

The Catalan Pilot: as challenging as today's context



Generalitat de Catalunya
Departament de la Presidència

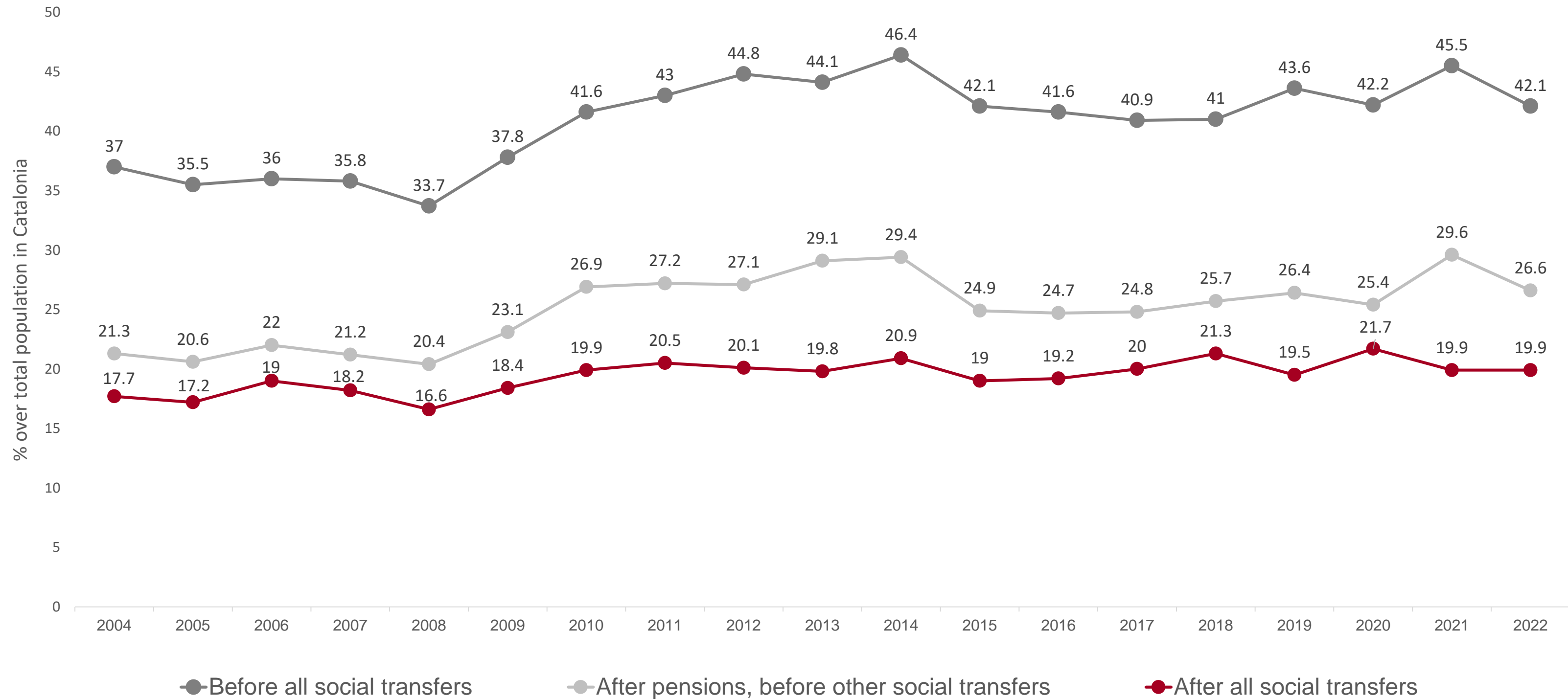


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Poverty risk rate before and after social transfers in Catalonia



Source: Idescat

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:

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

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 → 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

Saturation study at 2 municipalities with a synthetic control methodology

2.500 people receive UBI

2.500 people do not receive UBI

Treatment

Control

2 municipalities = 2.500 people receive UBI

3-5 municipalities do not receive UBI

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, unconditionality and universality.



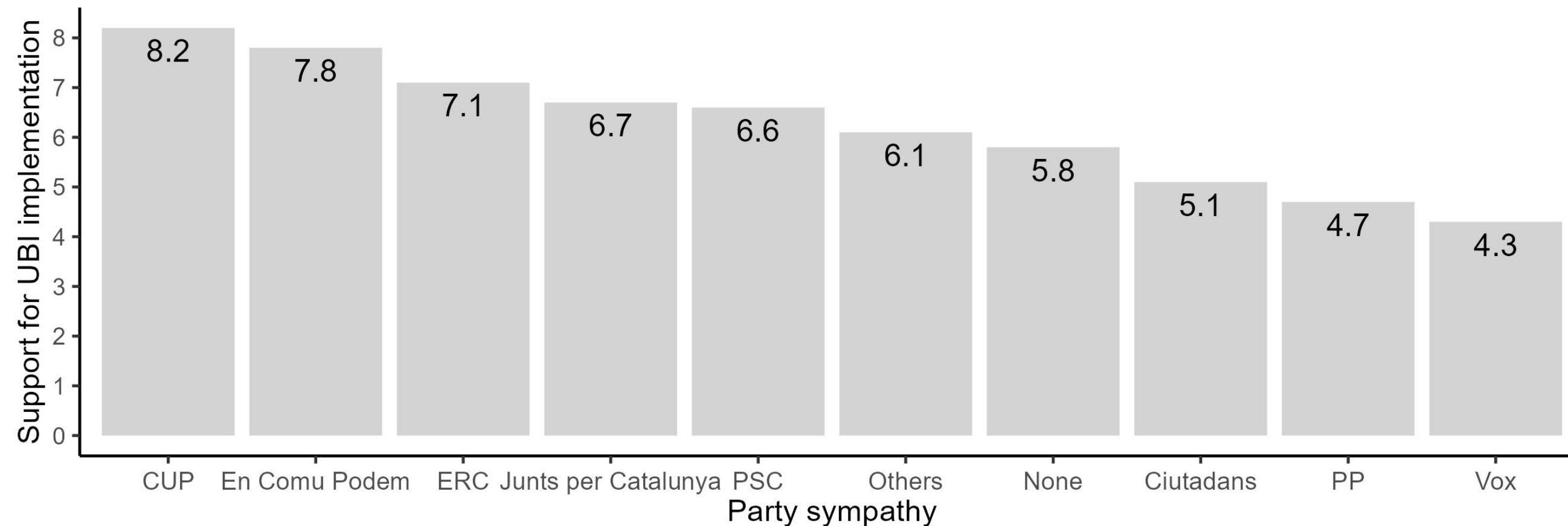
Implications (II)

- **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

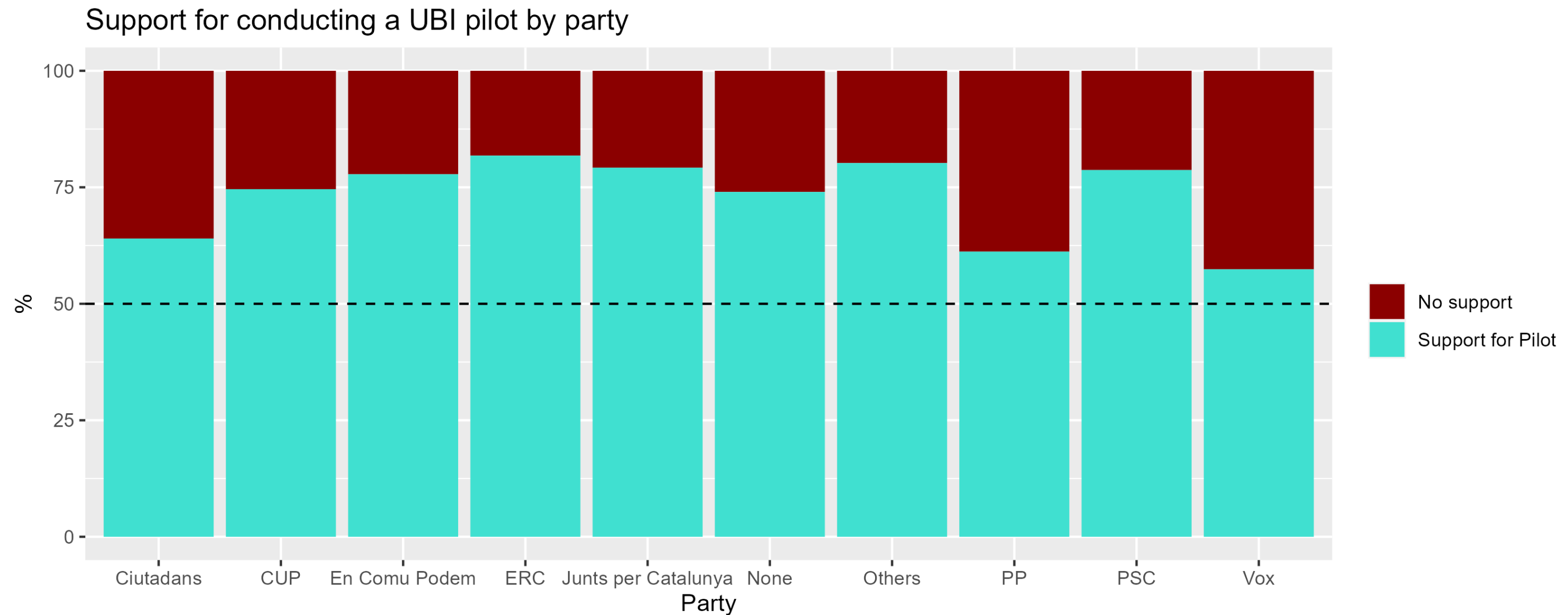


Mean = 6.5
1st quartile = 5
Median = 7
3rd quartile = 9



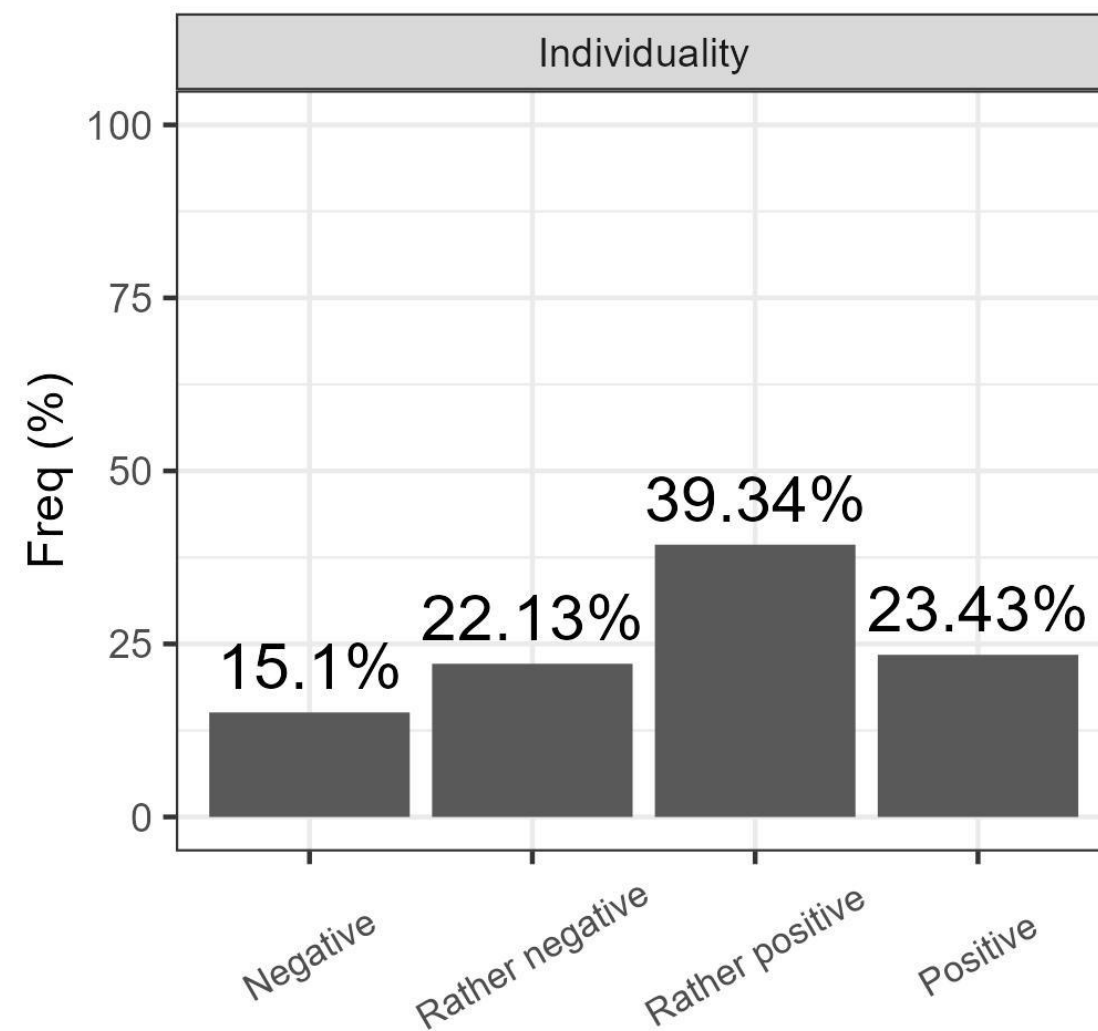
Implications (III)

- **Survey on UBI**
- High and horizontal support for conducting a **pilot project** on UBI

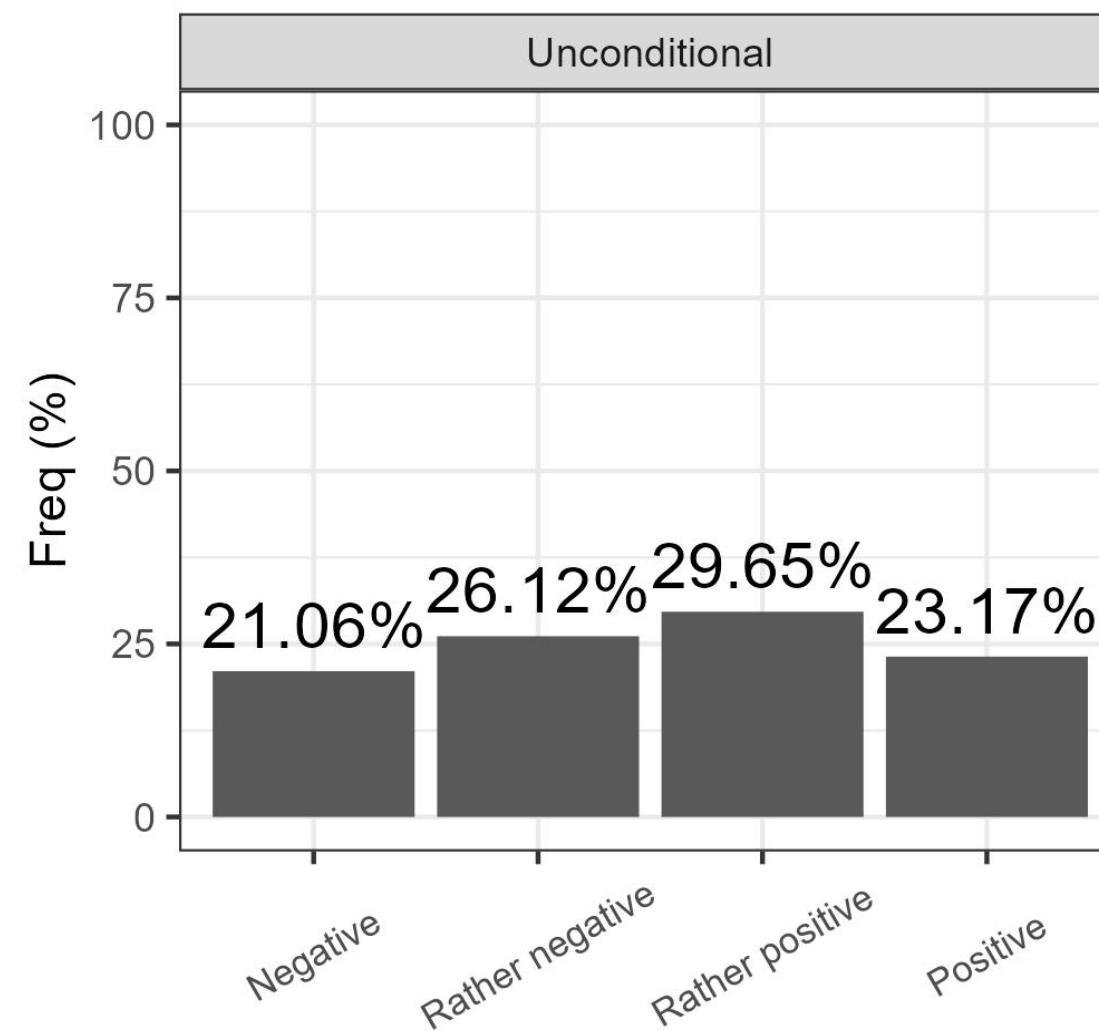


Implications (IV)

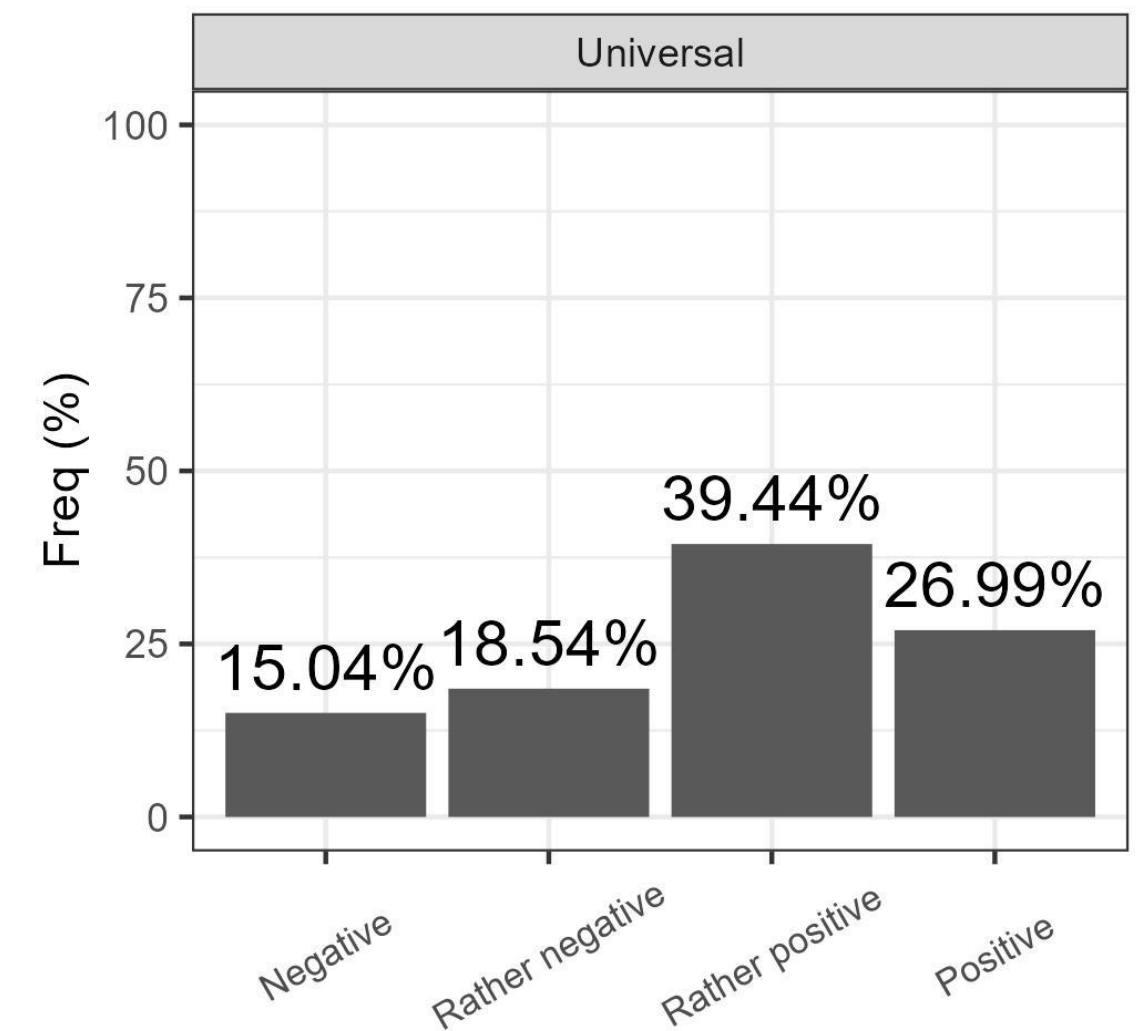
- Survey on UBI
- Challenges on its characteristics:



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More information at:

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