The Catalan Pilot: as challenging as today’s context
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  - Where we are now
  - Public opinion on UBI and the pilot
The Spanish welfare system has little capacity to reduce poverty. The poverty rate has increased in recent years, and also the rate after transfers, confirming the chronicity of poverty in 20% of the Catalan population.
Socioeconomic context in Catalonia

- Population 7,758,615
- Unemployment 8.4%
- People under poverty risk threshold 19.9%

Current situation with the conditional benefits:

<table>
<thead>
<tr>
<th>Conditional benefit</th>
<th>Average monthly amount of the benefit (2023)</th>
<th>Poverty threshold in Spain (2022)</th>
<th>Coverage (% of households who suffer severe poverty in Catalonia and are eligible for RGC) (2022)</th>
</tr>
</thead>
<tbody>
<tr>
<td>IMV (Ingreso Mínimo Vital)</td>
<td>565€/month</td>
<td>840€/month (ESP)</td>
<td>42%</td>
</tr>
<tr>
<td>RGC (Renda Garantida de Ciutadania)</td>
<td>717€/month</td>
<td>986€/month (CAT)</td>
<td></td>
</tr>
</tbody>
</table>

Innovative solutions are required in order not to leave anybody behind. An Unconditional Basic Income may be part of this solution.
Catalan’s pilot plan (I)

- **Amount**: poverty threshold
  - Adults 800€ per month
  - Minors 300€ per month

- **Target population**: everyone except 10% highest incomes \(\rightarrow\) simulate a tax reform

- **Length**: 2 years

- **Sample**: 5000 people will receive the UBI
  - RCT municipalities
Catalan’s pilot plan: Specific and innovative design to assess community, aggregate and household effects (II)

5,000 people will receive the UBI

RCT in which the randomization unit is the household but the treatment unit is the individual

- 2,500 people receive UBI
- 2,500 people do not receive UBI

Saturation study at 2 municipalities with a synthetic control methodology

- 2 municipalities = 2,500 people receive UBI
- 3-5 municipalities do not receive UBI

Treatment

Control

Treatment

Synthetic control
Political background (I)

- **2001**: Basic Income Network in Spain was established
- **2002**: Esquerra Republicana de Catalunya and Initiative for Catalonia-Greens presented a proposal at Parliament for a UBI law
- **2003**: Tinell Pact, including they would be “redefining the Minimum Insertion Income with the aim of making it a basic income for citizens while studying the different proposals for progressive implementation”.
- **2011**: 15-M movement
- **2014**: feasibility of financing UBI in Spain
Political background (II)

- **2016**: BIEN states that UBI had to be “stable in quantity and frequency and high enough to be, in combination with other social services, part of a political strategy aimed to eliminate material poverty and enable the social and cultural participation of each individual”, opposing "the substitution of rights or social services if this situation worsens the situation of relatively disadvantaged, vulnerable or low-income people".

- **2019 and 2020**: COVID-19 crisis

- **2021**: Presidential investiture agreement by ERC and CUP parties in Catalonia

- **December 2021**: the Office to Implement the Universal Basic Income Pilot Project in Catalonia was presented, as part of the Ministry of Presidency in the Catalan Government.
Implications (I)

- **Implementation** has not begun yet

- **Voting for pilot’s budget** in March 2023
  - For: ERC, CUP and En Comu Podem
  - Against: leading PSC and the rest following

- **Office’s institutional design**

- **Elites v. Society**
  - High and horizontal support for UBI implementation
  - High and horizontal support for conducting a pilot project on UBI
  - Generalized support for the 3 main characteristics of a UBI: individuality, unconditionallity and universality.
Implications (II)

- **Survey on UBI**
  *(Conducted on September – November 2022 by Generalitat de Catalunya. N = 3098)*

- High and horizontal support for **UBI implementation**

  Relationship between support for UBI and party sympathy

  ![Bar chart showing support for UBI by party sympathy](chart.png)

  - Mean = 6.5
  - 1st quartile = 5
  - Median = 7
  - 3rd quartile = 9
Implications (III)

- Survey on UBI
  - High and horizontal support for conducting a pilot project on UBI
Implications (IV)

- Survey on UBI
  
  - Challenges on its characteristics:

<table>
<thead>
<tr>
<th></th>
<th>Individuality</th>
<th>Unconditional</th>
<th>Universal</th>
</tr>
</thead>
<tbody>
<tr>
<td>Freq (%)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative</td>
<td>15.1%</td>
<td>21.06%</td>
<td>15.04%</td>
</tr>
<tr>
<td>Rather negative</td>
<td>22.13%</td>
<td>26.12%</td>
<td>18.54%</td>
</tr>
<tr>
<td>Rather positive</td>
<td>39.34%</td>
<td>29.65%</td>
<td>39.44%</td>
</tr>
<tr>
<td>Positive</td>
<td>23.43%</td>
<td>23.17%</td>
<td>26.99%</td>
</tr>
</tbody>
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