



ISSN: 2230-9926

Available online at <http://www.journalijdr.com>

IJDR

International Journal of Development Research

Vol. 11, Issue, 11, pp. 51930-51937, November, 2021

<https://doi.org/10.37118/ijdr.23322.11.2021>



RESEARCH ARTICLE

OPEN ACCESS

AN INCURSION INTO THE REALITY OF MONEY TRANSFER PROGRAMS IN BRAZIL AND ARGENTINA: 2016-2021

¹Maria Ozanira Da Silva E Silva, ²Silvia Fernandez Soto and ³Valéria Ferreira Santos De Almada Lima

¹Programa de Pós-Graduação em Políticas Públicas, Universidade Federal do Maranhão, BR; ²Facultad de Ciencias Humanas - Universidad Nacional del Centro de la Provincia de Buenos Aires, ARG; ³Programa de Pós-Graduação em Desenvolvimento Socioeconômico e Programa de Pós-Graduação em Políticas Públicas, Universidade Federal do Maranhão, BR

ARTICLE INFO

Article History:

Received 15th August, 2021
Received in revised form
16th September, 2021
Accepted 10th October, 2021
Published online 28th November, 2021

Key Words:

Money Transfer Programs;
Covid-19 pandemic; Brazil; Argentina.

*Corresponding author:

Maria Ozanira Da Silva E Silva

ABSTRACT

The article referenced in results of several empirical, documental and bibliographical research studies about money transfer programs developed under the coordination and with the participation of the authors, discusses the reality of these programs under implementation in Brazil and Argentina, situating them in the 2016-2021 period. It begins with the socioeconomic and political context of both countries, highlighting the prevalence of ultraliberalism with negative repercussions on the labor market and on poverty, a situation which is rendered worse by the Covid-19 pandemic. It also discusses the debate, reality and implementation of more significant money transfer programs in Brazil and Argentina, to conclude by highlighting the significant contribution of the latter in forming social protection systems in Latin America, focusing on Brazil and Argentina.

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Citation: Maria Ozanira Da Silva E Silva, Silvia Fernandez Soto and Valéria Ferreira Santos De Almada Lima. "An incursion into the reality of money transfer programs in Brazil and Argentina: 2016-2021", *International Journal of Development Research*, 11, (11), 51930-51937.

INTRODUCTION

Seeking the historicity of money transfer programs¹, we find that, beginning in the 1930s, many countries in Europe had already been adopting programs to ensure minimum income in order to complement benefits provided for children; help to families, to the elderly, the disabled, low income workers and unemployment insurance (Suplicy, 2002). Serge Paugam (1999) refers to the minimum income programs for professional or social insertion in countries such as Denmark (1933), the United Kingdom (1948), Federal Republic of Germany (1961), Netherlands (1963), Belgium (1974), Ireland (1977), Luxembourg (1986), France (1988), in various provinces of Spain -Andaluzia, Aragon, Asturias, Catalonia, Galicia, Murcia, Navarre and the Basque Country (1990) and in Portugal (1996). However, the discussion and broader adoption of these programs has occurred at an international level, beginning in the 1980s. It was a time of great economic changes marked by the Technological Revolution of the Information Age, "... which generated a profound rearrangement of the capitalist market, outstanding for the Globalization and Regionalization of the Markets; the concentration of the capital and internationalization of the economy, under the hegemony of financial capital". (Silva, 2020, p. 63). In Latin America, the 1990s are the temporal framework in which the money transfer programs arose and expanded, driven by the need to deal with a situation marked by high indicators of precarious,

informal and ill-paid work and extreme poverty. The rise of social expenditures becomes an urgent demand, at the same time as the universalization of protection and social rights leads to social intervention, focused on poverty and extreme poverty, to the detriment of the assumptions of universalization (Silva, 2014). In this context, the measures of social protection are articulated to economic development, as a potentiating axis of this development (CEPAL, 2010), favoring the rise and expansion of money transfer programs in several countries of Latin America. The objective of these programs over the short term is to transfer money to families or individuals in order to mitigate their situation of extreme poverty. Over the mean and long term, its objective is to elevate the human capital of new generations. In this situation counterreforms have been implanted to construct minimum States as a result of the advance of neoliberalism, with the hegemony of financial capital; where the money transfer programs have been expanding to meet three basic functions: to contribute to maintaining the local economies; to contribute to the legitimation of governments that are often antidemocratic, but require the approval of the poor to maintain their power. However, it must be acknowledged that the money transfer programs also have the task of attenuating or mitigating the situation of poverty of increasingly numerous population groups, above all those who live from informal work and without social protection, and under conditions of poverty. In methodological terms, the present article uses as reference bibliographical, documental and empirical research studies developed

by the authors in Latin America and, specifically, in Brazil and in Argentina². We sought to develop an incursion into the reality of these programs in the two countries, situating them in the period from 2016 to 2021. The article presents a contextualization of the socioeconomic and political reality of the countries mentioned, a reality marked by ultraliberalism, with negative repercussions on the work market and poverty indicators, worsened by the Covid-19 pandemic. The text continues with a presentation of the debate and the reality of the broader and more significant money transfer programs in Brazil and in Argentina, and concludes highlighting aspects that mark the analytical constructs developed.

The socioeconomic and political reality in Brazil and Argentina: ultraliberalism and the context of the Covid-19 pandemic

In the present item we seek to contextualize the socioeconomic and political reality of Brazil and Argentina, underlining the Institutional Coup of 2016 in Brazil, and the reality of work, poverty and extreme poverty within the sphere of the Covid-19 pandemic in the two countries.

The socioeconomic and political reality of Brazil in the context of the Institutional Coup of 2016 and the Covid-19 Pandemic

At the beginning of the 21st Century, Brazil and other countries of Latin America, most of them under the command of progressive governments, underwent a major inflection, marked by the renewal of economic growth and the improvement of the social indicators (Lima, 2013). Nevertheless, during the second decade of 2000, it was possible to identify, above all from 2013 onwards, a new inflection in the economy with negative effects on the work market, on poverty and in the political-institutional sphere. It should be highlighted that the worsening of the economic and political-institutional crisis culminated in the approval by National Congress of the impeachment of then President Dilma Rousseff of the Workers' Party who was in her second term in office. This term had begun in 2015 and was obtained in a direct election and the Vice-President of the Republic, Michel Temer, of the Brazilian Democratic Movement Party (PMDB) was sworn into office. This represented the victory of a conservative project that compromised major advances experienced by the country, above all in the social spheres, over the first decade of 2000. This is because these advances were considered the main causes of worsening public deficit, of the acceleration of inflation and the significant drop in the growth rate of the Gross Domestic Product (GDP), which regressed from 2.7% to 0.1% between 2013 and 2014, reaching the negative indices of 3.8% in 2015 and 3.6% in 2016. (IMESC, 2017).

Consequently, in average terms, according to the National Household Sample Survey (Brazilian Institute of Geography and Statistics PNAD - IBGE, 2015), the mean rate of unemployment recorded in Brazil, in 2015, was 8.5. Already as a result of the deepening of the political and economic crisis, the ascending trajectory of unemployment became more marked in 2016, reaching the average of 11.5%. (IBGE, 2015). In 2017, despite a timid recovery of GDP growth, with a movement of a drop in the rate of unemployment in the second and the third quarter of 2017, in the yearly average the rate still remained high, reaching the highest level of the series begun in 2012, jumping to 13.1% in 2017. (IBGE, 2017). This significant deterioration of the work market indicators had a negative impact on the poverty and extreme poverty indices during the period being analyzed, as can be gathered based on the data from the Continuous PNAD of 2018 (IBGE, 2019). Indeed, the extreme poverty index (percentage of people with a per capita household income of up to one quarter of the monthly minimum wage), which had been falling since the beginning of the years 2000, continued to fall until 2014, when it began to rise again, reaching the level of 10.6% in 2018, compared to 8.0% in 2014, the lowest index of the series that began in 2012. On the other hand, the poverty index (percentage of people with a per capita household income of one quarter to a half monthly minimum wage), which had also been falling until 2014, when it reached 17.0%, began to rise again, reaching 18.5% in 2016, although

it still underwent a slight decline in 2017 and 2018 (17.7% and 17.6%, respectively), but did not recover the level reached in 2014. (IBGE, 2019). In this context of a crisis, with negative effects on the work market and on poverty, the debate concerning the need for flexibilizing work relations was rekindled, culminating in the approval by the Chamber of Representatives and sanctioning of Law nr. 13,429, of March 31, 2017 by the President of the Republic, that extends and even further flexibilizes the possibilities of outsourcing and employing temporary labor. A proposal for labor reform was also passed by National Congress, which was extremely regressive from the point of view of the working class. Furthermore, the election of Jair Bolsonaro, in 2018, meant the further deepening in Brazil of ultraconservative and ultraliberal tendencies, which began to jeopardize important civilizatory achievements of Brazilian society in all fields of public policies. It was in this scenario that Congress approved a proposal to reform Social Security, that is an attack on major rights that had been laboriously achieved by the working class. It is, therefore, in this context of the advance of conservatism in public policies and attacks on social rights that Brazil is facing the effects of the Covid-19 pandemic.

In fact, the pandemic had profound impacts on the work market, affecting mainly the workers who had less social protection. Moreover, since the sanitary crisis imposed rules for distancing and social isolation, many people were unable to seek jobs, either because of isolation or even because the economic activity slowed down. Thus, according to PNAD Covid/Brazilian Institute of Geography and Statistics (IBGE, 2020), in the passage from the first to the second quarter of 2020, the total number of people who stopped looking for jobs grew 19.1% in Brazil. According to the source cited, if the potential work force were taken into account, the real rate³ of unemployment would be 22.7% at the end of 2020. As regards the profile of occupations according to job position and category in the context of the Pandemic, the formal and informal work markets⁴ were impacted in different way in each of the quarters of the year 2020. It is observed that the most affected by the pandemic, initially, were informal workers. In the passage from the first to the second quarter of 2020, the stock of informal workers diminished by 16.4%. During the next period, that is, the third quarter, the greatest impact was suffered by the formal workers. This inversion is due to the fact that informal workers are more sensitive to changes in the situation (IBGE, 2020). Considering what has been said, a very pessimistic scenario is noted regarding the economic and social effects of the current crisis caused by the Covid-19 pandemic, above all considering the specificities of the way it is being dealt with in Brazil. In fact, the attitude of disregard taken by the Bolsonaro Administration should be highlighted, considering the health and social drama experienced worldwide and, particularly in a country such as Brazil, historically marked by high rates of poverty and inequality.

Argentina between 2015 and 2019: increased poverty and social inequality

Since 2015, in Argentina and throughout the Latin-American region, significant steps backward have been recorded as regards poverty and extreme poverty in a regional context of deepening a model of unequal and dependent development with relevant demographic transformations and structural changes in the work market. The Argentina experience began when at the end of 2015 the Mauricio Macri-Gabriela Michetti, for the *Cambiamos* Alliance, won the elections. This expressed a regressive process present in regional behavior. There was a rise in poverty between 2003 and 2015, and in the period from 2016 to 2019, a 4.4% increase of households in a situation of poverty and a 5.2% increase in the number of people considered poor. Indigence also rose by 1.2% and the number of indigent people increased by 1.9%. The rise in the rate is explained by the devaluation of the Argentine currency, the Peso; the inflation and general contraction of the economy persisted. This dynamic impacted sectors of workers, reducing their possibilities of reproducing their material conditions of existence. In the second semester of 2020, right in the context of the Covid-19 pandemic, the incidence of poverty and indigence continued to grow. The official records indicate, for the

second semester of 2020, that out of the total of urban agglomerations in the country, the percentage of households situated below the poverty line reached 31.6%, in which 42.0% of the people lived. This ensemble distinguished 7.8% of households situated below the indigence line, which included 10.5% of the people. In the interannual comparison both indicators grew: the poor households increased by 5.7% and the people below the poverty line by 6.5%, while the indigent households grew by 2.1% and people below the indigence line, by 2.5% (INDEC, 2020).

At the same time, not only was there an increase in the incidence of poverty compared to the first semester of 2020, but the situation of people below the poverty line became worse because of the greater distance between their income and the total basic food supply (CBT-cesta básica total). The levels of poverty and indigence were affected by the increment of the Consumer Price Index (IPC-Índice Preços ao Consumidor), especially as regards food and beverage items) and the slowdown of the economic growth/recession that has an impact on the work market. During the period of the *Cambiamos* administration, open unemployment jumped from 7.7% in the third quarter of 2016 to 9.2% in the third quarter of 2019, affecting more women and young people. Underemployment rose from 10.2% to 13.0% during the same period. The number of people seeking a job rose from 14.0% to 18.5% (people who have work but continue to look for jobs because their income is insufficient), and also the underemployed looking for a job had an increment of 7.1% to 9.3% (INDEC, 2021a). This behavior with rising rates of unemployment, underemployment and job seekers exerts pressure on the dynamics of the work market. The increase in the rate of activity for the period says that, in a context of reduction of the real income of the households, more people seek jobs unsuccessfully, which is reflected by the rise in open unemployment, or they are underemployed under precarious conditions, and with insufficient income, so that they keep on looking for a job. In 2020, in the framework of the pandemic, the data of the second semester recorded that the value of the regional basic food supplies, on average, increased 16.5% (CBA) and 16.2% (CBT). This increment in the values of the basic food supplies shows a slowdown compared to the previous semester. The sum of the total family income increased 8.5% compared to the previous semester, below the rise in the basic food supplies during the period involved, which explains the increase of the rate of poverty of the ensemble of the population in the semester average.

The precarious incorporation of groups of workers is a determining factor in the poverty and impoverishment processes of the worker class and of the perpetuation of social inequalities. The data indicate the structural permanence of situations of extended work precariousness: low productivity jobs, low remunerations and no social protection. In this structural context, the world of work is a mechanism that reproduces inequality. The heterogeneity of the production structure is expressed in an unequal polarization: on the one hand a sector with high productivity jobs, high wages and social protection, and, on the other, an extensive sector where precarious working conditions, lower remunerations and limited access to social protection predominate. Furthermore, both unemployment and the occupation in lower productivity sectors with precarious and informal work affect above all the young and the poorer women (Neffa 2018, 2020; Fernández Soto, 2016).

The Money Transfer Programs in Brazil in the context of the 2016 coup: debate and reality

The historic trajectory of the money transfer programs situated within the sphere of Social Protection in Brazil, has a relevant date: 1995. That was when a process of creating and implementing programs of this kind began, at a municipal level, in the cities of Campinas, Ribeirão Preto and Santos in São Paulo, generically called minimum income programs. In Brasília, the Federal District, a money transfer program was created called Bolsa Escola (School Stipend). The implementation of municipal experiences was followed by state and federal programs. In 2001, the Social Protection Network was constituted mainly by money transfer programs and, in 2003, the

Bolsa Família was created that, in 2006, was already being executed in all Brazilian municipalities, providing care to a public that was unprecedented in the history of social programs in Brazil (Silva *et al.*, 2012). Initially, the money transfer programs in Brazil appeared to be mainly connected to progressive political-ideological attitudes. However, the initiatives to create these programs began to come under the strong influence of liberal and conservative matrices, which contributed to their expansion beginning to consolidate the so-called money transfer programs in the field of a focalization that was strictly connected to poverty and extreme poverty, and mainly bearing conditionalities in education and health to be accomplished by the beneficiary families. Consequently, the assumption is that: each program is based on a theoretical, political and ideological concept.

Seeking the debate and reality of money transfer programs in the context of the parliamentary Coup set off in 2016, we chose to focus our analyses on the three largest programs under implementation in Brazil: Bolsa Família, the Benefício de Prestação Continuada (BPC) (Continuous Benefit Program) both pre-existing the Covid 19 pandemic, and the Auxílio Emergencial⁵, (Emergency Aid) created in 2020.

The Bolsa Família Program (Family Stipend): The Bolsa Família is the largest focalized money transfer program, with conditionalities, under implementation in Brazil and in Latin America. It was created by Federal Law n° 10.836/2004 and regulated by Decree n° 5.209, of December 17, 2004, which effectively began to be implemented in October 2003. It is a program that proposes to combat poverty and inequality in Brazil by guaranteeing the complementation of the income to families that live in extreme poverty, with a per capita family income of up to R\$ 89.00 (about USA 17.27)⁶ monthly, and in poverty, with a monthly per capita family income from R\$ 89.01 (about USA 17,27) to R\$ 178.00 (about USA 34.54), as long as they have children or teenagers, from 0 to 17 years of age. It is a federal program with national coverage and the shared participation of the states, municipalities and Federal District, each level of government with specific attributions. National management is the task of the Ministry of Citizenship and the implementation of the program is decentralized, under the responsibility of the 5,570 Brazilian municipalities. According to those who created it, the Bolsa Família articulates three axes: *money transfer* to complement income, in order to provide immediate relief from poverty; *conditionalities* for access to health and education rights for future generations to break the cycle of poverty and *articulation with other programs and actions* by offering opportunities for inclusion in order to stimulate the development of the families. The benefits are implemented by monthly money transfers to the families, whose head is preferentially the mother or the woman responsible for the family. The monetary value transferred to each family is the sum of several types of benefits, defined according to the composition of the family (number of people, ages, presence of pregnant women, etc.). According to data from the Reports on Social Information/Bolsa Família and Single Cadaster, consulted at the site of the Ministry of Citizenship (2021), the Bolsa Família, in June 2021, helped 14,695,025 families, with an average benefit of R\$ 186.49 (about USA 36.19), and the total value transferred by the federal government in the same month, in benefits to the families, was R\$ 1,221,955,108.00 (about USA 237,148,506.22). The conditionalities to be fulfilled by the families to maintain the benefit are in education: the children and adolescents aged 6 to 17 years must be enrolled in school, with a minimum monthly school attendance of 85% for children and adolescents aged 6 to 15 years and 75% for young people aged 16 and 17 years; the health related conditionalities determine that children aged 0 to 6 years must be vaccinated to comply with the calendar of the Ministry of Health; their weight and height must be followed and pregnant women must undergo pre-natal examinations. Compliance with the conditionalities is followed and the families who do not comply are guided and supported, and families are only dismissed from the program after repeated noncompliance.

The Bolsa Família is articulated with other programs and its beneficiaries have priority access to several programs: special rates for electricity, waiver of payment when registering for public

competitive examinations; participation in housing and professional training programs, and others. It should be mentioned that the Bolsa Família, even with an extremely low financial benefit, is accepted by a great number of the Brazilian population, since it directly serves approximately 56,000,000 million people, if one considers an average composition of four persons per family. Therefore, it is found that during electoral campaigns for the Presidency of the Republic of Brazil, no candidate includes in their government program the deactivation or even the reduction of this program. Even in the context of the Institutional Coup of 2016, during the administration of President Michel Temer (2016-2018), marked by recession, unemployment and the rise in poverty, there was no space to interfere in the Bolsa Família, because of its functionality in mitigating the growing poverty, which gives it wide popular support with a potential to legitimate governments⁸ and to contribute to dynamize the economy, mainly in small municipalities. We believe that three determinations may justify and explain maintaining the Bolsa Família currently, post- 2016: the context of the advance of poverty; the need to legitimate the governments and the dynamization of the local economies by inserting financial resources into the municipalities.

Bolsa Família is ultimately the only significant program to mitigate poverty, which is justified for the following reasons: the low cost of the Program, less than 0.5% of the Gross Domestic Product; the broad contingent of the Brazilian population inserted in the Bolsa Família reaching up to 14 million families, which represents approximately 56 million people, if an average of 4 persons per family is considered; the dynamization of the local economies, especially in the smaller municipalities, which represent the vast majority of Brazilian municipalities; its geographic coverage, because it is implemented in all 5,570 municipalities, and the electoral potential that the Program has shown in presidential elections in Brazil ever since it was created.

Besides being used to mitigate poverty and for its electoral potential, the Bolsa Família, as shown here, has a significant potential to legitimize governments. Its importance and the need for improvements have been praised in the discourse of all presidential candidates, ever since this Program was created. (Silva, 2020, p. 79).

In 2019 Jair Messias Bolsonaro became president of Brazil. He was guided by a moralizing and anti-poverty discourse and practice. He radicalizes a conservative vision of focalization, besides a discourse of criminalization, individualization and rendering the poor responsible for their poverty and for getting out of it. With this reference he presents the need to *clean up* the social programs, by implementing measures to restrict the Program, with the adoption of a broad process of review and control of the beneficiary families. In fact, the center of influence of the Program was moved from the Ministry of Citizenship to agencies responsible for the economy. These then adopted control actions called *pentefino* (*fine-toothed comb*), meaning a very close inspection to remove from the Program those that are considered as not meeting the criteria established for inclusion, without transparency and without explicitly defining what are *irregularities* (Silva et al., 2021). Moreover, in the Bolsonaro Administration, the Bolsa Família is being the object of a possible substitution by another program whose objective is to eliminate from the Brazilian people's imaginary the name of Bolsa Família given to the greatest money transfer program implemented in Brazil since 2003 during the administration of President Luiz Inácio Lula da Silva of the Workers' Party. In this sense, was created by the Provisory Measure 1.061 of August, 2021 the Program Brazil Aid (Auxílio Brasil), regulated by the Decree 10.852 of November 2021. This Program must be subject of other article.

The Benefício de Prestação Continuada (BPC) (Continuous Benefit Program)

The BPC is a focalized money transfer program, but it has no conditionalities. It was first granted in January 1996, as an assistential benefit, foreseen in the Organic Law of Social Assistance – Law n°

8,742, of December 7, 1993, which regulated the Social Assistance Policy in Brazil. It consists of a monthly money transfer to the value of one minimum wage (about USA 210.64), for elderly people, aged 65 years or over, and people with disabilities who are not capable of independent life and for social insertion/reinsertion into the work market, and the monthly per capita income of the beneficiary must also be below ¼ of the minimum wage (about USA 52.65). The BPC is a relevant program considering its public and the monetary value of the benefits. It contributes to diminishing extreme poverty, especially in rural areas. Therefore, it has been the object of several attacks, and in practical terms it is given little publicity, which limits the number of people seeking it.

Auxílio Emergencial (Emergency Aid): Emergency Aid was instituted by Law n. 13,982 of April 2, 2020, for the purpose of attenuating increased unemployment, precarious informal work and poverty in the context of the Covid-19 pandemic. However, it is the product of pressure exerted by a movement of civil society, economists, social scientists and people affected by poverty and unemployment (RBRB, 2019). It is a massive money transfer program, without conditionalities, but highly focalized. It provided a monthly benefit of R\$ 600.00 (about USA 116.44), paid during the period from April to August 2020 to up to two persons in the same family, and for families headed by women the monthly value was R\$1,200.00 (about USA 232.88). From September to December 2020 the value of the benefit was reduced to R\$ 300.00 (about USA 58.22), maintaining double payment for women who were responsible for single parent families. The target public was composed of individual very small business owners (micro entrepreneurs); individual or optional contributors to the General Regime of Social Security; informal workers registered in the Single Cadaster of the federal government or in an app of the Federal Savings Bank and beneficiaries of the Bolsa Família. The following criteria were demanded from this public for access to the benefit: being over 18 years old; family per capita income of half a minimum wage or total monthly family income of up to three minimum wages and not having had taxable income, in 2018⁹.

The Emergency Aid created in April 2020 and implemented until December presented recurring problems of access and implementation, such as: a highly computerized system was utilized ignoring the fact that 7.4 million people eligible to receive the benefit live in households without access to the Internet, besides finding it difficult to manage the app; in the implementation it was found that there was lack of planning for the distribution of the benefit, which led to agglomerations in the bank agencies that were paying out the benefit, with an increased potential for coronavirus contagion. There were also problems of access at the agencies where payment was performed; distortions in the concession and complaints of improper use of the benefit; lack of transparency in selecting the public that sought it; misinformation and delays in payments; slowness in the process of analyzing the requests, besides not considering the institutional apparatus that had already been consolidated in the Single Cadaster of the federal government that has 11,908 offices in all municipalities and the 17 years of Bolsa Família experience. (Silva, 2020). However, as opposed to the problems, the Emergency Aid, initially, presented contradictions and positivities: massive service in the context of the advancing poverty, reaching about 68 million people; not having a conditionality; expanding the space for social protection, even if with an emergency and provisional character, and, contradictorily, it rendered explicit the size of poverty in Brazil, driving the debate on conditioned money transfer programs and Universal Basic Income. The Emergency Aid granted in 2020 was suspended during the months of January, February and March 2021, and created anew in April, as a result of strong pressures from organized sectors of society, professionals in various categories, including pressure from the Brazilian Congress. Furthermore, the so-called second wave of Covid-19 in Brazil even further limited the possibilities of a renewal of the economy, increasing unemployment, unprotected work, poverty and extreme poverty, and the hunger of those who depended on the Emergency Aid that had been interrupted.

In this context the federal government did not have any alternative but to again publish the Emergency Aid, through Provisory Measure n° 1,039 of March 2021 of the Presidency of the Republic/Secretariat General/ Sub-Head for Legal Affairs that determined, basically, the period during which the benefit was in force, from April to July 2021, later extended to November, but through a more restrictive proposal from the quantitative aspect, going from serving 68 million people to about 40 millions. The inclusion criteria, besides being in great number, increased the conservative focalization, which was already being adopted, indicating a broad spectrum of criteria that determined rather exclusion than inclusion of possible beneficiaries, even in a socioeconomic context with increased unemployment, poverty, extreme poverty and hunger. The monthly value of the benefit was reduced by half, so that for women who were the single parent family providers, the monthly value of the benefit became R\$ 375.00 (about USA 72.77); the average value was limited to R\$ 250.00 (about USA 48.51) and the value for a one-person family was R\$ 150.00 (about USA 29.11). In brief, the constitution of the Brazilian social protection system since the 1990s has aimed at the adoption of non-contributive assistential policies, with the prevalence of money transfer programs (Silva *et al.*, 2012).

Money Transfer Programs in Argentina - 2016-2021: We focused the analysis on the social interventions of the Argentina State, highlighting the Universal Allowance per Child for Social Protection (AUH Asignación Universal por Hijo para Protección Social) and the money transfer measures in the context of the Covid-19 pandemic, particularly the Emergency Family Income (Ingreso Familiar de Emergencia) implemented temporarily in 2020.

Universal Allowance per Child in the 2016-2019 period (A Asignación Universal por Hijo AUH)

AUH is a Conditioned Money Transfer Program (PTMC) which has been implemented in Argentina since October 2009 (DNU 1602). It orders all below the age of 18 years whose parents or guardians are unemployed, whether they be social monotaxpayers (small taxpayers) or work in the informal economy or in domestic service (ANSES, 2009), whenever they receive remunerations of less than the Vital and Moving Minimum Wage (SMVM), equivalent, in July 2021, to \$ 27,216.00 (Argentine Pesos), which corresponds to US 266,88¹⁰. Others who have a right to it are people with disabilities, without an age limit (AUD), as long as they are classified within the other conditions previously mentioned. Since May 2011 there was added the implementation of the Universal Allowance per Pregnancy for Social Protection (Argentina, 2011). The monetary benefit is provided to the recipients from the 12th week of pregnancy until birth or interruption of pregnancy. Since 2011 AUH has also been provided to the children of temporary workers registered in the agriculture and livestock sector (ANSES, 2011). They are required to be Argentinian (naturalized or legal residents for a period of not less than three years) (Argentina, art. 6°. 2009). Institutionally, AUH is part of the System of Family Allowances which has been under implementation in Argentina since several decades. At the same time, it is based on Law 26.061, of October 26 2005 (Argentina, 2005), whose purpose is the Full Protection of the Rights of Children and Adolescents who are in the territory of the Republic of Argentina (DNU 1602/2009). The work and the ways in which it is done constitute a central foundation according to the definition of the AUH, expanding the social protection to the workers, including the categories that earn less than the Vital and Mobile Minimum Wage.

The monthly benefit of AUH in July 2021 was \$ 4,504.00 (Argentina Pesos), which corresponded to US 42,924, and 80% of this amount was preferentially transferred to the mothers (Argentina, 2013). The remaining 20% are deposited in a savings account in the name of the holder in the Banco de la Nación Argentina, until it has been proved that the health and education conditionalities have been complied with, which occurs once a year. Since December 2015, the neoliberal administration of President Mauricio Macri, far from doing away with the PTMC, not only continued to implement it but also to further its quantitative extension.

If we observe the number of beneficiaries in January 2010, the AUH reached 3,224,000 people, rising to 3,723,763 in December 2015 and grew to 3,923,040 in May 2019. In this sense, there is the continuity of an assistential minimum income. Nevertheless, the quantitative extension of the beneficiaries does not correspond to the material guarantees for the reaffirmation of a social right. The monetary benefit and its updates are below the inflationary increase, with the loss of the Argentina currency in relation to the value in dollars, whose total benefit is insufficient to acquire the basic food supply. This deterioration occurs in a general context of diminishing acquisitive power by the working class with loss of the acquisitive capacity of the AUH to purchase basic supplies, weakening its objective, which would be to contain poverty. This dynamic indicates to us that the values of the allowances received by the lower income sectors are far from growing in real terms. The persistence of high levels of inflation in the years of reference annual, in real terms, raises doubts. Furthermore, the holders of AUH tend to use a large part of their income for products that are part of the basic food supply. (INDEC, 2021b; UNICEF, 2020).

Money transfer of income as emergency responses in the context of the coronavirus pandemic

The measures developed in the face of the sanitary crisis due to the pandemic that occurred in the context of a profound socioeconomic crisis. The impact of the pandemic deepened the recessive context, becoming acute in 2020, when the Gross Domestic Product (GDP) was reduced by 9.9% (Consejo Nacional de Coordinación de Políticas Sociales, 2021). The administration elected in Argentina, belonging to the *Frente de Todos*, headed by Alberto Fernández and Cristina Fernández de Kirchner, which came into office in December 2019, began its term practically coinciding with the development of the Pandemic. It deals with the inheritance of the last few years in terms of institutional, social and economic regressions, and, at the same time deals with the profound expressions of the pandemic. It develops a set of emergency measures directed mainly at the households in a situation of poverty or that are at greater risk of falling into this situation, as is the case of informal workers (CEPAL, 2021). In other words, the pandemic shows, on the one hand, the absence of universal protection systems that will act to facilitate the confinements and quarantines adopted as epidemiological measures for the care and prevention of situations in which the health systems collapse on the one hand; on the other, it exposes the morphology of the work market with a significant weight of unemployed, informal, precarious workers, with insufficient income and who are heavily hit in the context of the pandemic.

A set of actions is guided toward adding the incomes of people who had already been included in the social protection systems (such as retired people and beneficiaries of transfers such as AUH or of other social programs) and to strengthen access to food by part of the population considered "more vulnerable". One of the main instruments adopted was the payment of money transfers through "extraordinary bonuses" which aimed to reinforce the levels of income of previous money transfer policies, or to reinforce wage levels of essential workers in the public sector (Ministerio de Economía, 2021). The issue of food was considered right from the beginning of the National Governor of Fernández, with the "Food Card" (Tarjeta Alimentar), to deal with hunger resulting from the increased indigence and poverty in the preceding years, which grew in the context of the pandemic. It is an instrument permitting everyone to access the basic food supply. It allows purchasing all kinds of foods except alcoholic beverages. Initially it was meant for mothers or parents with children up to 6 years of age who receive the Universal Allowance per Child (AUH). In May 2021 it was extended to mothers or parents with children up to 14 years of age, in this way attempting to reach about 4,000,000 children. It also covers pregnant women from 3 months on, who received the Pregnancy Allowance and people with disabilities who receive AUH¹¹.

Emergency Family Income (IFE-Ingreso Familiar de Emergencia)

This was created through Decree 310, of March 24 2020 (Argentina, 2020b). The IFE consists of an exceptional non-contributive money payment aiming to compensate for the loss or severe reduction of income of people affected by the situation of the sanitary emergency declared by Decree n°260, March 12, 2020 (Argentina, 2020a). It is addressed to the more vulnerable sectors of the population, whose objective is to attenuate the increment of poverty and of indigence as a consequence of the reduction of economic activity. This measure is directed at the households composed by informal workers, jobless people and “monocontributors” (people who pay simplified taxes), i.e., to sectors of the population with greater socioeconomic vulnerability. The program limits this coverage to the work and economic situation of the family group to which the beneficiary belongs, in the sense that all of its members should present the conditions to access IFE, and only one of them may receive the benefit. The number of beneficiaries selected for the first IFE payment was 8.9 million people. When analyzing the distribution of the benefits as a function of gender, a higher proportion of women is found (4.9 million, 55.7%) compared to men (3.9 million, 44.3%), which is explained by the fact that gender inequality affects the more vulnerable strata of the population most; if there is more than one applicant per household, priority is given to the woman, and around 27 % of the IFE benefits were destined to nominal AUH holders, in whom the proportion of women is more than 90% (ANSES, 2020).

When analyzing the coverage of IFE by age group, i.e., the percentage of IFE granted over the total population in each group, it is found that it is decreasing in relation to age. While the coverage between 18 and 24 years of age is 52%, between 25 and 34 years it is 44%, between 35 and 44 years 28%, between 45 and 54, 21% and in the age group from 55 to 65 years it is 14%. The total of IFE reaches \$10,000 (59.3% of the SMVM Vital and Mobile Minimum Wage). It is the equivalent to 120 dollars, and is awarded to a member of the family group that meets conditions of exclusion or precariousness and conditions of socioeconomic vulnerability. In the framework of the Covid-19 pandemic, the money transfer programs are essential to control and mitigate the regressive effects in a context of crisis (CEPAL and OPS, 2020), because they ensure a minimum income that will cover the emerging needs. At the same time, they show the need to design universal protection measures that institutionalize basic material guarantees that will allow reproducing life.

CONCLUSION

The situation in which we place the analysis and problematization regarding money transfer programs in Brazil and in Argentina (2016-2021) expresses a reality of deepening neoliberalism and of the marked return of conservatism with negative consequences to the work market and poverty indicators. The two largest countries in Latin America have been structuring their Social Protection Systems since the 1930s, each one with its specificities, but seeking to expand rights from a universalizing perspective. In the recent situation they have been invaded by individualized social policies focalized on poverty and extreme poverty. It is in this reality that the money transfer programs in Latin America appear and are expanded and developed. In this adverse context, Brazil and Argentina face the deleterious effects of the sanitary crisis caused by the Covid-19 Pandemic, which has been explicitly showing the fractures and limits of the current standard of regulation, with an ultraliberal inspiration and extending the demand for social protection to the population which is most affected by the socioeconomic and political reality. The prevalence of money transfer programs is being demonstrated as a social protection policy, inspiring the following question: why have the money transfer programs become prevalent in the context of neoliberalism?

We consider that we have at least two groups of money transfer programs that are different as to fundamentals, contents and objectives; Focalized Money Transfer Programs, with conditionalities or without conditionalities, and Universal Basic Income. The function of the former is to mitigate poverty and cover emergency situations,

while the Universal Basic Income proposes to contribute to redistributing socially produced wealth and to promoting social justice. In one way or another, these programs address the basic needs of people and families, but are also functional in the prevailing system, because they dynamize the local economies and constitute a significant source of legitimacy of governments and the reality that generates them. The reflections developed demonstrate the need to show clearly that the advocates and idealizers of these programs are referenced in various political-ideological guidelines, and that it is possible to point out at least two projects of society that guide the money transfer programs:

- a) *A project with a conservative orientation, marked by opportunism, which seeks popularity and political legitimation, seeing in the poor a broad segment of the population that can be manipulated, controlled and submitted to benefits that will minimally ensure their survival. For these, the benefit must be the smallest possible in order not to discourage work and to dismantle the welfare state, even further precarizing health, education and work;*
- b) *A project with progressive content, whose focus is the redistribution of socially produced wealth; it is to promote social justice, guaranteeing a civilizatory standard of living, stimulating freedom to make the choice, including to not submit to work that is degrading and similar to slave labor. This is a project that articulates the money transfers, expanding the social protection network, centering on the right to education; to health and employment (SILVA et al., 2021, p. 230).*

Notas:

- ¹We define as money transfer programs those that transfer to people or families a monetary benefit, independent of previous contribution with or without conditionalities.
- ²The authors participated in the project Conditioned Income Transfer Programs in Latin America, an academic-scientific cooperation between three Brazilian universities, one in Argentina and one in Uruguay, whose main products were the publication of the following books: Silva, M. O. S. (coord.) (2014), ‘Programas de transferência de Renda na América Latina e Caribe’ (Income Transfer Programs in Latin America and the Caribbean), São Paulo: Cortez.; Silva, M. O. S. (coord.) (2016), ‘O Bolsa Família: verso e reverso’, (Bolsa Família: Leaf and Overleaf) São Paulo: Cortez; Silva, M. O. S. and SOTO, S. F. (coords) (2018), ‘Mito y realidad en el enfrentamiento de la pobreza en América Latina: estudio comparado de los Programas de Transferencia de Renta en Brasil, Argentina y Uruguay’ (Myth and reality in dealing with poverty in Latin America: comparative study of the income transfer programs in Brazil, Argentina and Uruguay), Buenos Aires: Espacio Editorial. (Participation in the project of Focalized Income Transfer and Universal Basic Income Programs, in the context of the pandemic and during the pandemic of Covid-19: follow up and analysis of the international reality in Latin America and the Caribbean started in 2020.
- ³ Combined rate of unemployment added to the potential work force related to the broader work force.
- ⁴ Informal workers are those who do not have a signed work card (employees in the private sector or domestic workers, employers or employed independently, or workers who are not remunerated).
- ⁵ Since 1995 the money transfer programs have become prevalent as measures of Social Policy, with a non-contributive character. Thus, many other municipal, state and even nationwide programs have been created to take care of specific situations, but most of them are programs whose duration is limited to a given time period.
- ⁶ Dollar quoted at R\$ 5.15 on July 28, 2021 (<https://www.bcb.gov.br/conversao>).
- ⁷ The program adopts a varied set of benefits, such as: Basic Benefit; Variable benefits; Variable benefit linked to Adolescents and Benefit to Overcome Extreme Poverty.

- ⁸.The popularity of the Temer Administration was the lowest in history, reaching, in June 2017, the approval of 3% of the Brazilian population
- ⁹Later the target public of the Emergency Aid was broadened by Law Bill nr.873 of April 3, 2020, by senator Randolfe Rodrigues (Rede-AP), including recyclable pickers, rubber pickers, taxi-drivers, mototaxidrivers, app drivers, manicures, cleaning women and artisanal fishermen, also allowing teenage mothers, even below the age of 18 years, to receive the benefit
- ¹⁰Official conversion rate of US dollars on July 28, 2021.
- ¹¹ To see the total amounts according to the classification of households reached according to the number of sons/ daughters <https://www.anses.gov.ar/tramite/tarjeta-alimentar>.

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