The Silent Revolution in Anti-Poverty Programmes: Minimum Income Guarantees in Brazil

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1 Introduction

Municipal and federal governments in Brazil have created a series of minimum income guarantee programmes that aim to tackle intergenerational poverty, on a large scale and within a rights framework. These programmes represent a silent revolution in the form and size of government antipoverty intervention. In little more than a decade, income guarantee programmes have become the country's principal anti-poverty strategy, dwarfing the patchwork of charitable or non-profit organisations that have, with public funding, historically sought to meet the needs of the poor. In the city of São Paulo, the Minimum Family-Income Guarantee Programme, henceforth Renda Mínima, provides monthly income grants to almost 150,000 families living in extreme poverty, or around 600,000 people.1 Building on such municipal initiatives, the federal government's Bolsa Família (Family Grant) offers similar grants to an unprecedented 11.2 million families, an estimated third of the country's population.

The silence of the country's numerous movements and organisations that work with and represent people living in poverty in the processes that produced this shift is, to say the least, puzzling. Why have rural and urban movements, neighbourhood and community associations in poor urban areas, organisations of the social workers and psychologists who work with the poor, churches, and non-profit service providers not had a significant participation in the design, implementation, and social control of programmes that directly effect the populations with which they work? If these actors have been silent, then who has spoken for the poor and contributed to establishing the new programmes?

The answers to these questions are important in their own right and critical to understanding the ability of actors representing the poor to negotiate policy and engage in the social accountability of minimum income guarantee programmes over the medium to long term.²

This article offers preliminary answers, examining the trajectory of São Paulo's Renda Mínima. The programme is the largest of the municipal minimum family income guarantee programmes and the immediate precursor to Bolsa Família.3 It is particularly interesting because (1) it represents an unambiguous 'rights-based approach' to poverty reduction, and therefore contrasts with the conditional cash transfer programmes more common outside of Brazil, and (2) São Paulo is home to a densely networked civil society, including to parts of the Movement for the Unified Social Assistance System (Sistema Único de Assistencia Social, SUAS). The pro-SUAS movement is at the centre of the other major shift in anti-poverty programmes, the 'noisy' and piecemeal reforms to establish a single, national and public social assistance system.

The evidence from ongoing fieldwork in São Paulo strongly suggests that the silence surrounding Renda Mínima was manufactured and not a historical accident. Elected city administrations have manufactured this silence to enhance their own autonomy and to establish a direct (unmediated) relation between the state and beneficiaries. It has been political leaders who, responding at least in part to the electoral cycle, have been central to the development of Renda Mínima.

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2 A rights-based anti-poverty strategy

Renda Mínima was created in 2001, the city's first large-scale anti-poverty programme for people outside of the formal labour market. Within a year, the programme bypassed all other social assistance programmes combined in the size of the population served and in budget share. By the end of 2008, São Paulo's administration expects the programme to reach over 200,000 of the 300,000 families that fall below the poverty line, i.e. 12 per cent of the city's 10.4 million people.4 The programme's budget in 2006, R\$168.9 million (€62.5 million), represented 88 per cent of the budget of the Municipal Secretariat for Social Assistance and Development (SMADS). The remaining 12 per cent covers the SUAS-related social assistance programmes financed by the municipal government and administrative costs (Prefeitura de São Paulo 2007).

Families with children under the age of 16, and a per capita income of less than R\$175,5 are entitled to a monthly income grant under the programme.⁶ The family must have resided in the city for two years and prove legal custody of the children. The monthly grant is R\$140, R\$170 or R\$200 (€52, €63 or €74) depending on whether a family has one, two, or more than two children respectively. Any other income transfers, such as those from the federal Bolsa Escola, are subtracted from the benefit. The average benefit in 2006 was R\$117 (€41) (SMADS 2007: 50). Renda Mínima requires that the families fulfil a corresponding obligation: ensure all schoolage children attend at least 85 per cent of their classes and that children under the age of six complete the government's vaccination schedule. Families register directly with the government and then access their monthly grant through a bank account opened in their name, normally using a bank

Families in the programme are the extremely poor, with an average monthly household income of only R\$243.76 (roughly €101.57 at 2001 exchange rate). The average family size is 4.3 persons (with 2.2 children). Half the families had two parents, but the entitlement holders were overwhelmingly women (74.2 per cent). There is no legal requirement that women in the household must be the entitlement holder but women tend to have legal custody of the children and are generally responsible for the education and health of family members (see MacPherson, this IDS Bulletin).

2.1 Legal entitlement or conditional cash transfer?

Renda Mínima is seen by its proponents and the municipal administrators as a right and as rights enhancing. It seeks to provide income support to poor families that will enable them to keep their children in school and to access an array of public services that make possible the realisation of other rights. In the international debate on poverty reduction, Brazil's income guarantee programmes like Renda Mínima are seen as exemplary conditional cash transfer programmes (CCTs). The difference between 'quaranteed incomes' and 'conditional cash' is more than semantic, however, and notwithstanding similar transfer mechanisms, the programmes' contrasting labels reflects different approaches to achieving the goal of reducing intergenerational poverty.

The rights language behind guaranteeing a minimum income suggests its legal status as an entitlement and defines the recipient's relation to the state as that of a citizen. Conversely, the programme represents a collective obligation of society (met through the state) to its poorer citizens. The income grants are a redistribution of income. For many of the proponents of minimum income guarantees such as Renda Mínima or Bolsa Família, these are a step towards a universal basic or citizen income (Suplicy and Buarque 1997; Suplicy 2007; Sposati 1997), legislation for which was passed by Congress in 2004 (Law 10,835/2004).7 Not surprisingly then, completing children's vaccination schedules and keeping them in school is called a contrapartida – a corresponding obligation – rather than a 'conditionality.' Even the design of the programme is defended on the basis that it enhances families' autonomy and citizenship: the direct relation established between family and the state is meant to exclude the intermediation of civil society organisations, which have historically been subject to clientelism and patronage.

The city administration that established Renda Mínima emphasised that the programme was enacted by municipal law (Law 12,651 and subsequent revisions) and creates a state obligation (Pochmann 2002). It is not a discretionary programme that administrations can choose to implement or not. Its budget comes from an earmark of 5 per cent of the municipal budget for ensuring the realisation of the right to education established in the city's Lei Organica, the city charter (Article 208). Failure of the city administration to make

sufficient progress in implementing the programme can be challenged in court. It is less clear whether, under existing legislation and jurisprudence, families can use the courts to secure their entitlement, as implementation of the programme is 'gradual, observing the financial resources' of the municipality (Law 12,831 revised by Law 13,164).

The proponents of conditional cash transfers have not given attention to the legal basis of the transfer, or its role enhancing people's relation to the state, but rather they emphasise the government's discretion over concession of the benefit, the conditional and temporary nature of the benefit, and families' relations to the market. The programmes may or may not be enacted through legislation. Most of the international debate of these programmes focuses on important gains in efficiency, relative to conventional social assistance programmes to meet the needs of the poor, the precision of targeting, and the development of human capital through both children's education and socioeducational activities for adults. Conditionality, in these demand-side interventions, are meant to ensure that the poor transform their behaviour in ways that lead to the accumulation of human capital (Brière and Rawlings 2006; Rawlings and Rubio 2003; World Bank 2005). In contrast to income guarantee programmes, for which achieving full coverage is a critical concern, CCTs have a greater preoccupation with the investment in developing human capital through a range of support services and programmes.

3 Manufacturing silence

Civil society actors' silence in the short trajectory of São Paulo's minimum income guarantee programme, from initial discussions in the early 1990s to implementation in 2001, is not a historical accident but one manufactured over time. The Workers' Party (PT) administration (2001–4) that created Renda Mínima in São Paulo developed a modus operandi in the programme's foundational year that minimised the role organisations representing poor communities could play in policymaking and even in social accountability. Important parts of this modus operandi have been carried over into the subsequent administration, by the opposition alliance of the Social Democratic Party of Brazil (PSDB) and Democrats (DEM) (2005–9).

The investment of the PT administration in manufacturing this silence, and thereby enhancing its

own autonomy, has two sources that reflect some of the challenges faced by rights-based anti-poverty strategies. The first source was a commitment to government implementation, rather than by civil society organisations that mediate the relationship between the state and the poor. The administration explicitly juxtaposed its approach to combating social exclusion and poverty to the longstanding social assistance model: small-scale projects that seek to meet the immediate needs of a particular vulnerable population segment, and are executed by non-profit organisations that are perceived as paternalistic and vulnerable to forms of clientelism (Pochmann 2002, 2004). In the process of building direct relations between the state and beneficiaries, to strengthen this citizenship relation, the administration also closed the door to organised groups that might have a legitimate role in negotiating policy and in ensuring some form of social accountability.

The second source is the electoral cycle. The challenge facing any elected official is selecting programmes that can, within a two-year period, produce visible and significant benefits to large segments of the population. This is particularly true if the programmes involved do not enjoy the support of a large organised political base. Elections for executive positions are held every four years in Brazil, but the first year of any administration is largely spent on setting up the administration and year four on re-election and touting the results of the administration's work. Programme benefits have to be visible and significant at the beginning of the election campaign. Electoral pressure therefore means that any new programmes created by an administration have to begin producing visible results within the second and third year of the term. This creates a paradox of sorts for anti-poverty programmes that aim to break durable, intergenerational poverty, since the electoral cycle dictates that significant progress must be made within a 1-3 year period.

The interest of the PT administration in limiting the role of local leaders and their organisations is most clearly visible in the programme's foundational moment – Year One of administration. At the moment when the institutional location of the programme was decided and the format of its implementation finalised, opportunities for local leaders and organisations representing the poor to negotiate policy and/or build some form of institutional access to the administration were

virtually non-existent. The administration placed Renda Mínima not in the existing Secretariat for Social Assistance, which had extensive relations with social workers and civil organisations that execute its programmes,⁸ but in the Finance Secretariat, and then in a newly created Secretariat of Development, Work, and Solidarity (Secretaria do Desenvolvimento, Trabalho, e Solidaridade, SDTS). Senator Eduardo Suplicy and Mayor Marta Suplicy provided the SDTS additional political armour against external pressures. Even the 'Support and Social Accountability Commission', mandated by Renda Mínima legislation and on which organisations of beneficiaries and workers in social assistance have representation, was never made functional.

The manner through which the programme would be implemented, through intensive registration campaigns of potential beneficiaries that targeted specific low-income regions of the city, was developed entirely within the state apparatus. Selection of the priority regions was based on a ranking of the city's 96 districts according to their Human Development Index value. Registering beneficiaries in these areas, and subsequent lower priority areas, was conducted almost entirely by the city's 28 regional administrations with little role for local organisations. The subsequent administration would follow the same process, only using a different index to select regions and subcontracting the registration process to a public interest NGO.

The restricted interaction with local leaders and organisations in the city's low-income areas established in this foundational period has also carried over. These interactions took one of two forms. First, in the areas where the programme registration or re-registration campaigns are conducted, government officials hold extensive meetings with local leaders - political, neighbourhood, religious, and others - to explain the programme's goals, selection criteria and benefit, and then ask for assistance in informing the public about the programme. Second, leaders of local organisations, as well as local politicians, trigger administrative review procedures when they channel demands of families or entire neighbourhoods who believe they ought to have been registered or selected as beneficiaries, or complaints about bank cards that fail to work, delays or termination of grants without notification, and so forth. This type of pressure on the administration is common and

ongoing. Progressive and conservative Vereadores, elected members of the city's legislature, the Câmara dos Vereadores, play a particularly important role in triggering administrative review, often at the request of local association leaders.

This ability of community or neighbourhood associations, and especially that of Vereadores, to trigger forms of administrative review provides an important form of *ad hoc* accountability. But other than creating mechanisms that facilitate administrative review, the government has sought to keep these actors at arm's length. No regional or municipal networks of organisations have emerged to engage in more systematic forms of social accountability, let alone to negotiate public policy. There are cases of collective demands for expansion of the programme to new micro-regions of the city, the most recent of which is the inclusion of two villages of indigenous peoples in the southern tip of the city.

With one important exception, the demands on the city's administration bypass the existing participatory governance councils, such as the Municipal Council for Social Assistance, which is meant to oversee social assistance programmes (Pólis 2007).

Demands have been made directly on regional administrations, the Secretariats, the Mayor, or indirectly through the mediation of Vereadores. The exception that proves the rule occurred in the 2003 Participatory Budget, when leaders from the Penha regional administration, composed of four districts, succeeded in placing the extension of the STDS programmes as a priority for the region (Pochmann 2003: 64). This hastened the extension of the Renda Mínima to that region. The participatory budget was discontinued by the subsequent PSDB–DEM administration, however, and the institutional mechanism is no longer available.

$3.1\,\mathrm{SUAS}$ movement and a noisy piecemeal reform

Comparing the role civil society organisations have had in the development of Renda Mínima to that of the pro-SUAS movement in the emergence of Unified Social Assistance System (SUAS) puts in relief the lack of voice of the former. The movement, led by mostly public sector workers – social workers, psychologists and professors in social services departments – has sought to make social assistance a right, anchored in a social assistance policy that integrates and directs the

patchwork of civil society organisations engaged in service delivery into a unified and public system.9 It emerged in the late 1980s and grew in the 1990s in a process of intense and ongoing interaction with various parts of the state.

Although the SUAS reforms have been piecemeal, reflecting the scale and complexity of its ambitions as well as strong opposition from some service providers, the movement has succeeded in passing critical enacting legislation and in inserting its activists and leaders into key government positions. It has also taken a lead in creating hundreds of participatory governance institutions all over country, as well as a variety of civil society forums. In São Paulo, this institutional ferment has produced numerous municipal and sub-municipal councils and forums for social assistance and specific subgroups: the elderly, children and adolescents, people living on the street.

Why has the one block of actors that work with the poor and has coalesced into a substantial movement not spoken out on minimum income guarantees? Fieldwork conducted to date only provides a few clues. One clue is the deep antagonism members of this movement have towards proponents of income guarantees, who come from parts of the left and/or the discipline of economics, and who are highly critical of social assistance as a sector. Another clue is an apparent myopia of the movement, induced by the nature of the professional training and the overarching goal of establishing social assistance as a legitimate public policy field.

There is some awareness within the movement that the city's, and the country's, most significant antipoverty initiatives have passed them by, but there are no creative proposals on the table that would make possible entering into a coalition around such programmes. Income guarantee programmes in fact barely received mention in the 10th Social Assistance Conference of 2007, considered by some movement leaders a watershed.

3.2 Excesses of pluralisation

The commitment of the PT administration to limiting the role of civil society actors in Renda Mínima and of the pro-SUAS movement to a unified and government-led social assistance system reflect an important reality of the organisations who work with and represent the poor. The long-established pattern

of relations between the state and these organisations has produced an extreme pluralisation and segmentation, by population, service, and region of the city, that coordination, or building broad alliances, in order to engage broader policy issue is extremely difficult in the absence of significant external facilitation. Public subsidies, tax exemptions, and service delivery contracts to civil society organisations working with small population groups has, since the 1930s, created a large and chaotic universe of actors whose interests are narrowly constructed around their particular clientele. These actors have little interest in a broad entitlement programme, the benefits of which they cannot allocate. Even urban movements such as those for housing or gatherers of recycled materials fall victim to this logic when government accedes to their demands.

The proliferation of participatory governance institutions and civil society forums has not significantly reduced this difficulty. The various governance councils and civil society forums that are meant to facilitate coordination, policy discussion, and social accountability appear, at this point in time, to reproduce this long-standing pattern of state-society relations. They are used to negotiate the terms of government service delivery contracts and to regulate the organisations that seek to obtain such contracts. Organisations of the poor (called 'users' in the governance council discourse) generally fail to participate in these institutions, although the institutional design seeks to include them. There is some evidence to suggest that whether participatory governance institutions are available for coordinating action and engaging in substantive policy discussions, depends on the political leadership of the city's administration.

4 Political leadership and anti-poverty programmes

Political leaders and electoral cycles do not feature prominently in international discussions of anti-poverty programmes, or are seen as obstacles to effective poverty alleviation. In São Paulo, however, political leadership and competitive electoral politics contributed decisively to Renda Mínima. Politicians and partisan politics are, sometimes with good reason, blamed for the failure of public policies. One lesson that can be taken from the case of Renda Mínima is that political leaders and electoral cycles inevitably play a central role in the lives of ambitious anti-poverty programmes, and that this need not be bad.

The development of São Paulo's Renda Mínima programme, and other similar programmes in Brazil, began in the early 1990s in response to São Paulo's Senator Suplicy's Senate bill proposing a universal basic or citizen income. The debate among well-placed politicians and economists on what form such a programme should take in Brazil, led to the first municipal family income guarantee programmes in 1995. By the time a modified version of the Senate bill was passed by Congress in 2004, over 100 municipalities had implemented such programmes and the federal government had adopted Bolsa Família. The service of the senate bill and the federal government had adopted Bolsa Família.

São Paulo's Renda Mínima nicely illustrates the centrality of political leadership, and the role of electoral cycles. The programme was only created in 2001 because both the PT and PSDB lost mayoral elections to a conservative political machine, the Partido Popular, in 1992 and 1996. Notwithstanding defeat in the first of these mayoral elections, the PT in 1995 did introduce a bill creating Renda Mínima in the city's Câmara dos Vereadores. Because of the conservative mayor's influence over the chamber, the bill's passage was uncertain and the PT orchestrated a substantial civil society campaign. The campaign included segments of the Catholic Church, the bankers and chemical workers unions, and an array of organisations with roots in the city's poorer communities and contributed to the passage of the bill.

The 1995 campaign shows that it is possible to build a coalition around broad entitlements for the poor in São Paulo, but it may require strong political leadership. The coalition disassembled after the bill's passage and was not reconstituted to meet subsequent threats to the programme: the mayor's veto of the bill in 1995, for example, or the freeze on its expansion placed by the PSDB-DEM administration in the first two years in office. In these and other cases, the political battles to implement and expand the programme were fought primarily by political leaders in and out of government, rather than by leaders representing networks of civil society organisations.

5 Conclusion: extrapolating from the past

Civil society organisations that work with and represent people living in poverty have had little say in the design of Renda Mínima, and have only been able to establish an *ad hoc* form of social accountability, primarily through administrative review procedures. Can we extrapolate from this

past that these actors' relative silence will continue into the future? Is there evidence that it is more difficult for these organisations to engage with the state around minimum income guarantee programmes than it is around housing or health programmes? That is, does the nature of the good (individual) and/or of the institutional mechanism through which it is delivered – direct income grants to individual bank accounts – make it particularly difficult for the poor to organise and build coalitions that can influence policy? And, is a more systematic form of social accountability of income guarantee programmes therefore unrealistic?

The original project hypothesis was that the income grant or transfer programmes would contribute to relatively silent relations between the state and actors representing poor communities, because of the nature of the good and the institutional mode of delivery. Fieldwork in São Paulo, however, reveals that, in the case of Renda Mínima, this silence was manufactured politically, and reinforced by the specific form the pro-SUAS movement has taken and the extreme pluralisation of the organisations working with people in poverty. It is not obvious that political leaders, the pro-SUAS movement, or another substantial actor, such as the Catholic Church, would have more difficulty establishing a broad coalition to negotiate Renda Mínima policy, or to engage in social accountability of the programme, than for other public policies.

Local leaders claim that, among people in poverty, it is easier to mobilise around demands related to the income guarantee programme than around demands for urban infrastructure or public service. The difficulty, they suggest, is forging alliances across regions of the city, and with other (more influential) actors, such as the pro-SUAS movement. The question that needs to be answered now is: Are these the inherent difficulties the poor face in building alliances around public policies, or are these difficulties particularly severe in the case of income guarantee programmes? If the former is true, it is possible that a key to building a pro-Renda Mínima (or broader income quarantee) alliance is time - the relative youth of the programme means that local and city-level leaders have had only a few years to learn about the programme's scale and importance, and to adjust their goals and strategies accordingly. The answer, I expect, will emerge from the fieldwork in the coming months.

Notes

- * This article owes much to the ongoing discussion with Adrián Gurza Lavalle, Monika Dowbor, Graziela Castello and Felipe Hevia de la Jara, and to the interviewees in São Paulo who graciously shared their experience and knowledge.
- 1 Programa de Garantia de Renda Familiar Mínima.
- 2 Social accountability is the public scrutiny and sanction of government by either individual citizens or public interest organisations, using a variety of non-electoral mechanisms. See Joshi in this *IDS Bulletin*.
- 3 The person responsible for the design and implementation of Renda Mínima, Professor Ana Maria Medeiros da Fonseca, would move to coordinate the new federal Bolsa Família programme in 2003.
- 4 The poverty line is *per capita* income of less than half-minimum wage (currently R\$190, €70). Exchange rate (late 2007) €1=R\$2.70.
- 5 The programme excludes poor individuals or poor families without children. Brazil has a constitutionally guaranteed entitlement for the elderly (over the age of 65) or disabled (who cannot work) living in extreme poverty (income of less than one-quarter of the minimum wage, R\$95 or €35 a month) the Beneficio de Prestação Continuada but other families without children do not. Exchange rate (late 2007) €1=R\$2.70.
- 6 Families who entered the programme before August 2007 and have not yet been re-registered

- follow an earlier regiment: they must have had a per capita income of less than half-a-minimum wage; grants are based on a calculation using per capita family income and 46 per cent of the sum needed to reach half the prevailing minimum wage per capita.
- 7 The legislation creates a universal entitlement to a monthly income transfer, but it is to be implemented gradually according to the country's development and budgetary possibilities (Suplicy 2007: 2).
- 8 The programmes included smaller income transfers for other age groups and three 'emancipatory' programmes that provided skills, resources, and other support to income generation initiatives.
- 9 The proposed structure was similar to the Unified Health System (known as SUS) that public health professionals the *Sanitaristas* played a key role in developing in the 1980s (Dowbor, this *IDS Bulletin*).
- 10 The bill provided an individual cash entitlement to everyone 25 years or older, with an income under 2.5 the minimum wage. The benefit was 50 per cent of the difference between this level and the individual's income (Fonseca 2001: 99–105).
- 11 The first federal programme, Bolsa Escola, emerged in 1997 to provide fiscal support to poor municipalities that created minimum income guarantee programmes. Bolsa Família was created in 2003.

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