

# In-cash Transfers: from Passive to Empowered Beneficiaries in the Global South

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*Over the last few years, there has been an increase in discussions advocating in-cash programmes as a way to alleviate poverty. Indeed, this represents a leap forward in comparison to in-kind programmes. However, little progress, at least in developing countries, has been achieved in answering the question of how the state should transfer the means of redressing deprivation to those who are living in poverty. This article addresses this issue by challenging anti-poverty programmes through a social-egalitarian framework. My main argument starts from the perspective that in-cash transfers are a necessary but not sufficient mechanism for poverty alleviation. I acknowledge that cash alone does not guarantee the poor an equally active role in influencing the public-policy decisions that affect their lives. I then suggest a participatory device to complement the cash-transfer proposal in order to give institutional opportunities to the poor to decide, together with practitioners, what should be done at the level of local public services.*

**Keywords:** Anti-poverty programmes, cash transfers, social egalitarian approach, participatory device.

## Introduction

This article is about policies aimed at tackling poverty. What I have in mind is to focus on institutional programmes that present the following aspects. Firstly, they primarily concentrate on tackling extreme deprivation. Secondly, they consider every poor citizen in a country as eligible, regardless of the cause of their poverty (whether due to improvident choices or brute bad luck) (Wolff, 1998; 2020). Thirdly, they assign the burden of alleviating poverty to the government and to those who are well off, according to a graduated scale, through a tax-financed system (Walton, [forthcoming](#)). Fourthly, they deal with social assistance based on a family's or individual's conditions, rather than on social-insurance initiatives grounded on workers' contributions (Barrietas, 2011; Atkinson, 2015).

My aim is first to assess three categories of in-cash programme design in the Global South: 1) programmes that target poor families and set conditions of job seeking or human development; 2) programmes that target poor families and do not set conditions and 3) programmes that are open to all citizens and do not set any conditions<sup>1</sup>. I also aim to evaluate these programmes through two criteria: *effectiveness*, considering whether a public policy produces positive outcomes for alleviating poverty; and *fairness*<sup>2</sup>, considering how a procedure respects the perspectives and interests of those in poverty without being too burdensome. Although we have made

progress in rethinking what we owe to the poor, little progress has been made regarding the procedure used for redressing poverty deprivation (Shelby, 2016).

In exploring cash-transfer programmes, I recognise that they are necessary to alleviate poverty. However, although they are necessary, they are not sufficient, as they do not fully take into account poverty as a serious deprivation which has physical (in biological terms) and socio-political impacts (leading the poor to be voiceless and powerless). Therefore, if we care about equal respect for the value of people, and as a way to redress poverty institutionally, then we care about empowerment, meaning a person's ability to use her resources to control her life in private and public spheres (Wolff, 1998; Anderson, 2010; Rank, 2017).

My claim is that the poor should not just be passive recipients of poverty-alleviation programmes but also form a part of the policy development process, being able to actively influence the public decisions that affect their lives. This shifts the debate in public-policy research. Whilst it partially builds upon a normative argument for social-egalitarian justice, it refines the case for this goal by mapping existing public-policy programmes and providing an applied reflection.

I will support two proposals: first, an in-cash national anti-poverty programme that is unconditional (in terms of its implementation) and targeted at the poor. Second, a local participatory device for choosing and improving public services in environmental and social matters, including sanitation, paving, housing, and other issues<sup>3</sup>.

### **Forms of the benefit**

In the past, poverty-alleviation programmes have mainly focused on providing in-kind benefits, allocating a predetermined type of good to poor families. The government chooses the nature of the transfers (e.g. a basket of goods or vouchers) (Vanderborght, 2014: 218). A number of in-kind benefits, however, have been replaced by or combined with in-cash programmes, which distribute money directly to recipients.

By its nature, giving in-cash with regular transfers is a polyvalent format, allowing for different consumption choices relating to what goods beneficiaries need or want. Such programmes are less bureaucratic than in-kind transfers, since money can be easily transferred via electronic cards without need of physical delivery. Giving in-cash, then, encourages local consumption and economic growth whilst promoting choices opportunities for the poor (Vanderborght, 2014; Atkinson, 2015; Van Parijs, 2018).

Cash transfers around the global south are operationalised in different ways. It is possible, however, to identify three main versions. The first enforces conditions and targets the poor. The second also targets the poor but does not include conditions. The third is open to all and free from conditions (Barrietos, 2011: 16).

An example of the first variety is the Indian national anti-poverty programme Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNRES), which offers 100 days of wage employment to poor rural families. Here transfers are provided as payment for beneficiaries' work. Poor families are required to register with the programme and show that their household income falls below the national poverty line. They must also be at least eighteen years old and willing to do manual work (Ehmke, 2015).

Another example of the first variety, but slightly different in terms of conditionality, is the Brazilian *Bolsa Família* programme (BF), which also targets low-income households who have enlisted in the national system. The family's declaration is verified door-to-door

Table 1 Summary of the essential characteristics of anti-poverty programmes

	Form		Condition			Unit	
	In-kind	In-cash	Means-testing	Use of public services	Work requirement	H-H	Ind.
Public Policies							
<b>Mahatma Gandhi Scheme</b>	N	Y	Y	N	Y	Y	N
<b>Bolsa Família</b>	N	Y	Y	Y	N	Y	N
<b>Child Support Grant</b>	N	Y	Y	N	N	Y	N
<b>Basic Income</b>	N	Y	N	N	N	N	Y

Notes: **Y** yes; **N** no. **In-kind.** Vouchers or food-stamp transfers; **In-cash.** Cash transfers; **Cond.** Condition; **Unc.** Unconditioned; **Ind.** Individual; **H-H** – Household

by social workers. Once the family's poverty is confirmed, they receive their provisions, monthly in cash (Brasil, 2008). In contrast to MGNRES, BF sets conditions for human development: all children must attend school and be vaccinated, while pregnant women must visit their doctors on a regular basis<sup>4</sup>.

In-cash programmes can also be unconditional. This is the second format and it is illustrated by South Africa's Child Support Grant, which consists of regular monthly cash transfers to poor caregivers of children under eighteen years old. As with MGNRES and BF, beneficiaries must be registered in the national system, but after that, no more conditions are applied (Granlund and Hochfeld, 2019). Finally, a third format, more ambitious than previous ones, is Basic Income (BI), which is grounded on the idea that cash transfers have a number of benefits, including in alleviating poverty, and so does not impose any conditions on beneficiaries. It consists of regular monthly cash transfers to all citizens in a country or area, regardless of socio-economic deprivation (Van Parijs and Vanderborght, 2017). Maricá, a city in Brazil, has implemented a version of this.

These programmes present different degrees of conditionality. First, conditionality can target poor families by checking that their income is not above a certain level (means-testing); second, it can require the performance of some action (mandatory work); and third, it can aim at developing human capital (enrolling in medical services, and enrolling and keeping children in school). This raises a crucial question: are conditions an efficient or fair procedure?

### **Should we have a conditional or an unconditional programme?**

#### *Means-testing for targeting the poor*

The first form of conditionality looks at the eligibility of beneficiaries, who must undergo means-testing to be identified as being below the poverty lines. Information about poor families can be taken from a national dataset of household current income, self-declared, or obtained through socio-economic surveys.

In a situation with budgetary constraints, there are plausible reasons to target poor families: prioritising the most deprived in society may require measuring different income levels. This is the case of *Bolsa Família*, in Brazil. Means-testing can also target specific user groups for certain kinds of programme, such as for child benefits in South Africa's Child Support Grant (Vanderborght, 2014: 212).

However, depending on how poverty is measured, some schemes can be intrusive (e.g. when social workers require people to disclose personal information or ask insulting questions<sup>5</sup>), which undermines those already struggling to survive (Wolff, 1998). Therefore, means-testing may be considered wrong by both effectiveness and fairness criteria.

Related to the first criterion, means-testing can disincentivise families from improving their socio-economic position. More precisely, if benefits are conditional on the family's economic status remaining stable, its members cannot significantly improve their earnings without losing benefits. Conditions are also costly for the government, as officials need to monitor low-income families regularly to determine their classification as deprived. As such, means-testing can reinforce poverty traps, since the incentive is to remain below the poverty threshold, making families dependent on social programmes (Atkinson, 2015: 210).

Regarding fairness criterion, means-testing is used to determine who deserves benefits, which may exclude a significant number from receiving the resources to which

they are entitled (Atkinson, 2015: 211). This is because an income threshold can be arbitrary and exclude those at the margins. Someone whose income barely exceeds the limit of a poverty line; can we really say that she is better off than the target group? In addition, negative stereotypes attached to this evaluation, together with the suggestion that they are incapable of taking care of their family, will put some people off claiming their benefits (Wolff, 1998: 114; Eger *et al.*, 2018: 60; Van Parijs, 2018: 3)

However, as I see it, rejecting means-testing altogether would miss the point. It remains an important tool for dealing with urgent deprivation amid limited resources. I think also that there are not only two solutions: absolute rejection or acceptance of intrusive means-testing. We have a third option: a measurement that is sensitive to the circumstances of the poor whilst trusting in their self-declaration. This is necessary to prevent poor people being missed out from cash-transfers benefits, and because policy-making needs data on poverty to adequately redress it (Brando and Fragoso, 2020). Thus, a measurement should be able to identify poor families by analysing their socio-economic conditions in a less intrusive manner: for instance, through a multidimensional understanding of poverty with both objective indicators, encompassing geographical area and standard of living dimensions, and subjective indicators, involving the person's own reflection on her position (open-ended questionnaires) (Wolff and de-Shalit, 2007: 110-115).

#### *Work requirement and reciprocity*

The second form of condition requires beneficiaries to work or actively look for a job. They must demonstrate that they are searching for jobs or are engaged in the labour market. This condition is set by the Mahatma Gandhi National Rural Employment Guarantee Scheme.

Practically, this requirement may nudge beneficiaries towards the labour market and avoid exploitation of tax-paying and hardworking individuals. However, this idea does not consider the structural economic failings (such as technological progress, division of labour, and unequal access to capital) that exclude many poor individuals from the labour market, unrelated to a lack of willingness or laziness. Therefore, it is ineffective to nudge the poor towards doing something that is often not available to them (Atkinson, 2015; Piketty, 2015; Van Parijs and Vanderborght, 2017).

Normatively, the requirement to work is rooted in the neoliberal interpretation of the principle of reciprocity, which entails that parties are assigned counterpart obligations: I will do X for you, provided that you do Y for me (Segall, 2005: 336). However, in a context of great inequality, where there is no economic symmetry between individuals, labour cannot underlie a principle of reciprocity, for the following reasons. First, this is a biased contractual interpretation that benefits those who can access the labour market in formal and productivist terms. Yet, this interpretation does not concern 'unproductive' persons: for instance, who have never worked because they live off a family inheritance (Bidadanure, 2019: 484). Finally, the principle of reciprocity should apply between individuals who are in, or identify with, similar circumstances (Segall, 2005: 335). This is because it entails the expectation that people will respond to one another in similar ways. In the case of anti-poverty programmes, it is institutions that apply conditions, not individuals, which makes the idea of reciprocity less applicable.

Work requirements therefore seem ineffective, and hence it is unfair to impose them on the beneficiaries of anti-poverty programmes. Even if they are willing to carry out formal work, they may be unable to access the labour market for reasons other than their individual failure (Piketty, 2015; Van Parijs and Vanderborght, 2017). Rather, they may be blocked from the labour market by our unjust socio-economic structure (e.g. social norms and cultural attitudes), which leaves them unemployed or stuck in a precarious, oppressive and dangerous job (Bidadanure, 2019).

I claim that we should not resort to a principle of reciprocity. Instead, we should appeal to solidarity as an egalitarian value to justify poverty-alleviation policies. It may suffice to say that one person would do something for another based on solidarity in favour of those in a worse position. This is about 'attitudes of cooperation and mutual support', and is key in motivating the redistribution of resources to guarantee everyone sufficient means to pursue their life (Banting and Kymlicka, 2017: 3). With this value, resources would be redistributed from the rich to the poor, and all current and future poor individuals would be eligible for cash-transfer programmes (Van Parijs and Vanderborght, 2017). This policy supports those currently deprived and insures those who might fall into poverty (Pitasse Fragoso, 2017).

#### *Using public services and human development*

The third form of condition requires recipients to use certain public services to achieve a basic level of human development, such as health monitoring (including prenatal testing for pregnant women or nutritional support for children) and the obligation for parents to ensure that their children are enrolled in school. These requirements are found in the *Bolsa Família* programme, and, if they are not met, cash transfers are suspended for a few months or even cancelled (Barrietos, 2011; Pinzani and Rego, 2013).

Such conditions aim to protect the head of a poor family from making bad choices, because, in this view, individuals do not always act in their best interests (Fizbein and Schady, 2009). For Joseph Heath, for example, conditions are justified because: 'poor people don't just suffer from a lack of money; they also have a tendency to make extraordinarily bad choices with the money that they do have' (Heath, 2009: 257). For Heath, one needs to provide guidance for the poor by applying conditions on the money given, in order to facilitate better choices and avoid the catastrophic consequences of irrational spending decisions. As such, governments should ask beneficiaries to use public education and health services.

I reject Heath's claim. First of all, empirically, there is no conclusive evidence of the poor's tendency to make worse decisions than other groups. In fact, on average, rich and poor alike tend to make short-term and short-sighted decisions (Wolff, 2019: 71). Moreover, according to Mark Rank (2017), poverty is a temporary condition: a person moves in and out of it. By that he understands that a person who is living in poverty will probably not remain poor throughout her whole life, while others who are not poor can still fall into poverty. Based on his findings, fifty-nine per cent of Americans will experience poverty for at least one year at some point of their lives, and seventy-six per cent will encounter poverty or will live close to poverty (Rank, 2017: 863).

Yet the context of poverty affects how families plan their lives. Poverty reduces a person's set of options and forces her to take difficult and urgent decisions (on this issue, see Wolff, 2019: 73). This, however, is not the same as saying that the poor tend to make

bad decisions or that a poor person is incompetent or irresponsible. Therefore, we should consider the insights we can gain from the poor themselves when we assess what it means to live in poverty - what options are available to them, what are their real-world constraints and what their conceptions of a flourishing life look like (Khader, 2011: 55-57). Moreover, even if poor and rich people actually did differ in their capacity to make good choices, enacting policies based on such differences could still create disparaging attitudes, which might stigmatise<sup>6</sup> a whole group as being incapable of making responsible decisions. Rather, we should trust the poor as the best defenders of their own interests<sup>7</sup>.

One can say, however, that the condition of using public services does not solely ensure correct decision-making, but also deals with competing interests between poor parents and children, with the aim of protecting the latter. It could be perfectly rational for a parent to send her children to work, or even to beg for money on the streets, instead of sending them to school. This could be in the short-term interest of parents, but not in the short- or long-term interests of the children. In this case, conditionality can protect the most vulnerable in the family by ensuring children's rights to education and health. Or even, as Hayley Jones says (2016), conditions can have a long-term objective, focusing on building skills and knowledge, especially amongst the young, which is essential for social mobility in poor families (Jones, 2016: 465).

Nevertheless, empirical data is unclear on whether this objective has been achieved<sup>8</sup> (Soares *et al.*, 2010; Jones, 2016). Conditions are often formulated without much knowledge of the social and geographical context within which poor families live (Harman *et al.*, 2016; Van Parijs, 2018). Sometimes, a lack of schooling may result from the malfunctioning of services, which dissuades families from enrolling their children at school. Yet it is not enough to make families send their children to school on the grounds of future benefit if there are no job prospects available (Jones, 2016: 466).

As I see it, instead of ignoring the context in which poor people live, governments should invest in involving the poor to understand the problems of the precarious areas in which they live, and to respond to the external circumstances that stop them using public services (such as the location of schools and hospitals) (Van Parijs, 2018: 2). This highlights a key element: the need for clear communication between institutions and those in poverty. Policymakers must collaborate with the poor to ascertain why and how certain public services may have a crucial impact on their lives (I will develop this idea further later on).

### **An avenue towards an unconditional programme**

Another form of anti-poverty programme gives money directly to the poor without imposing conditions. More precisely, it is a tax-financed and regular transfer from public institutions to those in need. Compared to conditional cash transfers it offers more options to low-income families, since beneficiaries can choose how to use the money without being compelled to find a job or to use healthcare or education services (Barrietos, 2011; Van Parijs, 2018).

South Africa's Child Support Grant scheme is an example: it provides a regular monthly transfer to children's primary caregivers, without conditions of finding a job or using public services. Certainly, it does contribute to expanding the consumption choices available to families, but it is still restricted to poor families with children under eighteen years old (Granlund and Hochfeld, 2019).



UNICEF's report (2012) have deemed the programme a positive finding, especially because it has reduced extreme poverty and child labour and increased child nutrition and schooling. Recipients of child-support grants attain better grades compared to non-recipients, and are less likely to be unhealthy and work outside home than before receiving the grant (UNICEF, 2012: V).

However, this programme has some limitations. First, transfers are only paid to poor families with children, meaning that heavy means-testing is required, and creating inequalities between recipients with children and non-recipients without children. Indeed, targeting just a few poor families with children can have a negative impact: it can encourage families to have more children and exclude single individuals who are also struggling to survive. This is not, however, a reason to reject unconditional cash programmes as such, but highlights the need for an ameliorative form of targeting of groups - one which expands its scope.

Basic Income, in turn, consists of granting cash transfers with a variety of goals, including redressing labour-market inequality and poverty. It is a regularly paid minimum income for all citizens, rich and poor alike, through individual not household units, and is unconditional, meaning it is free of constraint of any kind. This approach reduces government bureaucracy, which is otherwise required to verify family revenue and categorise beneficiaries. It also reduces dependency on welfare provisions and incentivises recipients to pursue more opportunities, because unlike beneficiaries of other programmes they can combine cash allowances with salaries from their jobs, and so have room for economic changes without losing their benefits (Van Parijs and Vanderborght, 2017: Ch. 1).

Maricá's Basic-Income experiment comes close to embodying this idea. This on-going city policy gives a monthly dividend from oil revenues, in the local Muamba currency, to 25 per cent of the city's residents - with the goal of progressively becoming open to all. It does not impose any conditions on the benefits. Here, oil is understood as a common property owned by all residents (Katz *et al.*, 2019). Other experiments with Basic Income (BI) from around the world have shown encouraging impacts on part-time work, local consumption and children's schooling and visits to health services (Morinescu, 2018: 18; Guettabi, 2019: 2). In addition, freeing people from obligations actually expands productive activities in fields such as education, childcare, and socio-political engagement with the community (Van Parijs and Vanderborght, 2017: 102).

Likewise, provided that the transfers are sufficiently modest<sup>9</sup>, BI increases workers' bargaining power<sup>10</sup>. Those who suffer with their job conditions can quit and look for opportunities elsewhere, without fearing unemployment. It also enables people to continue their studies by reducing the pressure to enter the job market. For the young, BI may allow them to take a more 'socially useful' job, instead of rushing them into the job market as soon as possible (Bidanure, 2014: 165).

However, poverty may not only mean lacking income: a person's deprivation can be related to her precarious circumstances, low standing and self-respect, and incapacity to speak up and participate in socio-political decision-making. This leads me to clarify why we need to go beyond income to understand what poverty is, and how to redress it.



### **Social egalitarian diagnostic: why does a lack of respect towards the poor matter?**

The programmes outlined above are grounded in a *pure distribution of cash* for alleviating poverty (for a comprehensive summary, see Table 1). According to this view, cash is a polyvalent way of ensuring poor families can access basic needs. However, if we extrapolate from criticisms of a cash-based approach to anti-poverty programmes, we could claim that while the aforementioned programmes may be *effective* in increasing household income, they do not fully satisfy the *fairness* criterion, which requires a procedure that respects the perspectives of those in poverty without being too burdensome.

There are four reasons for supporting my claim. Firstly, poverty does not only depend on income, since income is just one part of what one needs to thrive. Drawing on Sen (1999), I argue that diversity in a range of factors, such as personal (e.g. physical and mental conditions) and external socio-political structures (e.g. social norms, cultural attitudes, legal system), affects how a person can use her income to improve her life. It is important, therefore, to understand how a person's condition and environment allow her to convert the resources at her disposal into well-being (Sen, 1999: Ch. 4).

Secondly, increasing a person's income will expand her capacity to buy goods and services. However, it also raises a problem: studies have observed that beneficiaries who only socialise through the consumption of goods become more individualised, and thus less engaged with others in matters of solidarity and common public concern (Streeck, 2012: 27). Thirdly, just giving in-cash can make access to social respect attached to certain status goods, rather than ensuring that full social respect is granted to individuals in their own right (Wolff, 2015; 2020). Fourthly, even if transferring income was empirically sufficient to meet a poor person's needs, from a normative perspective, simply targeting the poor as passive beneficiaries of a social programme, or as being dependent on others for their well-being, may leave them in a state of powerlessness. This hints at the need for a social-egalitarian approach.

A social-egalitarian approach claims that equality of respect should be applied to all human interpersonal relations (at individual and institutional levels), opposing hierarchies of class, gender, race and ethnicity (Wolff, 1998; Anderson, 2010; Scanlon, 2018). For Samuel Scheffler (2015), an applied notion of the value of equal respect is related to the role individuals have in influencing public decisions (Scheffler, 2015: 34). However, in an unequal society, fraught with class discrimination, poor people are not given due respect – they are systematically treated as socially disqualified beings (e.g. being deemed lazy or incompetent), and as less entitled to influence public decisions (Anderson, 2010: 87).

Given this social-egalitarian diagnosis argue that the lack of respect for the poor results from arbitrary policy-making decision, designing programmes without their interests in mind, and constraining the control they have over their lives. Thus, respecting the poor can be operationalised by promoting institutional opportunities for them to advance their interests, as agents capable of shaping their environment and affecting political decisions (Knight and Johnson, 1997; Gutmann and Thompson, 2004).

Some scholars have proposed that governments should go beyond solely redistributing resources, and should respect the poor's active role by directly involving them in participatory devices. This would allow governments to better understand their basic needs and strengthen their power in society. By focusing on a participatory approach, according to this view, we can better deal with the fact that the poor often lack the respect

of others, or do not have high visibility in public spheres, negatively affecting their lives (Narayan *et al.*, 2000; Lister, 2004; Chambers, 2008; Wisor, 2012; Deveaux, 2016).

Besides, I consider that the rationale for a participatory approach stems from an underlying account of what is intrinsically valuable for individuals in being seen and acting as equals, rather than being powerless or dependent on others. Here the question becomes: how do we empower the poor? As a starting point, I will propose that anti-poverty programmes should transfer a regular income to ensure recipients a 'basic floor' of needs (to use an expression from Van Parijs, 2018), whilst at the same time guaranteeing respect for their active role in society through political opportunities, which will allow them to be heard and included in policy discussions in the public sphere.

### **What can be done? Two practical avenues for improving anti-poverty policies**

I endorse, therefore, a public-policy model that transfers resources directly to the poor through a cash-transfer programme, financed by national taxation, without requiring beneficiaries to search for a job or use public services. As we have seen, promising outcomes come from unconditional cash transfers both by being sensitive to the poor's conditions and including more beneficiaries (Hanlon *et al.*, 2010).

To start with, this programme will initially target poor individuals (adult and children) who are most in need (Suplicy, 2007). It would maintain means-testing in order to identify those who are below the poverty line. When resources are too limited, as in the Global South, a first step would be to focus primarily on the group that is most in need, and, with a reform of the taxation system, make it progressively open to all. However, means-testing should be operationalised in the least burdensome and least intrusive way possible. It would require that the poor register themselves on a voluntary basis, and also that the state should be more proactive in including people as beneficiaries by promoting poverty-targeting methods with a multidimensional measurement using objective and subjective indicators (as said earlier in section two).

Second, once individuals are registered, this programme should be more flexible with regards to changes in their economic status, allowing beneficiaries to find alternative ways to raise their individual earnings without immediately losing their benefits. I also consider that it is not adequate to apply sanctions to the family of a person who has another source of income from the social benefit. We can have less restrictive economic checks that take place over a longer period of time (such as every five years, rather than every term or every year).

Third, provisions should be allocated to individuals. This may solve problems of intra-family income inequality, such as the economic dependency of women on men. Imagine, for example, the case of a family in which a woman experiences physical violence and is economically dependent on her husband (United Nations, 2015). She will hardly leave this precarious household. However, if a cash transfer were allocated to all individuals, she could choose to live independently in another family environment (Bidadanure, 2019; Suplicy, 2007). Individual unity can ensure gender equality in access to resources and avoid biased decision in ignoring the family's necessities that directly affect the children.

Some people may take advantage of an anti-poverty programme by being inactive in the labour market. The number of these people, however, is not significant, according to the findings of experiments with unconditional cash transfers, where empirical data does

not reinforce stereotypical claims about the poor's behaviour (Van Parijs, 2020). On the contrary, the data has showed that the vast majority of beneficiaries try to make the best decisions for their family (such as taking on a job, buying food and sending their children to school) (UNICEF, 2012: V; Van Parijs and Vanderborght, 2017: 101-102). Additionally, the amount of money is relatively small, requiring beneficiaries to complement it with another activity. That said, at this stage, we should worry about those who are struggling to survive and cannot achieve a basic level of well-being (Atkinson, 2015; Standing, 2011; Wolff, 2015).

**Proposal 1:** At the national level, governments should give a regular in-cash transfer to poor individuals with less burdensome means-testing, without imposing conditions on beneficiaries such as having to actively seek a job or use public services.

Although beneficiaries of cash-transfers can be better nourished and healthier, they will not be on the same footing as others in terms of acting in society. If we care about realising social respect, we need a way to institutionally recognise their equal value (Alkire *et al.*, 2016: Ch. 6). It seems useful to attempt to overcome their powerlessness, by offering real opportunities to speak out, to be heard and influence public decisions that affect their lives. I have argued in this article that what makes people poor is not just a lack of income, but also a reduced ability to influence decisions and gain the respect of others. We should favour then a collective proposal, which provides a better diagnosis of the poor's urgent needs and engagement with their environment by focusing on what should be done regarding public services around them.

One avenue to operationalise this is through a participatory device. This is a broad term that can encompass a minimalist format, which seeks only to extract information from people's experiences via a mode of enquiry whose features are developed by a researcher or practitioner (an outsider) (Chambers, 2008: 120). Although it considers the poor as a credible source of information, they are not fully-fledged stakeholders in this process, but act only as respondents to a questionnaire (Cornwall and Fujita, 2012: 1754). I consider, then, that a better route for empowering the poor is achieved by an expand participatory device capable of bringing a group of people to work together upon a contextualised political project.

This is about policymakers and poor communities publicly interacting to exchange views and weigh up interests in order to decide what should be done with local public services. This participatory device should be able to expand the electoral voting process, in which there is a lack of sufficient dialogue of arguments on issues of common concern, and provide an empowering space for collective engagement and decision-making processes (McGee and Norton, 2000; Wisor, 2012).

There are many practical proposals according to which participation could be designed, and different contexts will require particular characteristics. The Chicago Community Policing scheme (CCP) in the US and the Porto Alegre Participatory Budgeting scheme (PB) in Brazil are paradigmatic cases.

CCP is a public meeting, in which police and citizens exchange knowledge in order to set and rank priorities for addressing sources of crime and improving neighbourhood security. PB is a co-governing forum, in which citizens devise a public service together with policymakers and decide on the local budget (Fung, 2003).

Both cases take the neighbourhood as the remit of public policy, considering its administrative location as an advantage for political action<sup>11</sup> and city competence as a complement to national initiatives (such as regarding issues of sanitation, drinking water,

and housing policy). The benefit is that this can obtain valuable information, redistribute service provisions, avert the biases of policymakers and improve the overall quality of urban policies by including the poor in discussions and decision-making processes (Abers *et al.*, 2018: 3). In this sense, the poor, who are badly treated under current arrangements, will get a chance to speak out, shape their environment, and challenge arbitrary social norms and customs which damage their lives.

Critics, however, could claim that this participatory device which involves negotiation and the exchange of views could lead to misunderstandings of what the poor actually want and need, as well as misreading the conditions of their deprivation, thus potentially worsening the situation (Cornwall and Fujita, 2012). Against this objection, the outcomes of PB and CCP are very encouraging. First, CCP has achieved a better understanding of local needs than a technocratic method would, by allowing regular interaction between policy officers and the community. As a result, it includes participants from poor backgrounds who can have a say and redress issues related to criminality (Skogan and Hartnett, 1999: 18). Second, PB creates networks, transfers decision-making power to ordinary citizens, and helps to meet local needs in poorer areas. The benefits of participatory budgeting to the poor can be startling when translated into numbers: seventy per cent of the available resources of Porto Alegre city were allocated to poorer neighbourhoods following the participatory process, helping to improve sanitation, housing policy and pavement (Abers *et al.*, 2018: 17; GAPLAN, 1992).

Yet objectors may say that policymakers could still use their power to force through their point of view to influence public decisions or reproduce inequality among the poor (Satterthwaite and Mitlin, 2014). In order to reply to this, I think it is helpful to identify a general list of normative standards for allowing inclusivity and a distribution of power.

First, it is paramount to ensure open and trustful relations: the poor community *should feel and be empowered*. A participatory device needs to be regular, voluntary, and take advantage of the social and political organisations that already exist in precarious areas (such as neighbourhood associations, local leaders, and so on). It also needs to make it easier for them to participate by planning meetings when the most people are not at work, by supporting childcare and by providing a welcome team, which includes policymakers, experts, psychologists and social workers (Satterthwaite and Mitlin, 2014).

Second, participatory devices should *enable dialogue among a diverse group of poor people*, regardless of their education level, gender or cultural background (Khader, 2011). It is possible to envisage institutional measures for maintaining group representation and having a plurality of participants taking part in the process, such as lottery systems, which randomly select people from different areas of the neighbourhood.

Third, this device should demand a *criterion for balancing information and power among participants*. It is essential that policymakers provide information and share access to it, such as by ensuring training sessions at the outset for participants, with proper explanations regarding the purpose of the strategy and how their participation will impact public policies. It is important, too, that this device be capable of correcting imbalances of power between groups of poor people (Wampler, 2012). In order to avoid arbitrary advantage, it is fundamental to make use of practical techniques in order to give priority to the contributions of the most disadvantaged, such as by giving the chance to start the discussion to those who struggle to speak up in public (members of minorities groups). It is even possible to use inclusive modes of communication such as stories, which tend to

encourage participants to convey understandings that are interesting both to share and to listen to (Young, 2004; Black, 2008).

And fourth, the participatory device should be based on criteria of *legitimate and mutual respect*. Regarding legitimacy, steps and rules for guiding discussions need to be constructed and approved in a collaborative way by both participants and policymakers. Furthermore, the whole process requires that speakers in meetings display listening skills and empathy to create mutual respect. This means that everyone should have equal time to speak, be quiet while another person is speaking, and properly take into account other participants' interests (Krause, 2008).

**Proposal 2:** At the local level, policy-makers and poor communities come together regularly in order to exchange views and arguments to decide on what should be done to improve public services in the city neighbourhoods.

A participatory device for choosing or improving local public services qualifies as an anti-poverty policy, because the main beneficiaries of such services (free or generously subsidised by the government) will be those who cannot afford to pay for them. These services should be placed under the competence of the city. Although its final format is set by policymakers, the fact that previous steps will be based on institutional and voluntary exchanges with poor communities will tend to bring out a less-biased understanding of poverty, and policies that are more sensitive to the circumstances of the poor. This is also a way to put some power into the hands of the poor, by envisaging a fair procedure that can lead to encouraging empirical results.

## Conclusion

Revisiting cash-transfer programmes has helped me shed light on the fact that whilst pure cash transfers are necessary to redress poverty, they nevertheless do not sufficiently contribute towards helping the poor to be really respected in society, or encourage their more active role in public life. I do not deny that transferring resources to the poor has led to positive benefits in their socio-economic assessments. But, as I have tried to show, this needs to be complemented with participatory devices to deal with the unjust structure at the heart of our society, reinforcing the poor's position of social and political powerlessness (Young, 1990; Shelby, 2016). This means that we could increase the income of a poor person without respecting her full capacity to advance her interests in public decisions, as when a government transfers money to the poor but does not envisage involving them in decision-making processes. I have proposed two practical avenues to overcome this problem: a form of national cash transfer, together with a local participatory device for choosing or improving public services. The proposals together seem to move in the social egalitarian direction, and the rationale behind them is based on their capacity to combine effectiveness as well as fairness criteria for realising an anti-poverty programme.

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## Notes

1 These anti-poverty programmes are different in design, and they help illustrate how important a social-egalitarian account of poverty is for normatively evaluating them. This is an account of justice primarily concerned with a society of equals, in which respect-based values should shape relations between poor and non-poor.

2 This is a procedural criterion, which demands that no one should be disadvantaged for arbitrary reasons. It is grounded on a substantial idea of justice given by the social-egalitarian approach.

3 What these areas are should be defined via a process of local participation, so that it can adapt to changing circumstances. However, I use some examples in the article to illustrate in practical terms what local public services look like.

4 See here: [https://www.mds.gov.br/webarquivos/publicacao/assistencia\\_social/Cadernos/Suas\\_Evolucao\\_Recursos\\_III.pdf](https://www.mds.gov.br/webarquivos/publicacao/assistencia_social/Cadernos/Suas_Evolucao_Recursos_III.pdf) [accessed 20.05.2020].

5 According to an ethnography conducted by Eger *et al.* (2018), a social worker, in Brazil, typically identifies the deserving or undeserving poor by asking the head of the family: 'Are you still married? How many children do you have? Where are they? How many live with you? Why did you have children? Does your husband/wife work? In what? And you? Why not?' (Eger *et al.*, 2018: 72).

6 By stigmatisation, I adhere to Elizabeth Anderson's definition: 'the attribution of negative stereotypes to dishonourable internal traits, which rationalise antipathy toward the group' (Anderson, 2010: 46).

7 As pointed out by Van Parijs, 'poor households can and must be trusted to make the best use of the cash they are given' (Van Parijs, 2018: 2).

8 For instance, despite the setting of conditions, empirical studies do not find positive outcomes related to child immunisation or to children advancing in their education (Soares *et al.*, 2010: 182-183).

9 This is an ongoing debate in the literature. Van Parijs and Vanderborght have suggested a modest BI, equal to one quarter of a country's GDP per capita (Van Parijs and Vanderborght, 2017: 11).

10 According to Van Parijs, the report from the Basic Income scheme in Finland shows that recipient immigrant groups worked thirteen days more than those who did not receive Basic Income. See here: <https://www.socialeurope.eu/basic-income-positive-results-from-finland> (accessed on 10 June 2010).

11 This adds, of course, some extra cost in alleviating poverty. However, in its most basic format, the participatory device could be carried out by existing staff (from the local administration) and on the premises of public institutions capacity (schools, neighbourhood associations, and so on) (Abers *et al.*, 2018: 19).

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