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SCOTTISH ANTI POVERTY REVIEW



ISSUE 22 AUTUMN 2016

POVERTY, SOLIDARITY AND EUROPE





EDITORIAL TEAM

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The views expressed in the Scottish Anti Poverty Review do not necessarily reflect those of The Poverty Alliance.

ABOUT THE POVERTY ALLIANCE

The Poverty Alliance is a network of community, voluntary, statutory and other organisations whose vision is of a sustainable Scotland based on social and economic justice, with dignity for all, where poverty and inequalities are not tolerated and are challenged. Our aim is to combat poverty by working with others to empower individuals and communities to affect change in the distribution of power and resources. To do this we:

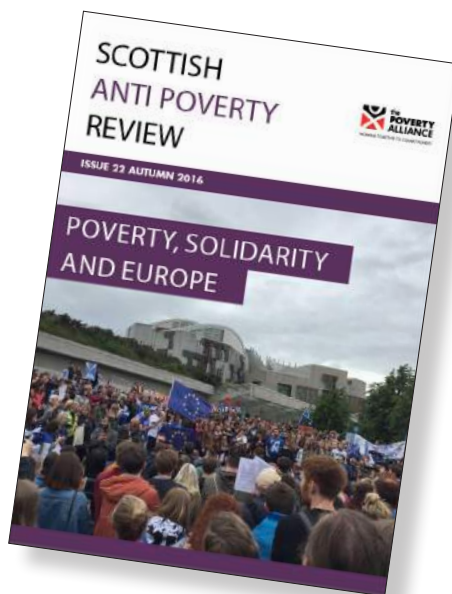
- Work with people and communities experiencing poverty to empower them to address poverty
- Work with organisations to build a strong anti-poverty network in Scotland
- Support the development of policies which promote social justice and combat poverty
- Raise awareness about poverty and encourage debate

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EDITORIAL

A Parliament to Tackle Poverty

If confirmation were needed of the turbulent political times we are living in, then the election of Donald Trump as President of the United States should suffice. As the national anti-poverty network, we are mainly concerned with political and economic issues close to home, but there is no doubt that some of the factors that have led to the election of Trump are in play in Scotland, the UK and Europe. The same factors are undoubtedly behind the outcome of the EU referendum in June. If we are to continue to press for a progressive social and economic agenda, one that is capable of putting in place policies to reduce poverty and inequality, then it is vital that we understand and respond to the current environment.

It has been the fate of the 'left behind', the (white) working class, that has perhaps been most widely discussed in the aftermath of the EU referendum and now the US election result. Part of this discussion is the extent to which those who have not benefited from the neo-liberal economic policies that have dominated the last 40 years are taking revenge for their exclusion. When we consider who voted for Brexit this argument looks plausible.

It is clear that much of the frustration and disillusion with 'mainstream' politicians on both the left and right has been as a result of the increasing failure to provide the economic security that had been the hallmark of the post war period for many people.

However, the Brexit vote was about far more than the failure of austerity policies in the UK, just as Trump's success is not simply about the impact of inequality in the US. Economic failure and disillusionment with the political mainstream may be behind the political anger that we have seen over the last few years, but the electoral successes that have been achieved by the Leave camp and by Trump have been unambiguously built on a core of xenophobic and racist arguments. In the UK we have seen xenophobic calls throughout the referendum campaign: 'take back control' was clearly about stopping and perhaps reversing the number of migrants in the UK. Now that the referendum is over and we are committed to leaving the EU, we are beginning to see divisive anti-immigrant feature more often in mainstream political and policy discourse.

The UK Conservative Party's proposal at its conference in October to have companies publish the number of 'international' staff they employ, or the re-emergence of debates about the costs of so called 'health tourism',

highlights how anti-immigrant ideas quickly come to be seen as legitimate in the light of the need to control British borders.

The populist politics that has emerged on both sides of the Atlantic is a clear threat to those of us who want to see policies that prioritise tackling poverty and inequality, and that do so by emphasising the rights we all share. To do this we need to have concern not only for those who have been 'left behind' by the forces of economic change, but also those who have seldom prospered even before the grip of globalisation. We need to recognise and organise our response to the changes coming around notions of class that reflect the real diversity of 'the' working class. To do otherwise is to prioritise the claims of some over others and to reinforce the divisive arguments that have led us to the position that we are in now.

We must be clear and honest – the EU and its member states did not deliver for many millions living in poverty. However, this failure was not as a result of the extension of employment rights that come about as a result of our membership, nor was it due to the support for greater equality between men and women that the EU helped to secure. At the same time the inability of public services to provide adequate support to all those who needed it was not as a result of migration, but due to the disinvestment that austerity ushered in. The failure to tackle poverty was the result of both the member states and the EU to pursue policies that opened up more parts of our society to the market. There is little to suggest that these policies or the arguments behind them will be in any way diminished as a result of Brexit.

Even five months after the referendum result we are still unclear about what happens next. What we do know is that when the UK does finally leave the EU a range of rights will be under threat, and much needed funding to support efforts to address poverty will start to disappear. As we begin to pick our way through the morass of Brexit, it is critical that we continue to argue for rights based approaches to addressing poverty and inequality and for actions that promote rather than undermine solidarity.

Peter Kelly

Director

The Poverty Alliance



TRADE UNION COMMENT

The need for trade unions

Dave Watson is the Head of Policy and Public Affairs at UNISON Scotland, in this article he examines the need for trade unions to combat budget cuts to make Scotland a fairer place to live in.

UNISON is Europe's biggest public sector trade union representing members across a range of public services as well as the private and voluntary sector. Our biggest challenge is the slashing of public sector budgets which has led to job cuts and wage freezes for our members. These ideological cuts impact on members in voluntary sector organisations as well as the public as their employers are reliant on public contracts. They are also harming the wider economy and those who rely on public services. Cuts to services have the biggest impact on those living in poverty and they are least able to be able to pay for alternatives.

In Scotland our key priorities will be campaigning for the Scottish Government and local authorities:

- to use all their powers to raise money to invest in public services,
- to involve workers and citizens in redesigning our services to meet the complex challenges Scotland faces
- to ensure that members are fairly paid for the work they do and that they have decent and safe terms and conditions at work.

UNISON continues to share members' insights into the impact of cuts to the services they provide to support our campaigns to protect jobs and services. The successive rounds of cuts, mainly in local government, mean that 31,000 jobs have been cut from devolved services. Salami slicing jobs don't capture the headlines like a factory closure but as the UNISON Scotland Damage Reports show – the staff that remain are struggling to maintain quality services and working long unpaid hours to get jobs done. The most recent report on home care staff: 'We care, do you?' shows

- 9 in 10 (88%) said they were limited to specific times for client visits, with many reporting this was too short a period to properly cater to a client's needs.
- Four in five said they believe the service has been affected by budget cuts or privatisation, with carers saying the emphasis was now on "quantity rather than quality".

- Over a quarter (26%) said they were not paid for their travelling time.
- Two thirds (66.5%) said they did not have anywhere to go between visits to have a meal, hot drink or toilet break.
- Nearly half (43%) said they worked longer than their contracted hours.

We all know that the majority of families living in poverty are not workless. UNISON will continue to campaign for the introduction of the Scottish Living Wage. The third sector is the focus of our negotiations with employers going forward.

Childcare is also key priority: the cost of childcare is a huge barrier to work and leaves many working for very little short-term financial gain just to keep a foothold in the workplace and paying into a pension while their children are young. UNISON believes that getting childcare right will cost money. It is a worthwhile investment in Scotland's economy, in children's lives and will bring long-term savings to a range of budgets through improved outcomes for children and families.

Paying for services universally via taxation is much fairer than through charges. We are though concerned that not enough work is being done to assess the detail of the costs far less allocating adequate funds to implement this popular policy. Tackling low pay in the childcare sector is essential to delivering a high quality services and recruiting and retaining a qualified staff. Expansion of free at the point of use childcare will not achieve the government's policy aims if it is delivered by a low paid and under-qualified work force.

These are tough times for our members and the services they deliver. UNISON will continue to support them in their efforts to improve their own lives and in making Scotland a fairer better place to live.



THIRD SECTOR COMMENT

Poverty and ethnicity

Rebecca Marek, Policy & Parliamentary Officer at The Coalition for Racial Equality and Rights, discusses in this article the need for connected anti-racism and anti-poverty work.

The Coalition for Racial Equality and Rights is a Scottish strategic anti-racism charity based in Glasgow. Our focus is on helping to eliminate racial discrimination and promote racial justice across Scotland. Poverty is a key component of the inequality faced by minority ethnic communities; racism plays a critical role in this.

For example, while school leavers from non-white minority ethnic backgrounds have higher levels of attainment than white ethnic groups¹, this does not translate into labour market advantages for these individuals.

Indeed, the employment rate in Scotland is considerably higher for white ethnic groups (72.0%) than for non-white minority ethnic groups (55.2%) aged 25-49.² Significant barriers persist for non-white minority ethnic individuals entering the workforce, including a trend within the public sector for short-listed non-white candidates to be disproportionately rejected at interview.

Moreover, non-white minority ethnic individuals are twice as likely to be in poverty as white ethnic groups³, with their potential routes out of poverty limited by barriers – many of which are connected to racism and structural discrimination.⁴ Clustering in low-paid work is a significant factor in explaining greater in-work poverty among some minority ethnic groups, while non-white minority ethnic individuals with good qualifications face greater barriers to finding work which matches their qualifications than their white counterparts.⁵

At the same time, non-white minority ethnic groups have a lower-rate of benefit take-up, whether due to lack of awareness of entitlement or other factors.⁶ Children from non-white minority ethnic backgrounds are significantly more likely to be living in disadvantaged circumstances than white children, with 36% of non-white minority

ethnic children living in a household with an annual income in the lowest quintiles compared to 22% of white children.⁷

It is clear from the data that poverty and ethnicity are connected, and yet anti-poverty agendas typically do not adequately reflect this. The “Shifting the Curve” report for the First Minister from the Independent Advisor on Poverty and Inequality noted that while minority ethnic groups are often the most disadvantaged and may have additional barriers to face in escaping poverty, there would not be “detailed work on these groups at this stage.”

⁸ The Scottish Government consultation on social security in Scotland admittedly makes very limited reference to ethnicity in its partial equality impact assessment, with the Child Poverty Bill consultation making no reference to ethnicity.

Anti-racism and anti-poverty agendas are rarely linked, with each often being treated in separate silos. The causes, experiences, and routes out of poverty for minority ethnic groups are under-researched and policies rarely reflect the particular needs facing non-white minority ethnic communities.

As long as racial equality is left to equality organisations and separated from anti-poverty work, little will be done to address the significant barriers, inequalities, and injustices faced by non-white minority ethnic groups living in poverty. Public bodies and third sector organisations focused on equality and poverty must find a way to work together on these issues to make a real difference for minority ethnic communities. If not, there is a real risk that anti-poverty initiatives will fail to benefit these communities and will instead perpetuate racial inequality.

Footnotes

1. The Scottish Government. Summary statistics for attainment, leaver destination and healthy living.
2. Scottish Parliament Information Centre. SPICe Briefing: Ethnicity and Employment.
3. Joseph Rowntree Foundation (2015) Monitoring poverty and social exclusion in Scotland 2015.
4. Joseph Rowntree Foundation (2014) Tackling Poverty Across All Ethnicities in the UK.
5. Joseph Rowntree Foundation (2016). Poverty and Ethnicity: Key messages for Scotland.
6. Joseph Rowntree Foundation (2011) Poverty and ethnicity in Scotland: Review of the literature and datasets.
7. Scottish Government (2013). Growing Up in Scotland: Birth Cohort 2 – Results from the first year.
8. Scottish Government (2016). Independent Advisor on Poverty and Inequality. Shifting the Curve.



RESEARCH COMMENT

The effects Brexit brings to poverty



Brexit is to add 190,000 to the number of working age adults and children living in poverty in Scotland, John H. McKendrick, from Glasgow Caledonian University, discusses this impact.

One of the most infuriating and perplexing aspects of the Brexit referendum was the array of conflicting “authoritative” reports on what were presented as its likely economic impact. As report followed report, a healthy inclination to critically examine how the numbers were generated gradually gave way to disdain, despair and dismissal. In defence of the number-crunchers, they were only seeking to deliver what the public wanted to know – for example, ‘what would be the impact of Brexit on the number of people living in poverty in Scotland?’. The problem was that between Brexit and these real-world outcomes is an infinite list of intervening factors that may (or may not) happen, that the analysts chose (or chose not) to account for in their data projections.

So, what about this commentary’s headline figure of 190,000?

190,000 is the difference in the number of children and working-age adults estimated to be living in poverty

in Scotland between the two main ways of estimating contemporary poverty in Scotland.

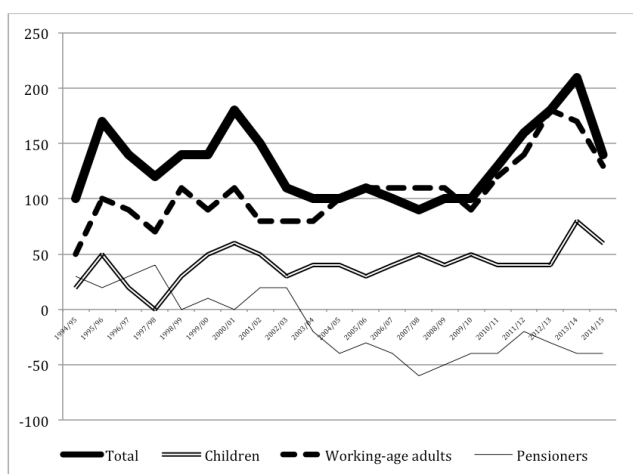
The Scottish Government (as with the UK Government) uses a before-housing costs are deducted measure, which is the favoured way of estimating national levels of poverty across Europe. In contrast, the vast majority of anti-poverty researchers, campaigners and organisations favour using an after-housing costs are deducted measure, arguing that housing is an essential and fixed cost over which people living in poverty have little control, and that therefore the most insightful measure of people’s disposable income is that which is left after housing costs have been met.

Never mind that accounting for responses to Brexit of the market, government or the people might lead to very different estimates of future levels of poverty in Scotland; we already have very different estimates of contemporary poverty in Scotland!



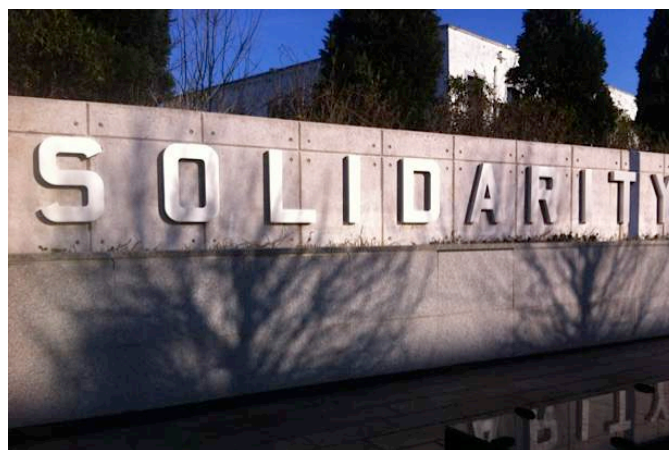
As Figure 1 shows, at the current time, the difference between the estimates is 60,000 for children (equivalent to 17% of children living in poverty if we use a before housing costs measure, or 22% of children if we use an after housing costs measure) and a whopping 130,000 for working-age adults (equivalent to 15% of working age adults living in poverty if we use a before housing costs measure, or 19% of working age adults if we use an after housing costs measure).

Figure 1: Differences in the estimates of the numbers living in poverty in Scotland since 1994/95 for different age groups: the gap between before- and after- housing costs measures of relative income poverty (thousands of people)



Source: Scottish Government (2016), Poverty and Income Inequality in Scotland: 2014/15. Edinburgh Table A1. <http://www.gov.scot/Publications/2016/06/3468/downloads>

For those who appreciate statistics (you should skip this paragraph if you do not), there is much of interest in these numbers. First and foremost, the existence of a gap between before- and after- housing costs estimates of poverty is evidence of the direct impact of housing costs on low income families (190,000 more working age adults and children might be considered to be living in poverty as a result of housing costs). More needs to be done to tackle the affordable housing problem faced by low-income households. Second, 2002/03 seems to have been a tipping point for pensioner households in Scotland: prior to this, meeting housing costs was pushing some pensioner households into poverty, whereas since, the data seem to suggest that pensioners' disposable income, relative to working age adults and children, is higher after housing costs are deducted (with fewer pensioners



considered to be living in poverty after housing costs have been deducted).

Of course, meeting housing costs is not actually increasing the disposable income of pensioners; what these data suggest is that – as a whole – meeting housing costs is a far greater burden for households with working age adults and children, relative to pensioners. For those who want an uncomplicated answer to a straightforward question, the two estimates of poverty are, at best, a source of confusion. Yet, a solution may be on the horizon. And that solution is Brexit!

Unless we SCOPTIN (Scotland finding a way of maintaining its status in the European Union after the rest of the UK brexits), negotiations will be made about which parts of the European compact will persist and from which we will withdraw. If the UK seeks to distance itself from the European project, it seems highly unlikely that maintaining its membership of Eurostat (the statistical office of the European Union) would be a political priority. The anti-poverty sector in Scotland should lament the insights that would be lost by not being able to compare poverty in the UK to experiences across Europe. On the other hand, ironically, withdrawing from Eurostat would also present a unique opportunity. Without being able to posit the argument that facilitating direct comparisons across Europe favours the use of the before housing costs measure of poverty, there would be strong grounds for focusing future poverty monitoring and anti-poverty activity around measures based on an after housing costs measure of poverty. It may be the only time when we could celebrate adding 190,000 to the total number of children and working age adults living in poverty in Scotland!



POLITICAL COMMENT

Tackling the root causes of poverty

Annie Wells, Regional List MSP from the Conservative Party, believes that tackling the root causes of poverty should start in the early year. In this article she discusses closing the wealth gap amongst young children in Scotland.



Born and bred in Glasgow I know only too well how poverty can affect families and individuals and the strain it can put on relationships.

After all, my home city has the misfortune to be known as one of the most deprived in Scotland.

According to the Scottish Government's own statistics – the gap between life expectancy between those living in its more affluent neighbourhoods and those in its poorest is wider than anywhere else in the UK.

But it's not just Glasgow's problem. It affects every part of Scotland, with more than one in five (220,000) of Scotland's children officially recognised as living in poverty, a level significantly higher than in many other European countries.

Nowadays it is far too easy to criticise the centre-right when it comes to reducing poverty. No doubt some of that criticism is merited but we also must recognise success where it arises.

Since the Conservatives took office in 2010, millions of low paid people are better off and employment is at its highest ever level.

More low earners have been taken out of tax, the minimum

wage is about to have its biggest ever rise – the state pension already has – and that's why, as well as the lowest level of child poverty since records began; the GINI coefficient which measures inequality has also dropped.

But this aside, in May this year the Scottish Conservatives managed to become the official opposition in Holyrood. It's now our chance to follow in the footsteps of the UK government and offer real solutions to make poverty a thing of the past.

We believe a major way of tackling the root causes of poverty should start in the early years.

Given the gap that opens up among children from poor and wealthy homes before the age of three, we think action is required earlier in life.

We argue that instead of extending that provision across the board for three and four year olds, we should provide more high quality childcare for more one and two year olds, starting with those in disadvantaged homes would help a lot.

We also believe more funding will be required to train up a more highly qualified professional workforce to carry out that childcare.

It has to be about offering proper early years skills to children, developing literacy and numeracy, so that the gap that opens up at this young age is closed.

And once children are at school, we need to continue this work.

Professor Sue Ellis from the University of Strathclyde has produced some excellent work in this area. She focussed research on literacy in disadvantaged areas and how this had a huge effect in boosting pupils' performance. Her findings are something we can all learn from.

As the SNP continue to obsess about separation they have taken their eye off the ball when it comes to a widening attainment gap and disadvantages in early years.

But we want to work together to tackle the root causes of poverty. Tackling disadvantages in early childhood might just be key to making poverty history in Scotland.



Young people and participation: What can Scotland learn from Europe?

Liam Beattie, Policy and Political Officer at HIV Scotland, outline the need for young people's voices to be heard in the wake of Brexit.



The need for real engagement with young people in Scotland has never been more pressing. Following this summer's EU referendum, an entire generation is now at risk of becoming alienated and disempowered with a political narrative that they overwhelmingly rejected on the 23rd June. As the cogs of government slowly start to veer us in the direction of the exit door of the EU, there are many lessons we can learn from engagement and participation from our neighbours on the continent. These practices and examples should be given a great deal of consideration well before unveiling precisely what Brexit actually is.

Young European Movement

Over the past year I have served as the Vice President of the newly formed Young European Movement (YEM) branch in Edinburgh. This apolitical movement was formed in 1972 to provide a platform for young people across Europe to express their opinions on Europe. In the UK the network is run by a grass roots body of volunteers under the age of 35 who dedicate their time to organise events, promote campaign and work closely alongside a community of thousands across Europe. Although the movement has strong opinions about the EU, there is a much broader focus on the rights of young Europeans from Iceland across to Bulgaria and further afield. There is a strong emphasis on promoting cohesion and knowledge sharing so young people can have the tools and skills to create change within their local communities. Although YEM Edinburgh was only formed in 2015, the branch was certainly thrown in at

the deep end with the announcement of the EU referendum in June 2016. There were many logistical challenges in finding space in a Scottish political context that is already dominated by one domestic constitutional question, never mind an international one. However the biggest challenge revealed the lack of awareness of what it means to be young person living in Europe. Taking a look at 2014 European Parliamentary elections, with voter absenteeism among under 30 year olds one of the highest across the EU at over 80%. There are many reasons why people both young and old have traditionally chosen not to vote in European elections but this plus 80% absenteeism came just a few months prior to approximately 70% of under 35s in Scotland voting in the independence referendum.

For a pro-EU movement, this low interest in European affairs presented a backdrop where engagement among our peers would become the first priority.

Over the course of the referendum campaign, YEM Edinburgh worked to inform and communicate information about the EU to the city's younger population. The benefit of being a movement that was apolitical and driven exclusively by young people allowed us to bring a different narrative to a referendum campaign dogged in scaremongering and a war of statistics by both Leave and Remain.

The country has spoken – where next?

Following the referendum, I was invited asked to appear on national radio about why a large number of young people were expressing feelings of real bitterness towards older generations. Questioned by the presenter, I was asked whether this was mere sour grapes and if young people should simply accept this result and move on. Feelings of campaign fatigue and disappointment aside, I explained that what the result demonstrated was the alarming gulf and divergence between generations across the UK. Simply put, older people voted for a future that young people simply do not support. Polling data revealed that 64% of under 24s backed retaining our EU membership, whilst only 33% of over 65s did the same.

Over the course of the summer YEM Edinburgh helped organise two separate rallies to give young people a platform to express their sense of despondence but also come together to re-energise and continue campaigning.



Theresa May's statement that "Brexit means Brexit" offers little policy insight as to what the future of the UK will look like for my generation, nor reveal how we can help to shape the biggest constitutional change this country has undertaken in modern times. As the report by the Scottish Parliament's European and External Relations Committee on the impact of Brexit for Scotland, states there are "momentous decisions that now have to be taken". These decisions must not be taken in isolation and that is why the participation of young people across the country has now become fundamental in helping to shape its very future.

Lessons from Europe

One of the most renowned examples of youth participation at a Europe wide level is the European Youth Forum which is a platform of 100 youth organisations, both National Youth Councils and International Non-Governmental Youth Organisations. This platform gives young people from across Europe the opportunity to come together and propose policy solutions across a range of areas from unemployment, discrimination and youth rights. One of the strengths of the Youth Forum is that the work of the organisation is driven by its members, with its board comprising of young people themselves who are supported by a secretariat.

In 2015 the organisation published an extensive report detailing the state of youth engagement with European and domestic political institutions. The report highlights the continued trend of young people becoming disillusioned with traditional political participation, such as voting and standing for election. However it notes that whilst turnout backs up theories by political scientists that young people are becoming more apathetic, this is strictly related to institutional politics. There are several innovative solutions proposed to change the political imagery of young people, for example by governments investing more long-term in youth organisations and utilising digital technology to reach out to marginalised young people.

Research by the European Commission in 2013 examined the provision of citizenship education within schools across Europe, emphasising the importance the subject has in providing young people with the skills and confidence needed to become active citizens. Examples of good practice included France where students receive citizenship education for an average of 12 years at school, starting at the age of 6. The report notes the importance of ensuring young people are not merely consulted on

proposed changes but have dual decision making authority alongside policy makers. There are various examples of such practice here in Scotland with organisations such as the Scottish Youth Parliament working to ensure Article 12 of the UN Rights of the Child, which protects the rights of young people to have their opinions heard when decisions are made on their behalf. This rights based approach is fundamental to providing a framework that can be used by national governments to ensure the genuine participation of young people.

However this vision of a society where by there is real involvement in the decision making process can only be realised with sustainable funding of youth organisations. The value of youth organisations was uncovered in a report by the European Youth Forum in 2016 and it uncovered the social value these bodies create, outlining the personal, civic and political outcomes associated with youth organisations. A key finding was changes in young people's engagement and activism within civil and political society, for example volunteering and direct action, as a direct consequence of being involved in a youth organisation.

The youth work sector in Scotland has been unequivocal in its belief of both the social and economic benefits of youth work. YouthLink Scotland uncovered that youth work contributes at least £656 million to the Scottish economy, with a return of £7 for every £1 of public expenditure. Although not all youth organisations are subject to national funding – the European Youth Movement is funded by its members – formal organisations can acquire the expertise to involve those hard to reach young people.

Ideas for a better Europe

Over and above participation, one of the most crucial aspects to empowering young people is proving structures and mechanisms for them to push for policy changes that they themselves have come up with. One of the best examples of such practice is the European Youth Event, which was held for the second time and took place in May 2016 at the European Parliament in Strasbourg. Approximately 7,000 young people descended upon the parliament building, with a full-scale takeover of the chamber which has played host to addresses by various national and religious leaders, including the Pope in 2014. Opening up the whole building which usually homes MEPs with an average age of 51, was a statement that young people have as much right to be heard as their elected officials.



Over the course of two days young delegates exchanged ideas about youth-related issues, with each person bringing their unique perspective to Strasbourg. Most importantly they developed innovative solutions to critical questions for the future of the continent and met with decision makers ranging from locally elected officials, European Parliament Vice Presidents to European Commissioners.

The biggest achievement of European Youth Event was the creation of a report which contained ideas proposed by delegates which in September 2016 was presented to the European Parliament. This report contains 50 ideas and policy suggestions that were formulated during a series of seminars, workshops and interactive sessions back in May. Some of the ideas will go forward to the various parliamentary committees, starting in October, with MEPs expected to discuss them with the young people involved.

The ideas in the report include a whole range of suggestions to improve the state of democracy and participation among young people, at both a European and domestic level.

For example there are detailed proposals for introducing e-voting in elections and notes that this was introduced nationally in Estonia back in 2007, which was a world first. Another policy proposal concerns the need to train and upskill young people to become political leaders and draw on the success of other international initiatives such as the UN Development Programme Youth Strategy and the establishment of the UN Special Envoy on Youth in 2013.

In the foreword of the report, Mairead McGuinness and Sylvie Guillaume, the Parliament's Vice-Presidents responsible for communication, stated "We are confident that these ideas can be a source of inspiration for all MEPs. Young people can make a difference and we are sure their contribution will lead to an increasingly vibrant European democracy. It is now up to MEPs to take their lead and to continue this important dialogue with the youth of Europe."

Of course the real challenge will be to see how far these ideas progress but with the enthusiasm and commitment the young people at the event had, they now have a genuine means of participation to bring about the change they want to see.

Allowing young people to be the drivers in participation is hugely important and the template of the European Youth Event is one that Scotland's policy makers should give real consideration to. Although various organisations have used the Scottish Parliament building and chamber to host events and conferences, the success of the European Youth Event lies in ensuring participation is not merely a one-off exercise but is actually the start of a longer engagement journey.

Next steps for Scotland

Unlike the vast majority of other delegates at the European Youth Event, I did not leave Strasbourg in May with the prospect of returning to the continent not as an EU citizen. I recently spoke at a policy seminar alongside youth work practitioners and experts and about the very issue of how to engage with a section of society that was already becoming ever-increasingly disillusioned with politics and now more so following the EU referendum. The key to overcoming this huge obstacle must lie in participation. Currently Scotland has wealth of expertise on how to engage with its young citizens but this challenge has become even greater as politics is moving at an increasingly fast pace, with young people at risk of being left behind.

However, as demonstrated, leaving the EU – in whatever shape or form that may be – must not result in leaving the vast opportunities that are available by working internationally. Formal organisations such as the European Youth Forum and grassroots movements such as the Young European Movement, demonstrate the real benefits to working across borders. When looking at avenues for participation, this must not start and end at Gretna Green.

As Scotland enters these uncharted waters, with constitutional questions being asked both in regards to the future of the United Kingdom and our place within the European Union, the very people who will live with the consequences of these decisions for the longest, must have a clear and defined means of being involved. Failure to do this does not just leave a generation disempowered but risks the very health of our democracy.

We have an opportunity to turn the disappointment felt among young people after the 23rd June into a catalyst for political engagement and participation. Let's seize it.



TACKLING POVERTY AND SOCIAL EXCLUSION WITH UNCONDITIONAL MONEY: Notes on the Finnish basic income experiment

Pertti Honkanen, Senior Researcher and Ville-Veikko Pulkka, Researcher, from The Finnish Social Insurance Institution Kela discuss the Finnish basic income experiment.

The idea of a basic income, “an income unconditionally granted to all on an individual basis, without means test or work requirement”¹, has been discussed in Finland for decades. Yet, it is fair to note that basic income was never widely considered a politically feasible option before a reference was made to a basic income experiment in the governmental programme of the centre-right wing coalition government of Prime Minister Juha Sipilä in May 2015.

The reference to a basic income experiment was a surprise for many since the coalition parties the Centre Party of Finland (agrarian, economically centre-right), the Finns Party (nationalist, populist, economically centre-left) and the National Coalition Party (liberal and conservative fractions, economically right) have not been the most noticeable advocates of basic income, even though a few Centre and National Coalition Party member have been in favour of the idea in recent years.

Regardless of the many universal elements in the Finnish welfare state (e.g. extensive social security and free/quasi-free public services), the idea of paying unconditional money for everyone has not resonated with the prevailing strong work ethic of the social democratic welfare state. Partly due to this the Social Democratic Party and social democrat led trade union movement have been critical against the idea of a basic income. Another reason for the reluctance has been anxiety that basic income would be combined with weakening of labour laws and collective agreements, even though this is not inherent in the idea of a basic income.

The most prominent advocates of basic income have been traditionally green-left politicians, scholars and activists. A mid-size Finnish party the Green League was the first party to publish their own micro simulated basic income model in 2007 (revised model in 2014), followed by another mid-size party the Left Alliance in 2011. Both models are partial models: the level of basic income corresponds roughly to the levels of the current basic security benefits and the models leave for instance housing allowances and earnings-related benefits intact.

Less unexpectedly, the leftist model is more generous and has greater impacts on income distribution.

It is inevitable to note that discussing basic income at a general level is not a sustainable starting point since level of basic income, taxation model and replaceable benefits

determine what kind of effects basic income has. Due to this it is clear that even testing a basic income involves many political decisions which have their consequences on the results.

An illustrative example of the problematic nature of general level discussion is also two Kela surveys carried out in autumn 2015. According to the first survey 69% of the Finnish people were in favour of a basic income scheme as such. When probable levels of basic income and needed flat rate taxes were included, the support collapsed to level of 30–40%.

The Finnish basic income experiment has received a great deal of international interest. What has repeatedly forgotten in foreign media is that the Finnish government is testing a basic income scheme, not implementing one. This is why the experiment should not be automatically interpreted as a paradigm shift in Finnish social and labour market policies. In tandem with the experiment the Finnish government is implementing more conditional elements in social security. That is, instead of a paradigm shift more truthful motivation for the Finnish experiment is the government’s endorsement for promoting evidence-based policies and experiment culture.² In addition to the basic income experiment, also other social experiments will be carried out.

Setting the agenda – Diminishing disincentives in social security

After evaluation a consortium³ led by the Finnish Social Insurance Institution Kela was appointed to study the suitability of different basic income models for the experiment.

The assignment handed down by the Prime Minister’s Office outlined following options:

- 1) Full basic income (the level of BI high enough to replace almost all other benefits, perhaps excluding earnings-related benefits)
- 2) Partial basic income (would replace most of the basic security benefits, but leave some)
- 3) Negative income tax (politically determined unconditional minimum income for those who cannot earn it otherwise)



4) Other possibilities to test basic income (the research group analysed participation income and the British Universal Credit, but these systems would not enable one to test the effects of basic income due to their conditionality).

In the assignment only one clear target was emphasised: diminishing disincentives in social security. In the Finnish basic income discourse basic income has been often seen as a practical measure to make work always pay. In other words, employment became the primary indicator in the Finnish basic income experiment.

This target resonates with the strong work ethic of the social democratic welfare states, but has also a connection to the activation policies pursued in Western welfare states last decades. Removing disincentives in social security has been a major target of all Finnish governments since the mid-1990s.

Research group's recommendations

Based on extensive theoretical analysis and numerous microsimulations, the research group recommended in its report (published on 30 March 2016) testing a partial basic income which would correspond to current basic security benefits (e.g. basic social assistance, basic unemployment benefit, labor market subsidy, sickness allowance, rehabilitation allowance, minimum parental allowances). A full basic income scheme was considered to be too expensive and politically unfeasible to test.

Testing a negative income scheme in a reliable manner would have required an access to people's real-time information of incomes. Such a digital income registry will be implemented in the coming years. However, economic implications at macro and micro level would be mathematically almost identical in a basic income and a negative income tax scheme.

In an ideal research setting several models with different taxation systems should be tested to achieve better understanding on the dynamic effects of basic income.

To produce generalizable and reliable results the research group recommended a nationwide and compulsory randomisation. To capture possible externalities (that is what happens when more people in a certain area receives the new benefit) more intensive regional sample would also be necessary. The research group recommended focusing on low-income households since the budget (€20 million for two years) is limited and the elasticity of labour supply is supposed to be greatest among this group. According to power calculations by economist Jouko Verho, a sample of approximately

10,000 people is needed in order to observe statistically significant results if employment changes two percentage points.

According to the microsimulations, it is clear that improving economic incentives consistently is not possible with a partial basic income which is financed budget neutrally⁴. This results from the relatively high income tax rates needed to finance basic income budget neutrally and the benefits such as preventive and complementary social assistance, housing allowances and earnings-related benefits which cannot be replaced by a partial basic income. In order to improve economic incentives of low income households it is necessary to apply progressive taxation or dilute the current level of social security.

Basic income and social exclusion

In addition to the incentive target the assignment handed down by the Prime Minister's Office mentioned a need to make social security more inclusive. Even though the incentive approach has been emphasised by the Finnish government, we concentrate next on poverty and social exclusion.

In order to discuss about social exclusion in a scientifically meaningful manner, it is inevitable to name explicitly the indicators which are considered to lead to social exclusion. Otherwise the obvious risk is just end up moralising people who are bad off.

The most explicit risk factor behind social exclusion is undoubtedly unemployment. In addition to declining incomes unemployment may materialise for instance weaker social relationships and both physical and mental health problems. The Finnish basic income experiment studies whether better economic incentives and less means testing produces higher employment rates.

In other words, tackling social exclusion by supporting better employment is an empirical question which will be studied.

Based on older Finnish studies on the effects of lowering income taxes, it seems relatively clear that economic incentives do not have a crucial effect on employment. In the case of basic income, however, diminishing the bureaucracy traps may ease working on a part-time basis or going into self-employment since basic income reduces reporting obligations and delays. Regardless of these factors, it will not be reliable to verify whether a basic income can tackle social exclusion via better employment before the evaluation of the results in 2019.



During the five negative income tax experiments in the United States and Canada in the 1960s and 1970s labour supply declined moderately, but these results cannot be translated directly into the context of Finland in the 2010s. The experiments had also methodological weaknesses which had effects on the reported results. It is also necessary to mention that in the light of social exclusion these results were not as negative as it might look at first sight since young people educated themselves further and mothers looked after their children instead of working.

In addition to employment there are naturally many other indicators which might indicate social inclusion or exclusion and on which basic income may have direct or indirect effect. For instance health, educational attainment, subjective well-being, stigmatisation of social security, housing, and indebtedness can be evaluated, but ex ante research on these indicators is highly speculative. According to a study by Evelyn Forget negative income tax had considerable positive effects on health, and especially mental health, during and even after an experiment which was carried out in Dauphin Manitoba in 1974–1979.

It has naturally argued that an unconditional basic income might also increase social exclusion. Since basic income is unconditional by definition, it would make current activation measures voluntary and people could refuse to participate both in labour markets or the activation measures offered without a threat of sanctions. Many commentators have been particularly worried about youths. Partly due to the possibly increasing risk of social exclusion of NEETs (not in education, employment or training), the research group recommended to exclude youth under 25 years old from the Finnish basic income experiment.

To tackle moral connotations and speculations, we concentrate next on the direct effects of a basic income on social exclusion. The indicators which we can analyse ex ante and which we consider meaningful in this context are poverty and income distribution.

The negative effects of poverty and asymmetric income distribution on social exclusion indicators such as health, nourishment and social cohesion have been widely discussed in research literature.

The effects of different basic income models on poverty and income distribution

The research group made extensive calculations and simulations with different basic income models, especially with different levels of partial basic income which replace basic benefits while earnings related benefits are adjusted with the basic income. One example: if the agreed basic income is 600 euros per month, it replaces basic unemployment benefits, sickness benefits, maternity

benefits, child care benefits and study grants if these are less or equal than 600 euros per month. Earnings related benefits in unemployment and sickness insurance are in most cases greater than 600 euros. In hypothetical models these benefits are adjusted so that the gross benefit, including basic income, does not diminish. E.g. if originally the earnings related benefit is 1000 euros per month, the person gets in the basic income model 600 euros of basic income and still 400 euros of an earnings related benefit. In these calculations housing benefits and social assistance are paid according to the current rules. In general basic income lowers the demand for these means-tested benefits, but it does not totally eliminate them.

When basic income is paid for the whole population, it cannot be financed only by the benefit expenditures it is replacing. A big reform must be carried through also in the tax system. In the hypothetical simulations the research group implemented a flat tax rate on all taxable income (labour income, benefit incomes and capital income; basic income itself excluded from the tax base). This flat tax replaces all current income taxes and with the help of the simulation model a budget neutral tax rate is sought for. Also tax systems which modified the current system were experimented, because a general flat tax is not realistic, and not even a desirable alternative in the Finnish context.

In the simulation experiments the basic income was paid for the adult population (age at least 18 years) excluding individuals having pension income. Pensioners were excluded because the current pension system has already many features corresponding to a basic income. So there is a universal, non-means tested minimum pension level (so called guarantee pension) and old-age pensions are not means-tested against labour income. The pensioners are nevertheless still included in the figures describing the income distribution of the whole population.

In Table 1 we can see some results from these simulations.

Basic income, euros/month	Flat Tax Rate, %	Gini	Poverty-Rate, %
0 (current system)	NA	26,51	13,03
450	41,5	25,94	12,29
500	43,5	25,50	11,98
550	45,0	25,15	11,74
600	46,5	24,79	11,39
650	48,5	24,33	11,10
700	50,0	23,96	10,91
750	52,0	23,49	10,47
800	53,5	23,11	10,21

Table 1. Basic income, tax rates and income distribution



We see that the flat tax rate is rising quite steeply when higher basic income levels are experimented. A basic income of 600 euros/month presumes of flat tax rate of 46.5%. At the same time the effect on income distribution is clearly equalizing: the higher the basic income, the lower the Gini-coefficient and the poverty rate are.

The research group made also many calculations regarding different household types with different incomes in order to study the income and incentive effects of various basic income models. Incentive problems can be serious in the current system if the person or the family is receiving different means-tested benefits at the same time: wage-adjusted unemployment benefit, housing benefit and also social assistance. The situation is aggravated when there are children in the family, because these benefits are also dependent of the number children. In these situations also the child-care fees make the situation more complex. In some income brackets the marginal effective tax rate can be 80 – 100 percent and even more.

Experiments with the basic income schemes showed that in many cases the incentive problems are easing off, but it is difficult to eliminate them totally and in some situations or models they even aggravate. In the partial basic models housing benefits are still needed in many cases, because the basic income cannot cover the high housing costs, especially in urban areas in Southern Finland. In general dependence on housing benefit system creates incentive problems. In every case one advantage of basic income schemes is simplification of the system and this can alleviate at least the so called bureaucratic traps; delays, reporting obligations and falling through the social security net.

Experiment design

Finally, on the 25th September 2016, the Ministry of Social and Health Affairs published basic income experiment bill draft which was written during the summer 2016⁵. In the bill on the basic income experiment the government proposes testing a partial basic income model of €560 net a month which would be paid just to Kela recipients receiving either basic unemployment allowance or labour market subsidy in November 2016. According to the bill the current progressive taxation will be applied which means that the model is relatively generous for people who find a job. In other words, it will improve work incentives substantially.

A sample of 2000 recipients will be randomised based on a nationwide randomisation which will be carried out in December 2016. The experiment's treatment group consists of persons between 25 and 58 years old living in

Finland. The control group will be approximately 130,000 people. The bill's consultation period ended on the 9th September and the policy process continues normally during the autumn.

The experiment design proposed in the bill bases partly on the recommendations made by the Kela-led consortium, but its approach is not as ambitious. This can be mostly explained by time and budget constraints: building a new taxation system by Tax Administration and a new payment platform by Kela would not have been possible until the 1st January 2017. Enabling sample size bigger than 2000 persons would have required a new payment platform.

Severe criticism on the bill presented by many economists and politicians was fully expected.

The sample size has been criticised to be too small, target group too exclusive and the model unrealistic since budget deficit would be €11 billion if this model based on the current taxation was implemented at state level.

Given the government's aim to test basic income's employment effects, the proposed model can be described "good enough", as Heikki Hiilamo, Professor of Social Policy at the University of Helsinki, described the bill. Even though the proposed model is not budget neutral, it is probable that some sort of progressive taxation would be applied in order to improve work incentives among low income households, if basic income was implemented at state level.

At the same time it is clear that this approach will not be ambitious enough to explore all important dynamics of basic income. It will shed some light on the employment effects of partial basic income, but studying not just other low income households, but also the entire working population with multiple different models would be necessary in order to understand the dynamics of basic income better. Based on the work already done, this should not be politically unfeasible.

Conclusions

Testing a universal benefit such as basic income may sound like a simple task at first. However, more complex the current social security system is the more complex the process will be since numerous existing laws have an influence on the process and need to be taken into account before launching an experiment. This is definitely one reason why basic income experiments may remain more popular in developing countries where the implementation process can be much simpler.

Promoting evidence-based policies and experiment



culture may increase transparency and by that means even democracy if political decisions are based on scientific work more often in the future.

However, this approach has its limitations too. It would be naïve to assume that social sciences, involving economics, would be free of any political connotations. As the experiments in the US and Canada in the 60s and 70s showed, the results may also be interpreted in a manner that does not base on the actual evidence.

In order to carry out a scientifically successful experiment it is inevitable to emphasise the need for political commitment before, during and after the process.

Primarily this means guaranteeing enough time and money to plan, implement and assess the experiment, but also being aware of a demand process which requires patience and fluent cooperation between politicians, researchers, civil servants, and relevant institutions. An experiment is not “just an experiment”, but a complex policy process; at least if it is carried out in scientifically reliable way.

Regardless of the limitations of the proposed experiment design, the Finnish basic income experiment has an opportunity to produce scientifically and politically interesting data, even though a two-year experiment cannot reveal the universal truth of the nature of basic income, no matter how ambitious the research setting is. It is a political question whether the employed approach will be extended in the future, but given the current public discussion, it seems a probable scenario.

Promoting evidence-based policies may be a new creative approach to strengthen democracy, but it shall not make politics absent. Setting agendas and defining societal targets are still political questions and this should be bear in mind when discussing evidence-based policies.

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Footnotes

1. The definition of basic income by the Basic Income Earth Network (BIEN)
2. The expression used by the Prime Minister Juha Sipilä's government.
3. The consortium consists of the Finnish Social Insurance Institution Kela, the Government Institute for Economic Research, the Universities of Helsinki, Tampere, Turku and Eastern Finland, the National Fund for Research and Development Sitra, the think tank Tänk, and the Federation of Finnish Enterprises. The Association of Finnish Local and Regional Authorities contributed also to the review.
4. The budget neutrality requirement means that no one's net income is allowed to change drastically in comparison to the current system and the basic income is financed from inside the current social security system and by increased taxes on labour and capital income.
5. The Ministry's press release available in English: http://stm.fi/artikkeli/-/asset_publisher/sosiaali-ja-terveysministerio-pyytaa-lausuntoja-osittaisen-perustulokokeilun-toteuttamisesta?_101_INSTANCE_yr7QpNmIjMjSj_languageId=en_US



POVERTY, SOLIDARITY AND EUROPE

In this article Peter Kelly, Director of the Poverty Alliance and Vice President of the European Anti-Poverty Network, gives some of his personal reflections on what the implications of this summer's referendum on EU membership means for the fight against poverty.

On the morning of the 24th of June the Poverty Alliance issued a statement on the referendum result that included the statement:

*"Tackling poverty and seeking social justice is ultimately about solidarity...whether that solidarity is about is expressed at the community level, within a country or at the international level. It is the bedrock of what is needed for a better society."*¹

Five months after that momentous result it is time to consider whether this immediate post referendum assessment was correct. Since the result more has been said about the role of poverty and inequality in shaping the outcome of the result than was said during the campaign. Issues of poverty and social justice were seldom discussed, with the focus more on the idea of 'taking back control' and radically reducing immigration. Now far more attention has been paid to the so-called 'left behind', suggesting that across the political spectrum there is a new found concern for those who have been impacted by globalisation and economic change.

In this article I want to look at what lay behind the vote to leave the EU, and whether some of the assumptions that are being made are correct. I will also look at the implications for those of us who want to see a more progressive approach to social policy in the UK. Whilst Brexit may mean Brexit, it is by no means clear what that means for progressive social policy in the UK and Scotland.

Why we voted to leave the EU

In the aftermath of the EU referendum there has been a desire to understand why the result came about. There has been much analysis of who voted for Brexit: what was their class or economic background, where did they live, were they in work, what age were they, what was their educational background. There has been an attempt to locate the actions of those who voted Leave within broader economic and political changes, rather than simply dismissing voters as uninformed, racist or xenophobic.

What emerges from many of the analyses of voting patterns is that an easy identification of the typical Brexit voter is difficult to achieve. It is certainly possible to say that those who voted to leave the EU were more likely to be older voters, were less likely to have a university degree, and were likely to have lived in an area affected by economic decline. Writing for the Joseph Rowntree Foundation Matthew Goodwin and Oliver Heath² argue that there is

clear evidence that those who feel 'left behind' in Britain had a strong propensity to vote to leave the EU. Those with incomes less than £20,000 per year, who were unemployed or who were in manual or 'unskilled' occupations were all more likely to vote to leave. They also found that whilst income and age were important predictors of who voted Leave, educational attainment appear to be the most important predictor, with those who had GCSE qualifications 30% more likely to vote Leave than those with degrees. In comparison, those with incomes below £20,000 were 10% more likely to vote leave than those with incomes of £60,000 per year.

Other analysis have shown that those areas that have been more affected by economic decline, as expressed in lower average earnings were more likely to have voted to leave the EU.³ Data such as these have led some to the conclusion that the vote to leave the EU was a response to the great recession of 2008, the impact of austerity and to longer-term process of economic inequality. There is little doubt that to some extent this is true. In the Poverty Alliance's immediate response to the referendum result, we highlighted the impact of poverty and inequality, and the EU's association with austerity policies, as an important part of understanding why so many had voted to leave. However, even if we accept that social and economic exclusion was behind the vote for many millions of people in the UK, it is not possible to draw a straight line between economic inequality and those who have lost out through austerity and the vote for Brexit.

Many of those who voted to leave the EU were not those who had been directly affected by austerity. Many of Britain's pensioners, for example, have been protected from some of the impacts of austerity, at least financially. They have also not lost jobs due to the cuts in the public sector, although they may have been impacted by the decline in those services as a result. Pensioners may have voted to leave, but it is not clear that this is as a result of austerity or inequality.

When we consider the ways that different places voted. One of the poorest areas of the UK, Northern Ireland, which has been affected by long term economic problems voted clearly to remain part of the EU. Writing in the Independent, Ben Chu highlights that young people have been one of the groups most negatively affected by austerity, and yet voted overwhelmingly to remain in the EU.⁴ He concludes that looking for easy explanations, perhaps particularly economic explanations, of the referendum result are doomed to fail.



Any analysis of why the UK voted to leave the EU must also contend with the way that issues of immigration and race were discussed, both openly and in the coded messages of the Leave campaign, during the referendum. For many years' problems such as the lack of affordable housing, persistent unemployment, the failings in the NHS or stagnating levels of pay have directly and indirectly been attributed to immigration to the UK. Rather than attributing these problems to the policy failures that lay behind them, too often migrants became the easy target.

When those campaigning to leave the EU demanded that we needed to 'take back control', it was clearly in reference to control of the UK borders. By restricting migration, it was argued, we would be in a better position to address the problems of low pay or lack of housing. The inability of many of those who were in favour of remaining in the EU to effectively counter these arguments was hardly surprising. Despite being in favour of remaining in the EU the leadership of both the Labour Party and Conservative Party in the UK were at best lukewarm about the place of migrants in the UK. From stoking concerns about benefit and health 'tourism' to calling for 'British jobs for British workers', politicians across the divide have too easily resorted to language and actions that have pinned the blame on migrants. If we want to understand why so many chose to support the clear xenophobia of those campaigning to leave the EU, then look at the rhetorical claims of mainstream politicians over the last 20 years.

So whilst economic inequality and failed austerity policies may be at the root discontent with both mainstream politicians and the EU, it is not enough to attribute the referendum result to these factors alone. Race and xenophobia, as well as class, played a key role in outcome in the referendum. If anti-poverty campaigners in Scotland and across the UK are to respond effectively to the implications of Brexit, then it is vital to understand and engage with this fact. As new research has shown, minority women have borne the brunt of austerity policies.⁵ It will strengthen our anti-poverty arguments if we find better ways to build common cause with all those affected by poverty and inequality, and this will mean responding to divisive arguments of many of those who supported leaving the EU.

What Brexit means for social protection

One of the criticisms that the European Anti-Poverty Network has often made of the EU has been the lack of progress that has been made in addressing poverty across member states. Around one in four people in Europe are estimated to be experiencing poverty.⁶ There have been periods where issues of poverty were taken more seriously

by policy makers, for example during the Lisbon process period between 2000-2010. During this period there was a structure for Member States to develop regularly social inclusion action plans, to have them monitored and reviewed, to have civil society organisations and people with experience of poverty involved in their production. However, despite this elaborate structure to promote 'Social Inclusion' there were all through this period no meaningful legally binding measures requiring Member States to take action on poverty.

This lack of competency in key areas of social protection undoubtedly limited the action that the EU could take in addressing poverty. Competency is only part of the story though. The EU was less successful as a whole in combating poverty due in large part to the continual emphasis on competitiveness and deregulation. When member states were urged to reform their systems of social protection, this was not in order to make them more effective at preventing or relieving poverty, but instead to transfer them in to systems to support competitive labour markets.

Some of those seeking explanations for result of the referendum see the failure of the EU to address issues of poverty and economic decline in certain places. This failure was real. However, the failure was in part the result of limitations on the scope for action by the EU, as well as the social and economic priorities that it pursued within these limitations. These were priorities that in many ways the UK Governments, of all political stripes, supported since the 1990s.

Simply because the EU does not have competency in key areas of social protection, it does not mean that the decision to leave will have no consequences for those of us concerned about tackling poverty. There are a number of areas where our membership of the EU has played a critical role in protecting and extending the rights of workers, women, and people from ethnic minorities.

The Working Time Directive (WTD) for example has brought about important extensions of health and safety protections, ensuring that for the first time thousands of people were guaranteed paid annual leave. Equal treatment Directives from the 1990s onwards have significantly improved the rights and conditions of part-time, fixed term and temporary workers. Workers who previously would have had less favourable rights in terms of pensions or paid time off were now legally required to be treated equally with part-time workers. When the Prime Minister's Great Repeal Bill becomes law following our departure becomes law, there is a real fear that many of the progressive changes brought about through our membership of the EU will come under pressure.



Our departure from the EU means that we will no longer be bound by the Charter of Fundamental Rights, which covers only those countries that are part of the EU. Although the UK will remain part of the European Convention on Human Rights, the Charter undoubtedly brings stronger protections in economic and social rights, for example in relation to children's rights. For anti-poverty campaigners who have sought to rely on rights based approaches, the legal framework for these arguments will undoubtedly become less favourable when we leave the EU. Protecting hard won employment rights, equal treatment and other social rights will need to be a priority for campaigners in the wake of Brexit.

Even after so many months, it remains difficult to say what a post Brexit anti-poverty agenda may look like.

Even after so many months after the referendum, it remains difficult to say what a post EU agenda should begin to look like. There is little clarity on what kind of Brexit we will eventually end up with. Messages coming from Edinburgh, London and Brussels do little to clarify what we may expect when we are no longer part of the EU. Despite this confusion there is a need for anti-poverty campaigners to develop a minimum agenda that can help protect and extend the gains that have been made.

Securing the protection of social and economic rights that have been gained through membership of the EU should be at the top of the list for campaigners. This will require an enhanced level of cooperation between all those involved in Scottish civil society. Trade unions, community and voluntary organisations, faith groups, will all need to work together to ensure that common threats from Brexit are identified and effective responses are developed. Knowledge about how Europe has worked and the benefits of the European Social Model is held by a wide variety of organisations, including the Poverty Alliance, but this is seldom shared effectively. As the negotiations over Brexit take place (assuming article 50 is finally triggered) it is vital that these organisations make their voice heard. The Scottish Government's Standing Council on Europe⁷ is an opportunity to bring together these disparate voices in a coordinated way, but civil society organisations working together themselves will

make the strongest arguments for the protection of social rights.

For many third sector organisations there are significant funding implications arising from leaving the EU. There is some £20million of funding to employment programmes through the European Structural Funds. It is important that these funds are protected. The loss to third sector organisations involved in transnational projects or in research projects funded by Horizon 2020 is difficult to quantify in pounds and euros. The implications for the loss of knowledge and learning between people and groups will be significant. It is vital that those who are active in European networks and transnational activities remain so after Brexit. The support of the Scottish Government to allow these European connections to be maintained will be crucial. It is upon these practical networks that we can maintain the links and common bonds that are so necessary for the international solidarity that is needed to address a range of social problems.

That solidarity will be essential when confronting the upsurge of racist and xenophobic behaviour that has been seen following the referendum in June. This starts with doing all we can to protecting the rights and entitlements of EU migrants in Scotland. But it means rejecting an analysis of the referendum that privileges the needs of the white working class, the so called 'left behind', over any other group. Such an analysis is not only misguided, but dangerous. The upsurge in populist and outright racist political movements over the last few years across Europe and in the US is a threat to all those who want to see a more equal society, one that genuinely addresses poverty. If we genuinely want solidarity, and a real progressive social and economic agenda, we need to build links between all those who have been left behind by economic change, particularly those whose voices are rarely heard. As campaigners we must do more to include those voices be they ethnic minority women, low paid young workers, disabled people. Above all, we will need to be active and engaged. As the American philosopher and civil rights activist Cornel West wrote after the election of Donald Trump: "in these times, to even have hope is too abstract, too detached, too spectatorial. Instead we must be a hope, a participant and a force for good."⁸ This is our challenge in the UK in the wake of Brexit.

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MEMBERSHIP:

JOIN US!

The Poverty Alliance is a national anti-poverty development agency for Scotland which seeks to combat poverty through collaborative action, bringing together workers and activists drawn from the public sector, voluntary organisations, community groups and other agencies.

The Alliance's wide range of activities provide many opportunities for members to exchange information and expertise which benefit the anti-poverty movement.

The benefits of membership include regular mailings, Scottish Anti-Poverty Review, opportunities to become involved in working groups and access to a wide range of organisations and activists who have the potential to influence the direction of anti-poverty policy in the future.

MEMBERSHIP APPLICATION

Name and designation of contact person: _____

Name and address of organisation: _____

Telephone: _____

Fax: _____

Email: _____

MEMBERSHIP FEES:

FULL MEMBERSHIP: OPEN TO CIVIL SOCIETY ORGANISATIONS: INCOME LESS THAN £50K: FREE | £50,000-£75,000: £50 | £75,000-£175,000: £75 | £175,000-£500,000: £100 | MORE THAN £500,000: £200

ASSOCIATE MEMBERSHIP: OPEN TO INDIVIDUALS, VOLUNTARY AND STATUTORY BODIES, AND PRIVATE SECTOR ORGANISATIONS*: UNWAGED INDIVIDUALS: FREE | INDIVIDUALS: £25 | VOLUNTARY ORGANISATIONS: £25 | STATUTORY BODIES: £300

*PLEASE CONTACT THE POVERTY ALLIANCE FOR DETAILS

I/We wish to apply for *Ordinary/Associate Membership for the year: _____

* Please delete as appropriate. NB Membership of The Poverty Alliance runs from 1st April to 31st March. Applications for new membership received after April 1st are charged

Signature: _____ Date: _____

Please send the completed application form to the address below - thank you.