of anything, he/she will sleep calmly, but in the silence their accused of antecedents, as if it was an incurable disease, in his/her arm the tattoo, DVC, a passage, 157 in the law... On his/her side he/she doesn't have more nobody. The Criminal Justice is implacable. They remove his/her freedom, family and moral. Same far away from the prison system, they will call you forever of former-convict. I don't trust the police, race of the caralho. If they find shot me in the sidewalk, they kick my face and they spit in me is.. I would bleed until the death... It was already, a hug!. Therefore my safety I do. It is gotten up early, it seems to be everything normal. But that man wakes up, foreseeing the evil, a lot of dog barking. He wakes up hearing car noise and steps in the back yard. The neighborhood is quiet and insecure, premeditating the end that you/they already know well. In the dawn of the slum laws don't exist, maybe the law of the silence, the law of the dog maybe. They will invade his/her hut, it is the police! They came for rolling up, full of hate and malice, children of the prostitute, carrion eaters! They already gave my sentence and me nor tava in the "treta", they are not little if they already came very crazy. To kill in the crocodilagem, they won't lose trip, fifteen faces outside, several calibers, and me just with a "thirteen shots" automatic. I am me same and me, my god and my orixá. In the first noise, I will shoot. If they catch me, my son is without anybody, and the one that they want: one more "pretinho" in the febem. Yes, to win money to be rich finally, we dream the whole life and he/she only wakes up in the end, my truth it was other, he/she doesn't give more time for anything... bang! bang! bang! Mulatto man looking between twenty-five and thirty years is found dead in the highway of the Little M'Boi without number. Everything indicates it was success of bills among rival gangs. According to the police, the victim had vast criminal record."

Again, for that Women that having no other alternative rather than to sell her body, or for the young fellow that for the same reason decides to become a member of the narcotraffic gang, on the day that we will have a basic income for them and all members of their families, sufficient to attend their basic needs, before the only alternative that may appear before them, but will offend their dignity or will put their wealth and life in risk, they will be able to say:

- **“NO! Now, thanks to the basic income for me and members of my family, I will able to say No, perhaps I may wait a while, enroll in a course in some institution around here, until I find an opportunity that will be more in accordance to my will and vocation.”**

- **It is in this sense that the Citizen’s Basic Income will raise the level of real freedom and dignity for all.**

Once we are persuaded that it is a very good idea we need to think about how it will be possible to finance the Citizen’s Basic Income. Suppose that we start with a modest amount of R\$ 100.00 per month for 207 million inhabitants of Brazil today. This would mean R\$ 1200.00 per year times 207 million, which amounts to R\$ 248,400,000,000. Of course it is a tremendous value when we take into account the National Domestic Product of Brazil in 2016, R\$ 6,194,000,000,000.00 and the Annual Federal Budget in 2016, R\$ 3,000,000,000,000.00; in 2017, R\$ 3,500,000,000,000.00; and R\$ 3,600,000,000,000.00. Also if we compare with two of the most important expenses of the National Budget in Education, R\$ 100.3 billion and in Health R\$ 100.4 billion; In 2017, this two values were respectively R\$ 105.7 billion and R\$ 115.5 billion in 2017; and R\$ 104.27 billion and R\$ 130.37 billion in 2018. This means that the sum of Education plus Health Expenditures for 2016, 2017 and 2018 are, respectively, R\$ 200.7 billion, R\$ 231.2 billion and 234.64 billion. When I was invited to have a conversation with the Minister of the Civil House, Aloizio Mercadante and Minister of Social Development and Fight on Hunger, Tereza Campello in May 2014, they said that the Citizen’s Basic Income could cost more then what was spent with Health and Education together and that, if it were possible, they would rather first increase the value of the Bolsa Família. It is interesting to observe that in March 2017, while President Dilma Rousseff was interviewed by the press, in Geneve, and asked if she had committed an error in her government, she answered that her greater mistake was to offer so much fiscal incentives, exemptions, to entrepreneurs, that instead of using those resources to boost their investments they absorbed it as profits. A study made by the Senate Independent Fiscal Institution, IFI, has shown that the fiscal exemptions offered by the Government in 2016, and predicted for 2017 and 2018 were, respectively R\$ 271 billion, R\$ 284.8 billion and R\$ 284.5 billion. Therefore, instead of providing these amount of subsidies to people who are among the ones that have higher income and wealth we were to pay a modest Citizen’s Basic Income for all residents in Brazil of R\$ 100.00 per month we would spend less than the amount of subsidies.

The Working Group to Study the Gradual implementation of the Citizen's Basic Income might consider suggestions like the one presented by Pedro Herculano Guimarães Ferreira de Souza and Sergei Suarez Dillon Soares in their 1636 (June 2011) by the Instituto de Pesquisa Econômica Aplicada , IPEA : O Universal Infant Benefit : A proposal to Unify the Monetary Support to Infancy."In Brazil today we have programs to benefit children aged 16 or less. The Bolsa família, the Salário Família, and the child deduction in the Personal Income Tax for those that have relatively higher income. They analyse the present system and conclude that it is fragmented, uncoordinated, excludes 1/3 of the children and transfer higher values to wealthier children. They propose to substitute the three programs by a single Universal Child Benefit or a Universal Basic Income for all children up to 16 years of age. The resources added by the three programs could cover a significant part of the Citizen's Basic Income. It may be a very good sense step.

Please let me tell you all that Professor Maria Ozanira Silva and Silva, of the University of Maranhao, one week before our XVII International Congress of BIEN wrote to me that, because of problems with her health, she could not come. She should be in our section: UBI in Brazil. Therefore she asked me to add her lecture along with Valéria Ferreira Santos de Almada Lima, here attached to be considered by all of you.

THE POLITICAL AND ECONOMIC JUNCTURE IN BRAZIL AFTER THE LULA AND DILMA ADMINISTRATIONS: a step back in the direction of implantation of a Basic Income in Brazil¹

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ABSTRACT: The *Bolsa Família* Program has been implemented since 2003 as the main strategy to face poverty in Brazil. Its benefit is the transfer of income to poor and extremely poor families as well as to articulate the monetary income transfer with some structural policies, mainly education, health and work. The *Bolsa Família* has already reached almost 14 million of families and is implemented in all the 5,545 Brazilian municipalities, i.e., about ¼ of the Brazilian population. The program requires the fulfillment of some conditionalities in the field of education and health, such as: enrollment and attendance of the children and adolescents in school; children must get basic health care and pregnant women must receive prenatal care. The *Bolsa Família* is considered in Brazil, according to Eduardo Suplicy's Law Bill 266/2001 sanctioned by President Lula in January 8 of 2004, as the first step toward creating a Citizenship Basic Income. The goal of this proposal is to present and to problematize the recent political and economic post Lula and Dilma Administrations situation in order to demonstrate the climate of regression in the social protection programs and the dismantling of the same social rights already conquered by the worker class and the poor population. Among the programs to be mentioned is the *Bolsa Família*. The intention is to highlight the economic situation of a long recession and rise in unemployment rates besides the decrease of the workers' income and the repression of social movements, in order to develop an analysis of the *Bolsa Família* in this context.

Keywords: Bolsa Família. Income Transfer Programs. Brazil.

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1 INTRODUCTION

The *Bolsa Família* Program is the largest income transfer program implemented in Latin America. It is part of the Brazilian Social Protection System and the main program dealing with extreme poverty in a country with a surface area of 8,547,403 km², divided into five regions, with 26 states and 5,570 municipalities, and the Federal District, Brasília. Projections by the Brazilian Institute of Geography and Statistics (IBGE - Instituto Brasileiro de Geografia e Estatística) indicate a population of (207,537,853 inhabitants in May 2017. According to censuses the Brazilian fertility index has been decreasing, reaching 1.86 child per family in 2010. In the same year, the number of private domiciles was 67.6 million, with an average of 3.3 residents per domicile. There is a marked tendency for the age structure of the population to converge towards aging, with a recorded participation of the population 60 years old or over as 11.3% per cent in 2010 (INSTITUTO BRASILEIRO DE GEOGRAFIA E ESTATÍSTICA, 2011).

The development of the Brazilian Social Protection System started in 1930. That year a profound economic and social transformation began, with the transition from an agricultural exporting development model to a model of urban-industrial development. In this context, the Brazilian social structure began to include a new working class, urban workers. Due to the dynamics of this situation new demands emerged to satisfy collective needs, as a consequence of the emerging industrial process, and with it, the increased relocation of the rural population to the city, generating a growing urbanization process, accompanied by its consequences and demands.

Brazilian economic development was intensified from 1970 onwards, in the context of a Military Dictatorship established in 1964, when the development of capitalism in Brazil took on a monopolistic perspective, with internationalization and centralization, requiring from the State that it support the infrastructure required by the new demands of capital. In this authoritarian and centralizing context, social protection advanced adopting social programs that ultimately functioned as a palliative to reduce the strong repression of the popular sectors and the working class, maintaining its function of reproducing the work force and seeking legitimation of the authoritarian regime.

In the 1980s there already was a significant organized movement of dissatisfaction with the military regime. Strong demands were presented by the social

struggles, claiming the expansion of social rights and resolution of the social debt, especially as results of the wage squeeze and the increasing concentration of income. The struggles were manifested both in the field of production and consumption, with the emergence of what began to be called new trade unionism and new social movements.

The dynamics of political eferescence in the 1980s culminated with the Federal Constitution of 1988 which expanded social rights and established Social Security, consisting of the policies for Health, Social Assistance and Social Security, significantly expanding the System of Social Protection in Brazil, by extending the rights even to the Brazilians who were not in the formal labor market.

In this context with the expansion of rights and social protection, a debate began about income transfer programs whose first experiences are implemented in 1995, initially at a municipal level, followed by experiences adopted by several states, reaching a significant expansion from 2001 onwards by expanding national programs, culminating in the creation of the *Bolsa Família* in 2003. From then, the income transfer programs became central to the Brazilian Social Protection System (SILVA, YAZBEK; GIOVANNI, 2014).

In this text, the Bolsa Familia Program is located at the current economic and political juncture from 2016 onwards, when what we consider the dismantling of social rights achieved by Brazilian workers began to occur, with a significant regression of the social protection aimed at the segments of the population that live in a situation of poverty and extreme poverty. For this, we present a problematizing discussion about the current economic and political situation in Brazil, after the Lula and Dilma Administrations ((2003-2016), continuing with the presentation of a general characterization of the *Bolsa Família* and then highlighting possible pushbacks of the juncture presented in its configuration, development and perspectives. Thus, we attempt to size possible repercussions of the implementation of a Citizenship Basic Income directed at all Brazilians and foreigners who have lived in Brazil for five years or more, as determined by Law 10,835/2004, introduced by then Senator Eduardo Suplicy of the Workers' Party (PT - Partido dos Trabalhadores) and sanctioned by President Luís Inácio Lula da Silva on January 8, 2004. This is because the *Bolsa Família* is indicated as a first step in the process to implement the Citizenship Basic Income in Brazil, and the initial criterion to implement it is the inclusion of all who live in a state of poverty and extreme poverty, who are the target public of the *Bolsa Família*.

2 ECONOMIC AND POLITICAL JUNCTURE IN BRAZIL AFTER THE LULA AND DILMA ADMINISTRATIONS

At the beginning of 21st century, as in most of the countries of Latin America where progressive administrations came to power originating in the left wing parties, Brazil, under the presidency of Luís Inácio Lula da Silva, of the Workers' Party, underwent a major inflection in its economic and social scene, leading some scholars to glimpse a break with the development pattern that had occurred until then, towards a so-called *Neodevelopmentalism*. This inflection was expressed by the association between the renewal of economic growth, furthered by a favorable international context, and the improvement of social indicators, above all those related to the labor market, poverty and inequality.

Indeed, following the context of a marked destructuring of the labor market in the 1990s, with negative effects on poverty and inequality, the Gross Domestic Product (GDP - Produto Interno Bruto - PIB) began to grow more vigorously, and reached a rate of 5.4% in 2007. According to Lima, Nascimento and Mochel (2009), based on data from the Annual Report on Social Information (RAIS - Relação Anual de Informações Sociais) of the Ministry of Labor and Employment (MTE- Ministério do Trabalho e Emprego), this generated 11.010 million formal jobs during the period from January 2003 to September 2008. Consequently, according to Ramos and Cavaleri (2009), the level of total employment, caused a drop in the degree of informality which, 2007, reached the lowest level of the decade, 50.9%.

As regards the extreme poverty and poverty rates, according to the Institute of Applied Economic Research (IPEA - Instituto de Pesquisa Econômica Aplicada), between 1995 and 2008 12.5 million people moved out of a situation of extreme poverty (per capita average domicile income of up to a quarter of the monthly minimum wage), reducing the percentage of people living under these conditions to almost half (from 20.9% to 10.5%) (INSTITUTO DE PESQUISA ECONÔMICA APLICADA, 2010). At the same time, the rate of absolute poverty (per capita average domicile income of up to half the monthly minimum wage) went down by 43.4%, in 1995, to 28.8%, in 2008. Besides the reduction of extreme poverty and absolute poverty, according to Barros and others (2009), between 2001 and 2007, the Gini coefficient, one of the most traditional measures of inequality, fell seven percentage points, although despite this Brazil continued to occupy one of the worst positions in the ranking of most unequal countries in the world.

In the second decade of the 21st century, already under the Dilma Rouseff administration, which was also of the PT, and faced with an international worsening of the capitalist crisis, a new inflection in the Brazilian economy was identified, with negative effects on the labor market. In fact, according to Holanda and Anchieta

(2014), based on data from the General Registry of Employed and Unemployed (CAGED - Cadastro Geral de Empregados e Desempregados), while in 2010, in a context of GDP growth on the order of 7.5%, 3.1 million formal jobs were generated in the country, in 2013 this number dropped to 1.1 million, which was less than in 2009, the year when the international financial crisis occurred. On the other hand and paradoxically, according to the Monthly Survey of Jobs (PME - Pesquisa Mensal de Emprego) disseminated by IBGE, the rate of unemployment in 2013 reached the lowest level of the series begun in 2002, corresponding to 4.3%, approaching a situation of full employment.

However, since early 2015, during President Dilma Rousseff's second term in office, Brazil has undergone a profound political and institutional crisis, worsened by the advance of Operação Lava-Jato (Operation Car Wash)⁴, with a clear polarization of society around distinct political-ideological projects and a marked advance of conservatism. This crisis is further intensified by a situation of accelerated deterioration of macroeconomic conditions and fiscal adjustment which, according to data from CAGED, led to closing down 137 thousand formal jobs in the first four months of the year. Considering the last twelve months that ended in April 2015, the result was even worse with 263 thousand jobs closed down. (LIMA; ANCHIETA JÚNIOR; SOUSA, 2015).

Particularly as regards the macroeconomic conditions, indeed, the cycle of the rise in the rate of interest of the Special System for Liquidation and Custody (SELIC - Sistema Especial de Liquidação e de Custódia) which began in 2014, the readjustment of managed prices (electricity and fuels) consequently speeding up the inflation during the first quarter of 2015, added to the effects of the already mentioned Operation Car Wash, negatively affected the performance of the GDP with negative repercussions on the job market.

In this context, despite the already mentioned resiliency of the rate of unemployment at historically low levels against a recessive scenario, this, according to the PME (INSTITUTO BRASILEIRO DE GEOGRAFIA E ESTATÍSTICA, 2015a)

⁴Operation Car Wash is the biggest investigation of corruption and money laundering ever performed in Brazil. It is estimated that the volume of money diverted from the coffers of Petrobrás, the biggest State-owned company in Brazil, is around billions of reais. In addition, there is the economic and political importance of the suspects of participating in the corruption scheme that involves the company. The name *Lava Jato* (Car Wash) is due to the use of a network of gas stations and carwashes to move illicit funds belonging to one of the criminal organizations that were initially investigated. Although the investigation has moved on to other criminal organizations, the initial name has become widely accepted. (BRASIL [20--?]).

reached the mean of 6.0% in the six main Brazilian metropolitan regions in the first four months of 2015, against 5.0% in the same four-month period of 2014.

According to Pesquisa Nacional por Amostra de Domicílios Contínua (PNAD Contínua - Pesquisa Nacional por Amostra de Domicílios Contínua) (INSTITUTO BRASILEIRO DE GEOGRAFIA E ESTATÍSTICA, 2015b), whose coverage is greater than that of the PME, the number of unemployed increased by almost 1.5 million people in passing from the last quarter of 2014 to the first one of 2015, raising the unemployment rate from 6.5 % to 7.9% during the same period. (LIMA; ANCHIETA JÚNIOR; SOUSA, 2015). Also, according to PNAD Contínua, the mean rate of unemployment in Brazil in 2015 was 8.5%. (INSTITUTO BRASILEIRO DE GEOGRAFIA E ESTATÍSTICA, 2015b).

In 2016, the worsening of the political-institutional crisis culminated in the approval of President Dilma Rousseff's impeachment, and the government was taken over by Vice-President of Brazil Michel Temer who belongs to the Brazilian Democratic Movement Party (PMDB - Partido do Movimento Democrático Brasileiro). This meant the victory of a conservative project that jeopardizes major advances of the country, especially in the social sphere, during the first decade of 2000. This is because precisely these advances were considered to be the main causes of the worsening of the public deficit, the acceleration of inflation and the significant drop in the GDP growth rate which diminished from 2.7% to 0.1% between 2013 and 2014, reaching the negative indices of 3.8% in 2015 and 3.5% in 2016. (INSTITUTO BRASILEIRO DE GEOGRAFIA E ESTATÍSTICA, 2015b; INSTITUTO MARANHENSE DE ESTUDOS SOCIOECONÔMICOS E CARTOGRÁFICOS, 2017).

This said, according to the official version, the solution to the economic crisis would necessarily require furthering the fiscal adjustment that already began in President Dilma Rousseff's second term, by strict cutbacks of funds, especially in the social area, and the approval of reforms in the labor and social security areas, which is extremely regressive from the point of view of the working classes. This adjustment, however, did not question the misuse of funds with payments of interest on the public debt, which, according to Pochmann (2017)⁵, reached about 8.5% of the GDP in 2015, compared to 5.7% in 2014, besides the waste of subsidies and exemptions for privileged sectors. Furthermore, it did not even come close to the need for the reform of the Brazilian tax system which is extremely regressive, whose burden of taxes, rates and contributions ultimately favors the rich to the detriment of the poor.

⁵ Interview given to the Boletim do Observatório Social e do Trabalho, Ano 6, n. 2.

To counter this context of sharpening the political institutional crisis, with tax adjustment and deterioration of the macroeconomic conditions in the labor market indicators, we have a significant elevation of the mean rate of unemployment which, according to PNAD Contínua (INSTITUTO BRASILEIRO DE GEOGRAFIA E ESTATÍSTICA, 2016), reached 11.5%, in 2016 against the previously mentioned index of 8.5% in 2015. (LIMA; MORAES; SILVA, 2017).

As regards formal employment, according to the data of the CAGED, the balance of jobs in the country (1.3 million net dismissals) was negative, marking the second year of retraction of the formal labor market so that between 2015 and 2016, there were twenty-two months in which there were more dismissals than admittances. (LIMA; MORAES; SILVA, 2017).

The marked worsening observed in the formal labor market also showed a deterioration in the quality of jobs. In fact, according to data from PNAD Contínua (INSTITUTO BRASILEIRO DE GEOGRAFIA E ESTATÍSTICA, 2016), successive drops were observed in the formal jobs obeying the employment legislation (Consolidation of Labor Laws - CLT - Consolidação das Leis do Trabalho) which accounted for 41.4% of the employed workers in Brazil in 2014, falling to 40.6% in 2015 and to 39.8% in 2016. On the other hand, the percentage of workers employed without a signed employment card jumped from 15.7% in 2014 to 16.3% in 2016. Likewise, there was an elevation of the percentage of self-employed workers, most of whom do not have rights according to labor laws and social security, and this percentage went from 23.4% in 2014 to 24.5% in 2016. (LIMA; MORAES; SILVA, 2017).

From the standpoint of rates of poverty and extreme poverty, although according to IPEA (2016), these have dropped significantly between 2004 and 2014, from a level of 20.0% to 6.0% and from 7.0% to 2.0%, respectively, this descending trajectory is threatened by the reversion of the economic scenario in 2014, accompanied by the political crisis that began in 2015. The same is applied to inequality, measured by the Gini coefficient which fell 9.7 percentage points during the same period, a tendency that is likewise threatened not only by the directions taken by the economy, but also by the doubts and uncertainties that currently are imposed on the institutionality of the social protection system and on the regulatory framework of work.

Indeed, within the strict fiscal adjustment implemented by the Temer Administration, the Proposal for Amendment to the Constitution nº 55 of 2016, called PEC (Proposta de Emenda Constitucional) of the Cap to Public Expenditures was approved. It institutes the New Fiscal Regime within the sphere of the Fiscal and

Federal Social Security Budgets, to remain in force for twenty financial years, establishing individualized limits⁶ for the primary expenditures of each of the three Powers, the Federal Prosecutor's Office and the Attorney General's Office.

Furthermore, in this context of a crisis, with negative effects on the Brazilian labor market, there is a renewed debate regarding the need to flexibilize labor relations, culminating in the enactment of Law nº 13,429, of March 31, 2017, by the Federal Congress and sanctioned by the President of the Republic. This broadens and further flexibilizes the possibilities of outsourcing and employment of temporary employees, which will certainly impose marked and regressive changes on the structure of the Brazilian labor market.

Two proposals for reform are about to be voted and approved in National Congress to complement the package of regressive measures. They are an attack on major rights that were conquered with great effort by the working class: the CLT and Social Security (Previdência Social).

Regarding the first, the premises that support it are considered false. According to them the Brazilian labor market is very rigid, favored by *archaic* or *obsolete* laws that make the costs of employment contracts and dismissals of labor more expensive than in other countries. This is because high turnover (of employees) indicates that the Brazilian labor market is already very flexible. Moreover, there is no proof of a correlation between flexibilizing the labor market and generating jobs, and this is corroborated by studies performed by the International Labor Organization (ILO). (LIMA; MORAES; SILVA, 2017).

As to reforming Social Security, according to Pochman (2017), this proposes to subvert the current model of social security established by the Federal Constitution in 1988, which was to be funded, besides the direct contribution of workers and employers, by taxes (Contribution to Funding of Social Security - COFINS, for instance), paid for by the entire society, with the coverage of costs of retirement and pensions taking place concomitantly with health and social assistance.

It is, therefore, in this grave economic and political-institutional context, with the advance of conservatism in public policies and attack on social rights that we will now discuss the *Bolsa Família*.

⁶ The limits are as follows: I – for the financial year of 2017, to the primary expenditures paid for in the financial year of 2016, including the remains payable and other operations that affect the result, corrected by 7,2% and II – for the later financial years, to the value of the limit referring to the immediately previous financial year, corrected by the variation of the Broad National Consumer Price Index (IPCA - Índice Nacional de Preços ao Consumidor Amplo). The base for calculation and established limits do not include: I - constitutional transfer; II – extraordinary credits III – non-recurrent expenditures of the Electoral Courts for holding elections; and IV- expenditures due to increased capital of non-depedent state owned companies.

3 THE BOLSA FAMÍLIA IN THE CURRENT BRAZILIAN JUNCTURE: challenges for the construction of a Citizenship Basic Income

This item initially presents a characterization of the *Bolsa Família* as the largest and broadest income transfer for poor and extremely poor families that is presently being implemented in Brazil. It continues to situate the *Bolsa Família* in the current Brazilian juncture, highlighting the context of dismantling social rights and regression of social protection to the poor and the repercussion of this reality on the *Bolsa Família*, as an initial strategy to implement a Citizenship Basic Income in Brazil.

3.1 The Bolsa Família⁷: an overview

The *Bolsa Família*, a program which guarantees a minimum income⁸, is the largest income transfer program implemented in Brazil. With other income transfer programs⁹, it is central to the Social Protection System in the country.

The *Bolsa Família*, according to its national managing agency, the Ministry of Social Development (MDS - Ministério do Desenvolvimento Social e Combate à Fome) proposes to help fight poverty and inequality in Brazil. Established in October 2003, it comprises three main axes: a complement of income represented by monetary transfers to the beneficiary families; conditionalities, considered commitments to be made by the families to support access to the rights to health, education and social assistance and articulation with other programs and actions.

The insertion of the families in the *Bolsa Família* occurs initially by enrollment in the Single Registry (CadÚnico - Cadastro Único)¹⁰, and later the families are selected by a computerized system based on the data they informed in the Single Registry and on the Program Rules, whose basic criterion is the classification of the

⁷ A broad discussion and problematization about the Bolsa Família are found in: SILVA, Maria Ozanira da Silva **O Bolsa Família: verso e reverso**. Campinas: Papel Social, 2016.

⁸ The objective information and quantitative data presented in the characterization of the Bolsa Família are found in <www.mds.gov.br>. (BRASIL, 2016).

⁹ Besides the *Bolsa Família*, among other income transfer programs that are being implemented in Brazil, the Continuing Benefit Conveyance (BPC - Benefício de Prestação Continuada) which is non-contributive, directed at the elderly from 65 years of age upwards and to people with a handicap who cannot work, and live in families with a family per capita income less than ¼ of the minimum wage; Rural Social Security, which is a special retirement regime which does not require prior systematic contributions, and is directed at people who work in family farming. Both programs transfer a monthly monetary benefit of one minimum wage to the beneficiaries (R\$ 937.00, in 2017, approximately U\$ 297,46).

¹⁰ The Single Registry is a system to register information about Brazilian families with a per capita family income of up to half a minimum wage, and is a database used by the social programs of the Federal Government.

family as poor, per capita family income up to R\$ 170.00 (U\$ 53,96)¹¹, and extremely poor, per capita family income of up to R\$ 85.00 (U\$ 26,98). However, the concession of the benefit occurs under the condition of the number of families that have already been helped, as related to the estimation of families that are requesting it, considering a fixed quota for each municipality. Its limit is the Program budget. Once the family has been selected, it receives a bank cash card called *Cartão Bolsa Família*, issued by the Caixa Econômica Federal, sent through the post to the homes of the families selected.

The development of the *Bolsa Família* has shown a broad geographic spread with a growing number of families served¹². In 2003, the first year of its implementation, 3,500,000 families were included. In 2006, it was already implemented in a decentralized manner, in all Brazilian municipalities and in the Federal District. In May 2009, there were already 11,611, 680 poor and extremely poor families served, and in March 2014, the total number of families served reached 14,053,368 families, with a total amount of \$ 2,112,724,614.00 (U\$ 670.706.226,66) paid in benefits to the families in that month. In May 2017, the total number of families served was 13,313,779, receiving a mean amount, considering the different benefits, of R\$ 180.49 (U\$ 57,29). That same month the total amount transferred to the families was R\$ 2,402,987,404.00 (U\$ 762.853.114,12) (BRASIL, 2016).

Regarding the benefits, the *Bolsa Família* articulates two types: the monetary benefits, considered a complement of the families' income, and the non-monetary ones, resulting from the articulation with other actions. The former are direct monetary transfers, aimed at directly relieving the impoverishment of the beneficiary families. On the other hand, the non-monetary benefits, offer of actions and complementary programs aim at overcoming the vulnerabilities of the families, emphasizing the offer of professional qualification programs, insertion into the labor market and credit to stimulate entrepreneurialism, besides the insertion of members of the beneficiary families into other complementary actions and programs, especially those offered by the Social Assistance Policy. Mediating the benefits, there are the conditionalities considered by those who created the *Bolsa Família* as a reinforcement to the access to basic social rights in health, education and social assistance, so that the Program proposes to articulate a compensatory dimension (the monetary transfer) with a structuring dimension that involves programs and actions turned to the thus

¹¹ The Dollar was calculated according to the day's quotation (July 18, 2017) when one dollar was equivalent to R\$ 3,15. (Disponível em: <<https://economia.uol.com.br/cotacoes/cambio/dolar-comercial-estados-unidos/>>).

¹² The process of increasing the number of families in the Program was interrupted in May 2016, when Michel Temer became President of Brazil after the impeachment of President Dilma Rousseff. This is the central topic of the present text.

called overcoming of situations of vulnerability experienced by poor and extremely poor families, which are the target public of the *Bolsa Família*.

The amount of monetary benefits paid monthly to the families is calculated case by case according to the family income and the number of people in the family, so that the per capita family income is more than R\$ 85,00 (U\$ 26,98), the value indicating the extreme poverty line. On the other hand, the types and amount of benefits attributed to each family take into account the number of persons, ages, presence of pregnant women and beneficiary family income. Thus, there is the Basic Benefit paid only to extremely poor families, a monthly amount of R\$ 85,00 (U\$ 26,98), while the benefits called variable are identified in the Summary Table below:

Cadre - Variable Benefits (granted to up to five children and adolescents per family)

Variable Benefit linked to a Child or Adolescent aged 0 to 15 years. R\$ 39,00 (U\$ 12,38)	Paid to families with a monthly per capita income of up to R\$ 170,00 (U\$ 53,96) who have children or adolescents aged 0 to 15 years.
Variable Benefit linked to a pregnant woman R\$ 39,00 (U\$ 12,38)	Paid to the families with a monthly per capita income of up to R\$ 170,00 (U\$ 53,96) who include pregnant women, as long as the information is identified by the health system and inserted into the "Bolsa Família" in Health System. It consists of 9 installments.
Variable benefit linked to breastfeeding women R\$ 39,00 (U\$ 12,38)	Paid to families with a monthly per capita income of up to R\$ 170,00 (U\$ 53,96) who include children aged 0 to 6 months, to a total of 6 installments, and the child's information must be included in the Cadastro Único until the sixth month of life.

Source: BRASIL. Ministério do Desenvolvimento Social. **Benefícios**. Brasília, DF, 2015. Disponível em: <www.mds.gov.br>. Access: may, 29, 2017.

Further benefits, also according to the same source, are:

- **Variable Benefit linked to Adolescents, to the amount of R\$ 46,00 (U\$ 14,60) (up to two per family)**, paid to the families with a monthly per capita income of up to R\$ 170,00 (U\$ 53,96) and that have adolescent children aged 16 and 17 years, with a requirement of 75% school attendance.

- **Benefit to Overcome Extreme Poverty**, paid to the families that continue to have a monthly per capita family income of less than R\$ 85,00 (U\$ 26,98), even after receiving the types of benefits to which they have a right. This aims at ensuring that the family will surpass this basic income per person. (BRASIL, 2015).

Considering access to the benefits mentioned, according to the criteria established by the program, the minimum monetary value of the *Bolsa Família* transferred monthly to each beneficiary family is R\$ 39,00 (U\$ 12,38) and the mean value per family in May 2017 was R\$ 180,49 (U\$ 57,29). No family served by the *Bolsa Família* can have a per capita family income of less than R\$ 85,00 (U\$ 26,98), considering the amount that places the families above the extreme poverty line.

It should be considered that the MDS does not direct nor restrict the way the money transfer received by the families is used, considering what it calls guarantee and stimulation of the citizen autonomy of each of the families.

Benefits are paid mainly through the *Bolsa Família Card*, used exclusively to draw the Program benefits, in which the Social Identification Number (NIS - Número de Identificação Social) is recorded, as well as the name of the person responsible for the family (RF - Responsável Familiar)¹³. For this the beneficiaries used a simplified bank account called *Conta Caixa Fácil*, regulated by the Central Bank of Brazil, with guaranteed access to banking services for the low income public.

Besides being low, with a diversity of values, the benefits do not have a defined system for readjustment, and therefore their values are reduced according to inflation¹⁴. However, the monthly periodicity of the money transfers and the scheduling that ensures that they will be regularly paid should be considered significant, and enable families to program the use of the resources received confidently.

Considering the forms of payment of the benefits, it should be emphasized that

The transformation of the beneficiaries into bank clients who have a magnetic card appears to transform them into citizens of contemporary society, considering the idea that becoming a client of a bank, has an entire symbolism displayed by consumer society, appearing to transform the beneficiaries of these programs into equals. This, no matter how desirable and positive it may seem, also has an ideological character, revealing belonging and integration. (SILVA, 2014a, p. 75, our translation).

¹³ The person preferentially responsible for the *Bolsa Família*, in the family, is the mother, or woman responsible for the family, and they are over 80% of the legal representatives.

¹⁴ The nominal values of the monetary benefits of the *Bolsa Família* were only updated in 2007, 2008, 2009, 2011, 2016, with a new readjustment expected in July 2017.

As already mentioned, the *Bolsa Família* considers it relevant to carry out certain conditionalities in order to enable families to continue to be inserted into the Program. In education, the people responsible must enroll children and adolescents aged 6 to 17 years in school and maintain a monthly school attendance of 85% for children and adolescents aged 6 to 15 years, and of 75% for young people aged 16 to 17 years. Regarding health, the person responsible for the children must take those below the age of 7 years to have their vaccines as listed in the vaccination calendar by the health teams and to weigh, measure and follow up their growth and development, and pregnant women should undergo antenatal examination and visits to the Health Unit.

Compliance with these conditionalities is followed by the three levels of government (federal, state and municipal). Information about school attendance and fulfilling the health care agenda are recorded in specific information systems, and there is also individual monitoring of the families that do not comply with the conditionalities. Monitoring is justified to ensure the education and health services provided by the authorities; to identify situations of vulnerability of the families that find it difficult to access public services and to refer the families that are not complying with the conditionality to the social assistance network, seeking to overcome the vulnerabilities and return them to compliance with the conditionalities.

Since the *Bolsa Família* is a focused program and subject to conditionalities, the families that do not comply with the established commitments are subject to a punitive process that ranges from warning, blocked benefits, suspension of benefits, and may be dismissed from the Program when they repeatedly disobey the conditionalities even after they undergo a follow up by social assistance in the municipality where the Program is implemented

The families are dismissed from the Program for two reasons: when they are no longer in a situation of poverty or extreme poverty because their monthly income has become higher than R\$ 185,00 (US\$ 58,73) or for repeated non-compliance with the conditionalities. It is required that the families update the information in the Single Registry of the Federal government every two years. However, there is a proviso called *Permanence Rule* that ensures that the families will remain in the program when their income rises to up to half a minimum wage per capita, as long as they voluntarily update the information in the Single Registry. The families can also voluntarily ask to leave the Program, and can be reinserted in a period of 36 months, through a mechanism called *Guaranteed Return* if they find themselves again in a situation in which they fit the criteria of entry to the Program.

From what has been presented above, the *Bolsa Família* is a program focusing on poor and extremely poor families, so that the concession of the minimum income requires complex verifications, follow ups and checking up on the family. This situation is worsened because the great majority of these families when inserted into the labor market, work informally, with low and unstable incomes and no right to social protection. How can one check on the constant variations in the family income? How to ensure the support necessary to vulnerable families that do not comply with the conditionalities? Law 10,835/2004, enacted by National Congress in 2003 and sanctioned by President Lula on January 8, 2004, proposes the implementation of a Citizenship Basic Income, whose initial stage would be to take care of the poor population and the *Bolsa Família* is considered the initial stage for the implementation of Basic Income in Brazil.

How feasible is this process?

What are the limits posed by the design of the proposal of the *Bolsa Família* itself, from the political conservative ideas of society, to which are added the limits established in the Brazilian juncture with the dismantling of rights and regression of social protection in the country for possible advances of this process?

That is what we intend to problematize below.

3.2 The Currentness of the Bolsa Família in a Juncture in which Social Rights are being Dismantled and Regression of Social Protection to the Poor

Considering the *Bolsa Família* in the current situation of Brazil after 2015, it is necessary to take into account the reality presented and problematized in item 2 of this text: socioeconomic and political juncture marked by a Coup d'Etat that occurred in May 2016, with the impeachment of President Dilma Rousseff, replaced by her Vice-President Michel Temer.

In a context of further neoliberalism, a new configuration of State is inaugurated: conservative and authoritarian, profoundly subjected to the interests of international financial capitalism with real disregard for democratic principles that had ruled Brazilian society, whose main consequence is a large step backward of the social and labor rights, besides deactivating and reducing social programs that had prevailed in Brazilian society, whose main consequence is a broad backward step taken by social and labor rights, besides the deactivation and reduction of social programs that are relevant to the poor population.

We are living in a context of despoiling the national riches, and intensification of the overexploitation of the labor force, and priority is given to using the

Public Fund to service the domestic debt and to support demands and projects that are of interest to capital.

This is a reality of a confrontation of corporate projects represented by a break in a conciliatory pact sustained by the Workers' Party Administrations of Lula and Dilma (2003-2016) who, although they did not break with a development model that favors capitalism, sought to maintain a pact with the masses. This pact allowed the insertion, although only at points, of the popular segments into the production and consumption system, by adopting policies to deal with poverty in the rural area and in the city, among which are the *Bolsa Família*, created by Lula (2003), and the *Brasil Sem Miséria* Plan (Brazil without Extreme Poverty) (2011)¹⁵, created by Dilma. According to this pact, capital, mainly financial capital, wins, but also the workers win because of the rise in the opportunities to enter the formal labor market, with technical training and to enter universities, and obtain greater access to housing. There is a significant growth in public expenditures on income transfer programs and the creation of the Single Social Assistance System (SUAS - Sistema Único de Assistência Social), increasing the social programs directed toward combating extreme poverty. Even more significant was the rise in the real value of the minimum wage by more than 70%, from 2003 to 2015 and the significant elevation in the income from work; refusal to dismantle the CLT; creation of the regulatory framework of the Pre-Salt¹⁶, giving funds to education and health, increasing policies of rights to the inclusion of historically discriminated segments, outstanding among which are the policies on racial equality; implementation of many programs in the rural area, enhancing the value of the rural worker who is responsible for the subsistence economy and for small production. (CARVALHO, 2017).

¹⁵ *Plano Brasil sem Miséria (Brazil without extreme poverty plan)*, created in 2011, was aimed at the 16.2 million Brazilians who lived with a monthly per capita income lower than the extreme poverty line (R\$ 70,00, U\$ 22,22), based on three program areas: a) *Guaranteed income*, incorporating the *Bolsa Família*, as the main program; Rural Social Security; Continued Benefit; and emergency income transfer programs: *Bolsa Verde* (Green Grant), *Bolsa Estiagem* (Drought Grant) and others; b) *Productive Inclusion*: National Program to Strengthen Family Farming (PRONAF - Programa Nacional de Fortalecimento da Agricultura Familiar); Urban and rural microcredit: Crédito Amigo do Banco do Nordeste (Friendly Credit from Banco do Nordeste); Programa Crescer (Growth Program) of the Federal Government); incentive to entrepreneurialism and incentive to solidarity economy; Professional Qualification: National Program for Access to Technical Education and Jobs (PRONATEC - Programa Nacional de Acesso ao Ensino Técnico e Emprego) to qualify the poorest segments; c) *Access to public services*: water (water for all), light (light for all), health (Strategy of Family Health, Smiling Brazil, offer of medications) education (Literate Brazil, Program More Education - complete education) and housing (My Home, My Life, My Better Home), Food (popular restaurants, school lunch)

¹⁶ The pre-salt is an area of oil reserves discovered in 2006 under a thick layer of saline rock that is one of the several rock layers of the marine sub-soil.

In the international sphere, Brazilian protagonism in the Latin American region and in its relations with the emerging countries (Russia, India, China and South Africa) that constitute the BRICS should be highlighted, with the significant leadership of Brazil, besides moving away from a policy of historical subordination to the United States.

Despite the positivity of the pact with the workers, and the undeniable advance of policies and social programs to deal with poverty, the Workers' Party Administrations did not bet on popular power and the capacity of social movements to mobilize as subjects of pressure on the Parliament to carry out essential reforms, such as political reform, the fiscal reform and land reform. On the contrary, they chose to take up a policy of alliances with conservative parties and politicians. (CARVALHO, 2017).

The pact with the workers' party administrations, favored installing a contradiction: on the one hand, a proposal to broaden social rights and generate jobs and income and distribute the wealth produced by the workers; on the other hand, to maintain a macroeconomic policy aimed at strengthening the financial capital and conservative political practices. Even worse: the use of traditional practices of corruption that destroyed the ideas of a Political Party that could have been different. Their policies directed at the poor ultimately further privileged consumption, with insufficient attention given to forming the consciousness of the classes that live from their work. The consumer was strengthened rather than the citizen.

This context ultimately favored the reversion of a popular, although fragile project, whose option is to intensify neoliberalism, favoring international capital. An offensive by the elites and conservative forces on the right that develop constitutional reforms to justify a profound economic adjustment and the counter-reform of labor and social security laws, historically achieved by the workers. This is a context which enhances the value of policies to restrict rights and despoil national riches, with the intensification of the overexploitation of the labor force, directing the Public Fund prioritarily to servicing the payment of the domestic debit and to support projects of interest to capital. The absolute priority is to guarantee the profit rates of capital, especially of financial capital. The poor are individualized, criminalized and considered responsible for their situation, although this is independent from their will. In addition, freedoms are curtailed, instituting a real state of emergency under the arbitrary rule of an Executive and a reactionary and corrupt Legislature with the support of the media and the Judiciary.

In this context, the *Bolsa Família* has been the subject of a contradictory onslaught. On the one hand, the Temer administration is unable to deactivate the

Program. Knowing its popularity and its coverage because it is present in all 5,570 Brazilian municipalities, reaching a population of more than 50 million Brazilians who live in a situation of poverty, they have been using it even as a coin to counter the criticism and lack of popular support for their administration¹⁷, which includes readjusting the amount paid by the benefit, as was done in July 2016, with another readjustment expected for July 2017. On the other hand, the families that benefit from *Bolsa Família* are seen in the current Brazilian context, basically, as dishonest and are subject to an obscure benefit review process. Thus, in March 2014, during the Dilma Administration, 14,053,368 families were helped, with funds to pay benefits in that month on the order of R\$ 2,112,724,614,00 (U\$ 670.706.226,66) and, in June 2017 (Temer Administration), 13,313,779 families were assisted with funds to pay the benefit in that month of R\$ 2,402,978,404.00 (U\$ 762.853.114,12), although the benefits were readjusted in July 2016. The moralizing discourse is that it is necessary to clean up the Program keeping only those who need it, in other words, an already conservative focus is taken further, and what is worse, it criminalizes, individualizes and renders the poor responsible. In these terms, the *Bolsa Família* is further away from effectively becoming an initial step to implement a Citizenship Basic Income, as already approved and sanctioned in 2004.

4 FINAL CONSIDERATIONS: constraints that limit the *Bolsa Família* as an initial step to implement the Citizenship Basic Income in Brazil

It should be considered that the change from a focused program to a universal one is a complex process, since it involves different interests and rationalities of the various subjects involved. Furthermore, focus and universalization are opposite perspectives.

When using the process of changing the *Bolsa Família* to construct the Citizenship Basic Income, as determined by Law 10.835/2004, enacted by the National Congress in 2003 and sanctioned by President Lula on January 8, 2004, whose implementation was to begin in 2005, several constraints should be considered that set limits to allowing the desired process. To provide a basic income to all Brazilians and foreigners who have been living in Brazil for at least five years, one must consider, besides the current context in which rights are being stripped, the deactivation of social programs and the reduction of resources meant for the programs and actions that became part of a policy to deal with poverty in Brazil, several forms of constraints:

¹⁷ The popularity of the Temer Administration is the lowest in history. In June, 2017 it reached an approval of only 3% of the Brazilian population.

some intrinsic to the Program itself, with a very low income cutoff; the requirement of conditionalities, with the widespread approval of the media and most of the segments of society; the use of a sophisticated system to follow and control the families and other constraints sustained by the dominant conservative ideology that permeates the Brazilian society and media.

Focus, as the main qualifier of the *Bolsa Família* is founded on a liberal concept developed in the context of neoliberalism, under the theoretical reference of economic liberalism and the conservative theoretical matrix, in opposition to the universalization of rights. It depoliticizes the beneficiaries transforming them from subject into object.

It is reduced to a merely operational matter, thus merely technical, whose objective is to separate, select and prioritize attention to the marginalized segments of the labor market. It is guided by the search for efficiency and reduces the content of the social policies of compensatory residualism. It guides the entire process of implementation of the social policies, attributing a disqualifying, reactionary character of universalization, transforming itself into an excluding and reductionist perspective. It is guided by the justice of the market, ignoring the social relations that generate poverty and wealth, centering poverty on the attributes of the individuals and their families. In this logic, it reduces the space of the State in supplying services and highlights the expansion of the market, even as a provider of services. (SILVA, 2016b, p. 137, our translation).

The conditionalities, another qualifying dimension of the *Bolsa Família*, are duly articulated to the conservative ideas regarding focus. It is the dimension of the proposal of the Program that is least consensual and most contradictory, incorporated as a structuring dimension, aiming to potentiate positive impacts on the autonomization of the beneficiary families. They are highly approved by the media and by majority segments of society, that consider that the poor should not receive anything without giving something in exchange. This is a moralistic and conservative concept that further worsens the situation of the more vulnerable families, those with a greater propensity to non-compliance with those conditionalities. (SILVA; GUILHON; LIMA, 2013). They ignore the precarious structural conditions of most of the Brazilian municipalities, on whom falls the greatest responsibility for the offer of services, to manage and follow up families that do not comply with conditionalities. This is a concept of conditionality based on an ideological perspective that transforms a right into a concession and as such should require a counterpart, above all if this concession is aimed at the poor *who need to learn to value what they receive*. It reproduces an ideology that ends by being incorporated by some of the technical people and even the beneficiaries, as found in a field study on the conditionalities and Index of Decentralized Management (IDM - Índice de Gestão Descentralizada - IGD) in the State of Maranhão. (SILVA; GUILHON; LIMA, 2013).

A constraint that limits the transformation of the *Bolsa Família* into the initial stage for the implementation of the Citizenship Basic Income, the use of sophisticated information systems, similarly to what happens with several income transfer programs currently being implemented in Latin America and the Caribbean should also be highlighted (SILVA, 2014a). Regarding this aspect, we emphasize the inclusion of the families in the Single Registry of the federal government, that maintains a database of data on the poor families; the development of the selection process of beneficiary families based on the information of the Single Registry; the management actions of social programs as regards, specifically, the process of registering the families and updating the registry, which is done every two years, and the follow up and control of the conditionalities and families that are not complying with the conditionalities¹⁸. This reality has significantly transformed the social programs, especially as regards their management and the inclusion of new professionals, emphasizing economists and professionals in the field of informatics, contributing to raise the level of technicization of these programs, with the consequent supremacy of seeking efficiency to the detriment of efficacy and effectiveness.

Other constraints that should be highlighted result from the conservative ideology that permeates Brazilian society and media¹⁹, regarding the debate on the Basic Income that is being waged in several forums. Its main defender is the councilman of the Workers' Party in the city of São Paulo, Eduardo Suplicy. In this sense, often two unfavorable arguments are presented in the media, in the legislatures and among segments of society: a) a very great amount of funds is needed, which is an economic argument; b) a universal income transfer program has a strong potential to act as an incentive against work, an ideological argument. These are arguments that counter those constructed by the defenders of the Citizenship Basic Income, such as: elimination of the excessive bureaucracy required by the focused programs; it does away with the stigma and shame that mark the beneficiaries of focused programs; it eliminates the possibility of dependence; it raises the level of liberty and dignity; it is easy to understand; it is transparent and helps reduce inequality and eliminate poverty.

In a general appreciation on the implementation of a Citizenship Basic Income, based on our empirical approach to the reality of the income transfer in Brazil; the development of several research studies on these programs since 1995, when the first municipal experiences were implemented in Campinas/São Paulo and in Brasília/

¹⁸ About focusing and the conditionalities of *Bolsa Família*, see Silva (2016a).

¹⁹ A discussion on the limits of *Bolsa Família* considered the initial step to the implementation of the Citizenship Basic Income in Brazil is already being problematized by Maria Ozanira da Silva in papers presented at the 14th (SILVA, 2012) and 15th (SILVA, 2014b) BIEN Congresses.

Federal District; an also empirical approach and as researchers on social policies in Brazil, as well as the insertion and follow up of different moments in the juncture of Brazilian reality, we believe that the implementation of a Citizenship Basic Income in Brazil is still a process to be constructed and conquered. We consider that there is still a wide circulation of conservative arguments against a proposal of this nature, and among the outstanding protagonists are the media, segments of the legislative houses, and segments of Brazilian society itself. Furthermore, we emphasize the very nature of the *Bolsa Família* as a focused program, although there has been a significant increment in the outreach of the target public: poor and extremely poor families. Moreover, the emphasis on conditionalities is a serious limitation to an unconditional Citizenship Basic Income. This is because focus, as a criterion to determine inclusion and conditionalities as obligations to be fulfilled by the families who would otherwise be subject to progressive punishments up to and including dismissal from the Program if they repeat their failure to comply, is in itself a structuring element that goes against those that characterize a Basic Income, which is, by nature, unconditional. In this sense, we consider it inappropriate to indicate that the *Bolsa Família* may be a first step in the implementation of the Citizenship Basic Income in Brazil. It would in fact be admissible to talk about transformation or extinction of the *Bolsa Família* to implement an unconditional Basic Income in Brazil. This is if we wish stop using a rhetoric that appears to actually express a political strategy to delay the implementation of the Citizenship Basic Income.

The arguments presented do not attempt to express pessimism or even give up the struggle to diminish inequality and eradicate poverty in our country, but to clarify the challenges to be faced to implement the Citizenship Basic Income in our country.

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