





Manufacturing 4.0 project nr. 1313393

Working package 5: Reshaping social policies, Faculty of Social Sciences, University of Helsinki This subproject deals with systems of social security which promote adaptation to technological changes.

The article discusses an experimental social security system in Barcelona. The system represents a new generation of social policy in the course of adaptation to on-going labor market revolution.

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B-MINCOME: Experimenting With Minimum Income and Active Policies

Basic income experiments are one of the hottest topics in social policy at the moment with several experiments being conducted and planned in different countries. The City of Barcelona is doing something different with a complex minimum income experiment, that hasn't gained the same kind of attention as some other current experiments. What is B-MINCOME and how does it relate to the disruption of work?

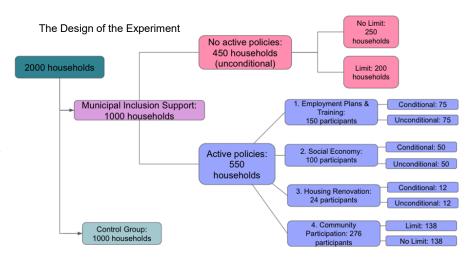
What is **B-MINCOME?**

<u>B-MINCOME</u> is a minimum income experiment conducted in the Eix Besòs area in Barcelona, Spain from September 2017 to December 2019. The pilot is led by the City of Barcelona, partly funded by EU's Urban Innovative Action (UIA) and implemented and evaluated by several partners.

The goals of the experiment are threefold. Firstly, the experiment aims to improve the socio-economic situation, the employability and ability to create alternative incomes as well as the general well being of the participating 1000 households. Secondly, an important goal is the improvement of the neighbourhoods and communities beyond the participating households. The third goal is to gain information about which sort of policies work best for combating poverty and exclusion in vulnerable urban areas.

The experiment consists of a monetary benefit called Municipal inclusion support, given to all participating households and four active policies that approximately half of the households will participate in. The amount of the monetary support depends on the size of the household and the household's income level and varies between 100 and 1676 euros per month.

In policies 1, 2 and 3 (see graph), approximately half of participants are conditioned to participate in order to receive the monetary benefit while the other half receives the benefit irrespective of their participation.



Graph adapted from <u>Laura Colini: The B-MINCOME Project Journal N°2: Money for whom?</u>

The households that only receive the monetary benefit and participants in policy number 4, have no conditionality but instead are divided into "no limit" and "limited" groups. In the "limited" group, any extra income generated by the household, will cut the amount of the Municipal inclusion support to a point where it may stop altogether. The "no limit" group's additional income will only reduce the Municipal inclusion support partially. With the division of participants into these subgroups, the organizers of the experiment hope to learn which policies and levels of conditionality work best.

Going Beyond Employment

Many of the participants of B-MINCOME are unemployed or precarious workers with low levels of education and gaining full time employment is not necessarily realistic. In the future, if technologies evolve enough to replace middle class jobs, this could be the reality for a growing number of people. If paid employment is not a realistic option for a growing number of population, what kind of activities are beneficial for both individuals and communities?

Apart from the first active policy, which focuses on training and employment, B-MINCOME offers three examples. In the social economy programme, participants will start cooperative, social and solidarity economy as well as community-interest projects. In the housing renovation programme, participants who are homeowners receive support to renovate their home so they can rent out rooms and improve their income. The community participation programme aims to increase trust and strengthen local associations as well as empower individuals. So far the participants have taken part in art workshops and organized an exhibition. The goal is that in the future, the ideas for new projects will come from the participants.

The impacts of these policies and different levels of conditionality are analyzed with various methods ranging from ethnographic research to a broad survey repeated three times during the experiment. Results are expected after the experiment ends in late 2019.

In addition to links mentioned in the text, sources include "<u>Butlletí Oficial de la Província de Barcelona Dijous, 10</u> <u>d'agost de 2017"</u> and interviews with Lluís Torrens Mèlich, Director of Planning and Innovation, Department of Social Rights, City Council of Barcelona,

Óscar Rebollo, Director of Community Action Services, Department of Citizens' Rights, Culture, Participation and Transparency, City Council of Barcelona,

and Fernando Barreiro, Project Manager, Innovation and Planning Unit, Department of Social Rights, City Council of Barcelona