

NEWS FROM THE SOUTH: PERSPECTIVES ON BASIC INCOME IN MEXICO AND LATIN AMERICA

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Universal Basic Income-Mexico

The expansion in the knowledge, reflection and debate on Basic Income beyond European countries and the warm welcome it begins to have in Latin America and the south of Africa, not just in academic circles but also amongst social organizations, NGOs and media expresses the avidness of new outlooks, new initiatives, new perspectives before the old and lasting phenomenon of poverty, inequality and restricted citizenship in our societies.

Allow me to illustrate Mexican inequality with some data. In the year 2000 the Gini coefficient for the country was 0.54. The richest 10% of the country has an income 45 times higher than the poorest 10%. If we separate the numbers we find that 20 multimillionaires have wealth equivalent to 6% of the Gross National Product, with an income estimated at around 14 thousand times greater than the population average.

The evidence on the dimension of the crisis of the modern world and the need to build a profound turn that makes visible a world that has never been richer or less equal, never more communicated and yet never more fragmented and polarized as never before in human history, with extreme poverty and wealth coexisting in a context of environmental depredation and global warming, a world of hyper consumerism in which the ghost of massive hunger returns, is mounting.

The magnitude of the crisis of the contemporary world has economical, political and moral dimensions of extraordinary depth. Of that same magnitude must be the proposals of social and political re-ordering that we propose to ourselves.

From Mexico we see the Basic Income proposal as part of the set of proposals to build a new economy, a new citizenship and a new social cohesion.

To be part of the answer to the great contemporary problems, Basic Income is a program based horizon whose application forms part of a large scale social reform. Basic Income can be seen from a technical standpoint or from a supplementary standpoint along with other social rights. There are people who board Basic Income thus. I believe it is more interesting to focus Basic Income as part of the answer to the great problems of today that face world society. Basic income is a program based horizon whose application forms part of a far reaching social reform.

Before the evident limitation and failure of the policies and programs against poverty and inequality, before the devaluing and endangering of labor and before the dismantling of our limited social State, it begins, at least in Mexico, to be proposed the need to reconsider the social matter from the perspective of the general rights of citizenship and the social dimension of citizenship.

From a social citizenship perspective that differs from political citizenship by no starting at a set age with the right to vote, but rather begins from a quality pregnancy to a dignified death.

This means that social rights must be inherent to people by the simple and powerful fact of being people and can not be just rights derived from the labor market. In this sense, Basic Income is a powerful step forward in the process that leads us to the de-commodification of the reproduction of life and to guaranteeing the right to existence, to facilitating a multi-active life and human flourishing.

In Mexico, and I daresay Latin America, part of the attractive of Basic Income as a re-ordering policy for social relations pertains to its unsuspected effects as a social transformation tool.

Because of this its discussion cannot be circumscribed to either a traditional technicist approach to public policies nor to an economical outlook that only highlights, without diminishing its relevance, its impact on fighting poverty, the wealth distribution coefficients or the reactivation of markets.

In this sense the attractive and the relevance of Basic Income is its non reducibility to an instrumental logic, but rather its philosophical fundament, its promise of a new society and horizon of good living and of returning to the debate on the social matter from the perspective of complexity and integrality, in which freedom, equality and fraternity are found at the center.

Inequality is the heart of the social matter in Latin America. The Basic Income proposal allows the confrontation of this issue from a novel approach that reveals the general and abstract character of social wealth and thus the possibility of a universal and aliquot participation of all members of society in its distribution and enjoyment. But this possible participation in the individual, universal and unconditional access to social wealth can generate a new sense of belonging to a political and cultural community setting the basis of a social cohesion whose axis are solidarity and reciprocity.

Thus Basic Income is not just a transformation tool with impact in the whole social order given the broadening of freedoms and the construction of autonomy that it supposes for women, workers, youth and senior citizens, to mention the most relevant, but it can also count with a mobilizing potential of high political intensity.

A simple and powerful idea, coherent and viable that offers a relevant response to the problems of poverty, inequality and exclusion and social subordination of the contemporary world.

A component of this potential of Basic Income, from Mexico, is seen from an epistemological perspective that allows us to not just propose a Basic Income, but also a new economy and citizenship.

There are those who see basic income as just or mainly a technical measure but I am firmly convinced that if we also assume it as a new right, it could form part, as I pointed out, of a far reaching social reform. From this point of view Basic Income allows us to re-think not just sources of income, but also manners of consumption, redefine labor, and the possibility of building a new economy whose axis could be: the de-commodification of existence and its recognition as a right, the recognition and dignification of all types of work and the broadening of the diverse forms and modes of the solidary social economy.

Basic Income can also be the basis of a new citizenship. This is, in the measure that we advance in the construction of the material conditions of freedom through, amongst others, Basic Income we can open unsuspected possibilities of political participation, civic activity, social militance and exercise of rights for millions of people today submitted to the empire of hunger, with no or very low bargaining power and lacking time for other activities not related to survival or the generating of income to pay ever growing debts.

Lets see, in consequence, Basic Income as a lever for the construction of citizenship and, as I pointed out earlier, for strengthening its social dimension. Basic Income represents as very few policies do the transit from a citizenship restricted to formal civil and political rights, to a citizenship with social rights and a material base. It is a tool, in consequence, for assuming the integral and indivisible nature of social, civil, political and economic rights and for closing one

of the age old gaps in contemporary society: between formal political equality and real material inequality.

In Mexico, and some Latin American countries, Basic Income begins, not without difficulty to form part of the public debate. It is so, that the Basic Income debate counts with some practical references both as policies and as law initiatives that announce that the discussion of the proposal will constitute and ever growing part of the discussion of the social matter in the region.

Thus in Brazil was proclaimed the law that establishes Basic Income, whose instrumentation is still pending and that without a doubt will have a profound impact in the impulse of the proposal in the entire region. In the measure that in Brazil the fulfillment of said law is achieved in a gradual but clearly progressive manner and the gap of instrumentation between the content of the law and its effective fulfillment, a fundamental push will be given to Basic Income in Latin America and I daresay the world.

We have advanced plenty in the theoretical, philosophical and moral fundamentals of Basic Income, in the demonstration of its viability and desirability. Our next challenge is its materialization in a territorial space that can serve as a practical reference, building a successful case that unleashes the demonstration effect. Such as the case of Alaska has provided a specific reference for concrete instrumentation of Basic Income.

In this perspective Latin America has much to offer. I refer not just to the very relevant case that Brazil could play but also to new experiences such as Dignity Rent in Bolivia and the Citizens Pension and diverse cash transference programs by the Mexico City government.

In the case of Bolivia the Evo Morales government has just instituted the Dignity Rent, paid for with taxes from hydrocarbons, that all Bolivians over 60 years old

receive in an unconditional and universal manner, constituting the first ever non-contributive and non-conditioned pension in the history of Bolivia.

On the other hand, in Mexico City, currently 420 thousand people over 70 years of age, with the only requirement of having resided in the city for three years receive each month a pension equivalent to the basic food basket, 75 dollars, in an individual, lifelong and unconditional manner. Such a universal pension that does not demand Mexican nationality.

Furthermore the citizens pension of Mexico City has been instituted as a demandable right in the law since 2004.

Likewise in Mexico City there exist other permanent monetary transactions, although they are not fully universal or not fully unconditional. In the case of the 70 thousand people with disabilities that also receive 75 dollars a month with the sole accreditation of disability and residence in a zone of mid or high poverty. Currently it is being discussed in the legislative organ of the city a proposal for universalization, to cover the set of people with disabilities living in the city.

In the same manner 210 thousand students of the mid and high education schools count with a scholarship lasting the three years of the school cycle. It is a scholarship delivered in an individual manner to students in public schools, conditioned to permanence in school and with differing amounts, between 50 and 75 dollars, depending on academic performance.

These three transfers: citizens pension, income for people with disabilities and scholarship for students in public schools, find very important points of contact with Basic Income, with the closest being the citizens pension (universal and unconditional), in the middle income for people with disabilities (unconditional but not universal) and last the scholarship (temporary, conditioned and partially universal).

Even so they aim in the perspective of the instrumentation of permanent and individualized transfers with low or no conditionality that allow the building of the initial critical mass for a Basic Income.

Easily said, but currently in Mexico City, with resources exclusively from the local government, with these three transfers and other smaller programs close to 800 thousand people living in the city receive a monthly monetary transfer, close to 9% of the population of the city.

It is also a process built in a relatively short time of under eight years, where the tendency has been the progressive growth of the transfers, that began in the year 2001 with 150 thousand senior citizens and in 2008 they already cover 800 thousand people.

Probably the most relevant aspect is the social legitimacy that these transfers have been acquiring. During the years of 2001 and 2002 harsh critique against the pension for senior citizens was often heard and there was belligerent opposition from certain sectors against its instrumentation. They were the same arguments wielded against Basic Income.

In that moment we did not know it, but the debate that was carried out in Mexico City in those years on the pension for senior citizens, was in reality the first debate on Basic Income.

The arguments against were the usual ones: “you should not give money away”, “resources should not be given in exchange for nothing”, “it should only go to those who really need it”, “the pension should be for those who have no formal retirement”, “senior citizens don't need gifts, they need work”, “there are no resources”, “its not sustainable”, “a fiscal crisis will be unleashed”.

A few years later these arguments have vanished from the city. Not only was a political battle won, a cultural one was won as well. With the first resistance broken, none have faces other initiatives for direct transfers.

If years ago the questions were asked of the pension for senior citizens, now what is criticized is that it is only for those over 70 instead of younger groups. The logic that predominates now is the need for expansion, not restriction. A perspective closer to universalization rather than targetting

In the public debate the most relevant aspect has been the change in the subjective appropriation, in particular the pension for senior citizens. The opposition to the programs ceased and is no longer a factor of public questioning. In the contrary it has been incorporated as a new right of citizenship and governments of other federal entities and even the federal government initiated more or less adequate replicas of the program. That is, the demonstration effect took place.

Because of this currently in the country, for example, there is a national program of non-contributive pension for rural senior citizens that includes all persons over 70 years of age that live in localities of at least 15 thousand inhabitants. And year after year in the Federal budget the coverage for rural senior citizens increases.

Likewise the Democratic Revolution Party presented an initiative of law for the establishing of the Universal Basic Income in the country and the Socio-democratic Alternative Party proposed its recognition as a right in the context of the chapter of social guarantees of the State reform. Both processes await processing by Congress.

In Latin America the official policies for combating poverty of a neoliberal cut have been structured around the so called Conditional Cash Transfers (CCT)

that programs such as Oportunidades in Mexico or Bolsa Familia in Brazil clearly express.

However, and despite harsh critique for these programs due to their targeting, their non-individualization, their conditionality and their temporary status, in reality they could represent the initial material base to construct Basic Income. Proposing the transformation of CCT into Basic Income: universal, individual, permanent, unconditional and recognized as a demandable right is a realistic political goal that allows us in Latin America to count with a material and budgetary base to start building Basic Income.

In Latin America the theme of social policy is not monetary transfers in and of themselves, but rather their nature. Universal or targeted, individual or by home, temporary or permanent, conditional or unconditional, merits based or demandable. And in all of these points we have from the perspective of Basic Income powerful, convincing and mobilizing arguments.

An old saying in Mexico goes “nobody knows who they work for”. And thus we must thank the creators of the CCT that, in reality, have set the first material basis for Basic Income, once evidenced the limitations of their targeted and conditional programs.

Because of this in Latin America the discussion on Basic Income will board the dimension of resources, of course, but it will be above all a discussion of substance and content. In any case the official policies are already based on transfers, but they will have to show that targeted, conditional, temporary and by home, they are better than the Basic Income proposal. I fear they will face enormous difficulty proving this and that as already happened at the start of the XXIst century in Mexico City we have all the elements to again win this cultural battle.

An additional alert: take care in the debate in Latin America of the false promise of a trade off between Basic Income and social rights. It is not about gaining a Basic Income without the guarantee of the rest of the rights to nutrition, health, housing, education, culture, recreation, dignified living, but of the accumulation of rights, where Basic Income is a new right, along side the classic social rights, not instead of them. It does not replace them, it adds itself to them.

In summary, we will have more and more news of Basic Income from the south and very pointedly from Latin America. We have laws or projects of law, concrete experiences, successful programs that can serve as reference and the need of finding new proposals and alternatives before the challenge of poverty and inequality.

Likewise, the world wide food crisis that again puts the subject of hunger and the elemental right to nutrition on the public agenda opens an appropriate field for the welcoming of the Basic Income proposal as a materialization of the right to existence and as a concrete instrument for making valid the right to not starve.

By many of the mentioned motives in Mexico in a very short time, the 18 months between our congress in Capetown and our Congress in Dublin, the subject of Basic Income has entered public debate.

In particular we managed to organize the first international seminary in Mexico dedicated to the debate on Basic Income in which outstanding members of the BIEN participated, and whose product was a book whose original edition of 2000 units has practically run out.

The Basic Income proposal has had a good initial welcome and has managed to form a promoting group for it, but we know that the truly difficult is yet to come in the process of building a social and political majority that makes Basic Income possible in Mexico.

This simple and powerful idea with high cohesion and mobilizing potential is also a beautiful and stimulating reason to fight for a better world.