

# What is the Future of the Bolsa Família?

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**The Bolsa Família Programme**, the biggest cash transfer programme of its kind, is now 10 years old. It is only natural that we should start to think about its future.

When speculating about the programme's near future, two distinct visions come to mind. In the first, by transferring cash to eligible poor people and targeting social services at them, the programme will take over the core of the Brazilian welfare state. In the other, the programme will find a proper place within a universalistic, rights-based social welfare architecture. In the first vision, the programme would absorb the energies of the welfare state, while in the latter it would be absorbed by it. Both extreme possibilities are latent in the programme's cash-cum-service design: Bolsa Família provides cash to beneficiary families with children and sets requirements of service use for continuing eligibility, all this in a setting where the public supply and quality of social services are seriously deficient. This suggests that to fulfil one vision or the other, existing services must be either targeted at poor households or extended to both poor and non-poor. Another point of contention is eligibility itself, which, in one vision, should remain a necessary but not sufficient criterion of access to the transfers, while in the other it should be converted into an entitlement. Although a caricature to some extent, these distinct conceptions seem to account for a perceived dissonance among public officials regarding issues such as eligibility criteria, benefit levels, the moral, efficiency and effectiveness aspects of conditionalities, and other relevant minutiae.

One way to 'decide' which road to take is to recall the original vision. But what was the original vision, the 'spirit of 2003', and what is needed for the programme to live up to that vision?

Back in the origins of the 2001 Bolsa Escola, and especially later with the 2003 Bolsa Família programme's inclusion of extremely poor childless families, one finds a plain rejection of pauperism. These programmes were based on the non-pauperist assumption that poverty is not fundamentally a matter of wrong choices by poor people but, rather, a lack of social and economic opportunities and protection—a diagnosis that couches them in the tradition of the universalistic welfare state (the second vision described above). After a somewhat irregular evolution, recent adjustments in Bolsa Família have reinforced this impression: more children were allowed in, a two-year permanent income criterion together with automatic readmission were included, a shift was made from poverty alleviation to extreme poverty elimination and thus from efficiency to effectiveness concerns. The programme's budget, as a result, increased from the initial 0.2 per cent of GDP in 2003 to more than 0.5 per cent in 2012.

But the programme still leaves a lot of poor people uncovered, by budget and design. Among those excluded by design are childless families living between extreme poverty and the poverty cut-offs and all those obviously poor though with income levels above the programme's very low poverty thresholds.

Also, the meagre benefits, especially the basic benefit to extremely poor households, have not risen in line with inflation rates and thus have suffered a decline in real terms. In fact, although the programme is great at reducing inequality among poor households and extreme poverty (because of the very low cut-offs), it has not been as good at reducing poverty, even under the official floor (Soares, 2012).

The programme's non-pauperist vocation then requires its universalisation, with the provision of adequate benefits to all Brazilians who need them, which in one simulation would raise the budget to around 1.5 per cent of GDP (Monçores, 2012). The figure, though small, is not as 'invisible' as the marketing of the conditional cash transfer programmes often boasts. This suggests that to redress past injustices in the distribution of social opportunities, as they are crystallised in present poverty, renewed discussion of the social contract seems inescapable. So there is going to be some political debate in the future.

A non-pauperist orientation may also entail a readjustment of our current arrangements concerning opportunities in connection with Bolsa Família. Thus far the burden has mainly been borne by the beneficiaries, who risk losing the transfers if they do not ensure their children go to school and attend health check-ups. And yet good public provision—rather than the willingness of beneficiaries to use services—is what is lacking. Although a new emphasis on the provision of services to beneficiaries suggests an increasing awareness of these problems, an undesirable collision between draining social services to poor people and the legally guaranteed universality of these services to all Brazilians is foreseeable. This is a fearsome prospect, not the least because the biggest protection to quality services for poor people is that they cater to the standards of potential middle-class users. Also, an emphasis on conditions or counterparts to cash transfers constitutes a distraction from the real objectives of the policy (Kerstenetzky, 2013). One should not neglect the unintended implications in terms of norms and perceptions that non-poor people who fund the policy end up developing, such as that there is no free lunch. Cash transfers for poor people are not a free lunch. They are a repayment of a social debt—a historical debt that Brazilians do not want to perpetuate. That is why they concocted a cash-cum-services programme. So, making explicit the non-pauperist assumptions of the Bolsa Família programme—and unambiguously acting on them—may be the expected contributions of the public officials in charge of it to the public conversation on the programme's future.

## References:

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