State planning and Universal Basic Income: In search of a new development model

Planificación estatal y renta básica universal: en busca de un nuevo modelo de desarrollo

Planejamento estatal e renda básica universal: em busca de um novo modelo de desenvolvimento

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Abstract

Considering the state of permanent economic crisis imposed by the current productive model, which we call austerity neoliberalism, this paper examines, within the Brazilian legal and constitutional

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framework, the possibility of implementing a universal basic income based on state planning. First, we analyze how the Brazilian Constitution structures state planning and how the theory of the economist Celso Furtado enables a form of social developmentalism, which makes possible a new model of state action aimed at ensuring social cohesion through a universal basic income. We then present existing models of basic income and discuss how universal basic income may constitute a new development model.

Keywords: development policy; economic and social development; income and wealth; incomes policy; social justice.

Resumen

Considerando el estado de permanente crisis económica impuesto por el actual modelo productivo, al que denominamos neoliberalismo de austeridad, este artículo examina, dentro del marco normativo y constitucional brasileño, la posibilidad de implementar una renta básica universal basada en la planificación estatal. Inicialmente, abordamos cómo la Constitución brasileña configura la planificación estatal y cómo la teoría del economista Celso Furtado, que viabiliza un desarrollismo social, posibilita un nuevo modelo de actuación estatal orientado a garantizar la sociabilidad mediante una renta básica universal. A continuación, se presentan los modelos existentes de renta básica y se analiza cómo la renta básica universal puede constituir un nuevo modelo de desarrollo.

Palabras clave: desarrollo económico y social; distribución del ingreso; justicia social; política de ingresos.

Resumo

Considerando o estado permanente de crise imposto pelo atual modelo produtivo, que denominamos neoliberalismo de austeridade, este artigo examina, dentro do marco constitucional brasileiro, a possibilidade de implementação da renda básica universal, baseada no planejamento estatal. Inicialmente, analisamos como a Constituição brasileira estrutura o planejamento estatal e como a teoria do economista Celso Furtado possibilita a ideia de desenvolvimento

social como fundamento para um novo modelo de ação estatal pautada em uma renda básica universal. Depois, apresentamos os modelos existentes de renda básica e discutimos como a renda básica universal pode ser implementada.

Palavras-chave: desenvolvimento econômico e social; distribuição de renda; justiça social; política de desenvolvimento; política de renda.

1. Introduction

This study aims to address the need for democratic state planning as a foundational tool for the reorganization of Brazil's productive system with the realization of human dignity within the context of a systemic crisis. First, it is important to clarify that the title refers to one of Celso Furtado's works, "In Search of a New Model" (Furtado, 2002), which was originally published in 2002. Furtado was an economist and jurist from the state of Paraíba, Brazil. He not only interpreted Brazil but also, with talent and patience, sought to redesign the nation through a planned and sovereign project. However, his collective dream of a developed nation was interrupted by many years of authoritarianism during the military dictatorship (1964–1985) in Brazil.

This paper focuses on state planning, as ordered by constitutional norms, with the aim of fulfilling the objectives of the Republic, including the eradication of poverty and the reduction of social and regional inequalities, as also established by Goals 1 and 10 of the United Nations Sustainable Development Goals: "No Poverty" and "Reduce inequality within and among countries." One viable mechanism for achieving these goals is Universal Basic Income. As a theoretical framework for this study, we draw upon the teachings on the concept of planning by Professor Washington Peluso Albino de Souza, the pioneer of Economic Law in Brazil. Additionally, we rely on the contributions regarding universal basic income from the Belgian philosopher Philippe Van Parijs and the English thinker Thomas Paine.

We adopt the substantive analytical method as our research approach, which is appropriate for Economic Law, since we start from economic facts to be addressed legally, namely, the total or partial disruption of productive and commercial chains, consumer and labor relations, and the increase in poverty due to the COVID-19 pandemic. Therefore, based on the analysis of these realities, we proceed to understand the process of juridicization through planning laws and the implementation of Universal Basic Income, as taught by Washington Peluso Albino de Souza (Souza, 2017, p. 106), in accordance with the mandates of the 1988 Brazilian Constitution.

In the current context of permanent economic crisis, the State is the only social institution capable of coordinating a set of actions by various actors (companies, financial institutions, labor unions, associations, and cooperatives) toward the reconstruction of the economic and social fabric. This is an extremely complex task, as it requires public administration to re-establish the connections and interactions of economic, social, and cultural flows that were abruptly interrupted by the health crisis. It is from the analysis of this economic fact, as taught by the method advocated by Washington Albino de Souza, that legal rationality must be collectively constructed through state planning, especially since constitutional mandates impose upon the State both the power and the duty to regulate and coordinate economic policies in pursuit of social justice.

Finally, in this introduction, we emphasize that our analysis will be limited to the scope of Legal Science, particularly in defense of the realization of the Brazilian Economic Constitution. We assume that the debate on Universal Basic Income is a proposal that develops within the context of reforming economic and social relations and does not involve an analysis of a rupture with the capitalist productive process through the socialization of production. On the other hand, although Universal Basic Income is an instrument for guaranteeing dignity and strengthening aggregate demand, it is important to highlight that such a proposal carries the risk of coexisting with neoliberal austerity policies and the deterioration of public services.

Under this conception, Universal Basic Income would be seen as a mechanism to guarantee individuals the freedom to choose products and services on the market, as it would replace the State's obligation to ensure that essential public services are universally accessible and free of cost. Therefore, it is essential to stress that the entire debate on Universal Basic Income must take place in the context of strengthening the Welfare State and reaffirming the constitutional project of realizing social, cultural, political, and economic rights.

2. Democratic State Planning: A Window of Opportunity

The 1988 Brazilian Constitution represented a new attempt at a social pact following the civil-military dictatorship that lasted from 1964 to 1985. The Brazilian Constitution's directive provisions outline a transformative project to be carried out in a planned, coordinated, and democratic manner, with the aim of breaking with Brazil's past of poverty (Furtado, 2002, p. 11), denial of human rights, economic and technological dependence, cultural neocolonialism, and environmental degradation. As Professor Washington Peluso Albino de Souza aptly reminded us, Celso Furtado played a fundamental role in this mission:

> An abundant concern with economic development permeates specialized literature, engaging the most renowned authors in the analysis of various theories and schools of thought. Particularly in the Brazilian case, of which Celso Furtado was one of the most prominent figures, having had the opportunity to experience it both in theory and in practice, there has always been a lack of concern regarding the persistence of underdevelopment, despite all the reasons for overcoming it. In seeking to identify these reasons, as he stated, Furtado was led to formulate what he called the Theory of Underdevelopment. He sought to explain the fact that "the increase in the income of the Brazilian population and the considerable advance of industrialization did not translate into a reduction of the country's social heterogeneity, contrary to what occurred in the economies we call developed." It was impossible

> to reconcile this situation of the Brazilian economy with those that have grown the most in the world over the past half-century, which, nonetheless, benefited only a small portion of the population with the growth of national wealth. (Souza, 2017, pp. 414-415)

Unfortunately, the constitutional project of a Democratic State governed by the Rule of Law, oriented toward a social revolution in our civilizational standards, was institutionally obstructed (Clark *et al.*, 2017, p. 687) through multiple mechanisms, most notably by the neoliberal economic policies of regulation and austerity (Clark *et al.*, 2018), from the early 1990s (Avelãs Nunes, 2012) onward. These considerations justify advocating state planning as an instrument capable of coordinating the resumption of the transformative constitutional project and eradicating the deleterious effects of economic policies from the national landscape.

Professor Washington Peluso Albino de Souza, throughout his work (Souza, 2017), clearly distinguishes between planning, plan, and plan law, conceptualizing them as a sequence of actions. In the first stage, a set of social actors is involved (workers, businesses, cooperatives, public servants, the State, environmentalists, and social movements), who identify and debate problems and opportunities based on data (planning). Subsequently, a technical document is drafted, aimed at programming future actions based on the initial phase (plan). Finally, this technical document undergoes legal scrutiny through approval by the legislative branch, thereby acquiring binding force upon the State (plan law).

Historically, in Brazil, planning has followed a long trajectory marked by achievements, successes, deviations, and interruptions. This is the case, for example, in the state of Minas Gerais, during the João Pinheiro administration, which aimed to stimulate and diversify the state's economy and free it from its dependence on coffee (Paes & Siqueira, 2008). At the national level, notable examples include the National Plan for Public Works and National Defense Infrastructure, implemented by Getúlio Vargas (1939–1946), with the objective of placing the nation on the path to industrialization (Bercovici, 2005); the Target Plan ("*Plano de Metas*" in Portuguese) of Juscelino Kubitschek, from 1956 to 1961, designed to continue Brazil's industrialization process; and the Triennial Plan of João

Goulart, from 1962 to 1963, coordinated by Celso Furtado, which sought to implement a program of structural changes in Brazilian society through the so-called "Basic Reforms" (structural transformations in the banking, fiscal, urban, administrative, agrarian, and university sectors). In the 1970s, the National Development Plans (PNDs) consolidated a model of dependent modernization growth (Bercovici, 2005). From the 1980s onward, the idea of comprehensive planning was abandoned, only to be revisited in the 21st century, with the adoption of packages of economic policy measures aimed at combating inflation and achieving economic stabilization, the so-called anti-plans (Souza, 2017).

In Brazil, planning legislation is linked to the general implementation and strengthening of industry. In the United States, President Franklin Roosevelt's New Deal Plan was implemented to help the economy recover between 1933 and 1937 in response to the economic impact of the 1929 Great Depression. In Europe, notable examples include socioeconomic recovery plans directed at nations involved in wars, such as the Marshall Plan, produced by the U.S. for the Allied countries of World War II, and the Monnet Plan, also post-World War II, aimed at rebuilding, revitalizing, and modernizing the French economy. Thus, it appears evident that centralized planning served as an instrument of economic coordination throughout the twentieth century.

The Brazilian Economic Constitution is composed of a central core (Articles 170 to 192) along with other dispersed articles (for example, Articles 3 and 219 of the Brazilian Constitution) that form the constitutionally adopted ideology (Souza, 2017), which imposes a binding political-legal guideline on the model of productive pluralism (Clark *et al.*, 2013) and the admittance of capitalist accumulation. Therefore, a system based on private property of production must be guided by the concreteness of dignified existence, in accordance with the dictates of social justice.

Despite the nature of the Brazilian Economic Constitution, which establishes a set of legal guidelines and commands for the economic process, it must be acknowledged that capitalism, as a social and historical system, presents different trajectories and institutional architectures. Indeed, the fall of the Berlin Wall and the collapse of real socialism in the former USSR did not give rise to a mythical pure model of capitalism. In contrast, the mode of production materializes under a set of political, economic, and cultural conditions and structures, making it appropriate to affirm the coexistence of various forms of capitalism.

Beyond its geographical and historical diversity, capitalism also displays internal differentiation in its organizational dynamics. Property of production, for instance, may be exercised through different legal actors and thus through distinct legal morphologies, such as private corporations, cooperatives, associations, and the State. The mobilization of credit may be carried out by private banks, public banks, credit cooperatives, community development banks, and their respective social currencies. Agricultural operations may follow an industrial, large-scale model while coexisting with family farming, cooperative initiatives, and agroecological movements.

These points lead to the conclusion that the economic fact is, in essence, a plural phenomenon, even within the capitalist system. Therefore, we affirm that the Brazilian Economic Constitution adopts a model of economic or productive pluralism, according to which the constitutional legal order internalizes the possibility of recognizing multiple economic orders within the unified framework of the Brazilian Economic Constitution. In other words, the Brazilian Economic Constitution must be understood not as a static text but as a channel of continuous openness to the political and democratic processes of economic organization involving various social actors. Furthermore, this productive pluralism, as a model, allows for the coexistence of parallel productive systems (capitalist, associative, and cooperative), which may theoretically and dialectically interact or even compete with one another, independently of cooptation and in accordance with constitutional directives.

Within the context of ongoing openness to pluralism and the reinforcement of constitutional unity, planning plays a central role. Planning is both a power and a duty of the Union, the states, the Federal District, and the municipalities in Brazil, and its implementation is crucial to changing unjust national realities. The constitutional provisions explicitly foresee planning, thereby underscoring its indispensability in a nation marked by extreme wealth concentration and repeated interruptions of democracy.

When state planning is transformed into legal text, it falls within the scope of Economic Regulatory Law, and the Brazilian Economic Constitution expressly requires its formulation and implementation. Article 21, IX, of the Brazilian Federal Constitution, for instance, establishes the duty "to draft and implement national and regional plans for land-use planning and for economic and social development". These are essential laws intended to confront and transform Brazil's structural injustices; however, they remain unproduced to this day, confirming the existence of institutional blockages to the Constitution's full realization.

Article 174, §1, of the Brazilian Federal Constitution also addresses planning, establishing that it shall be "binding for the public sector and indicative for the private sector". Moreover, the same paragraph, despite being disregarded for over thirty years, provides that "a law shall establish the guidelines and foundations for balanced national development planning, which shall incorporate and coordinate national and regional development plans".

Planning legislation must be binding and enforceable across all three levels of the Brazilian federation (the Union, member states, the Federal District, and municipalities), as it must contain coordinated public policies aimed at realizing the economic order. Therefore, in a nation with a challenging and far-reaching constitutional project that seeks to eliminate misery, poverty, structural unemployment, and economic, technological, and cultural dependencies, planning is an indispensable legal and political instrument (Furtado, 2002).

The Brazilian Economic Constitution also addresses planning in the context of urban space through the requirement of a master plan for cities with more than 20 000 inhabitants (Article 182). This planning is intended to promote the socioeconomic, environmental, and cultural development of cities and their residents. Although most Brazilian municipalities have formally adopted master plans, urban land (Camargo, 2014) continues to be a locus of distributive injustice, exclusion, and illegal occupations, especially in metropolitan regions and large and medium-sized municipalities.

Democratic and participatory state planning is also mandated in the agricultural sector, pursuant to Article 187 of the Brazilian Federal Constitution. This provision encompasses agribusiness, agriculture, livestock, fishing, and extractive activities, regardless of scale. Its scope includes pricing policies, credit, technology, cooperatives, and other relevant dimensions. Given the economic power of agribusiness, which is also expressed through its influence over state political power, the sector experiences significant state intervention through Economic Regulatory Law, such as Federal Law No. 8.171/1991 (which governs agricultural policy), as well as through Economic Institutional Law, exemplified by public entities like Banco do Brasil, Embrapa, and BNDES. These structures often ensure profits for large producers, but the situation remains substantially different for family farms (Lelis, 2019).

Agrarian reform, as part of agricultural policy, must also be planned through a national plan, as set forth in Article 188 of the Brazilian Federal Constitution. Naturally, this plan must be coordinated with broader agricultural policies. However, the implementation of agrarian reform has encountered institutional blockages within the Brazilian Economic Constitution, compounded by violence, land grabbing, and environmental destruction.

Although the constitutional provisions related to planning are not limited to those mentioned above, nor to the related legislation previously discussed, we conclude this analysis, given the scope of this work, by addressing the Multi-Year Plan Law ("*Lei do Plano Plurianual*" in Portuguese), the Budget Guidelines Law ("*Lei de Diretrizes Orçamentárias*"), and the Annual Budget Law ("*Lei Orçamentária Anual*"). These laws, through their normative content, incorporate public policies, often derived from other planning laws (such as the Master Plan, Agricultural Policy, Ten-Year Education Plan, etc.), and are responsible for enabling public investment (and the enforceability of plans as legal norms) year after year, based on both original and derived revenue sources. In essence, the Annual Budget Law plays a central role in this process. Unfortunately, in Brazil, regulatory and austerity-based economic policies have institutionally blocked the Brazilian Economic Constitution, imposing budgetary restrictions on public investment, infrastructure modernization, and redistributive policies—policies that would benefit most of the population. At the same time, such restrictions have spared the interests of rentiers who profit from public debt interest payments, effectively producing an "inverted directive constitution" (Bercovici & Massonetto, 2006):

> This inverted directive constitution reframes the directive Constitution, that is, the one that mandates public policies and social rights as harmful to national interests, as the alleged root cause of economic crises, public deficits, and "ungovernability." In contrast, the inverted directive Constitution, which promotes neoliberal fiscal adjustment policies, is presented as something positive crucial for maintaining the country's credibility and confidence in the eyes of the international financial system. This inverted directive Constitution becomes the de facto directive Constitution, subordinating the entire policy framework of the Brazilian State to the state-led protection of financial income and the guarantee of private wealth accumulation. (p. 19)

Therefore, it is necessary to use planning as a technique of indirect state intervention in the economic domain at all three levels of the federation. This planning must be democratic, participatory, coordinated, and respectful of the constitutional autonomy of each federative entity, ensuring that public policies grounded in diverse social and economic realities are directed toward actions that promote development accompanied by human dignity, the preservation of natural assets, and national sovereignty (Bercovici, 2005). To achieve this, we need a theoretical development project or, to quote Celso Furtado, we must "seek a new model." Currently, Furtado's developmentalist legacy is reflected in three distinct schools of economic thought in Brazil, each offering different perspectives on the role of the state in the process of overcoming underdevelopment.

One of these is social developmentalism, a strand of economic thought in Brazil that significantly shaped the country's economic and social policies between 2003 and 2015. Broadly speaking, it envisions a development model based on the creation of growth cycles driven by mass consumption. This cycle is sustained by the following stages: i) household income increases (through real increases in the minimum wage and income transfer programs); ii) this rise in income generates mass demand for industrial goods and services (automobiles, household appliances, etc.); iii) this growing demand stimulates new investments in capital goods (new industries, expansion of production lines); and iv) this, in turn, would lead to technological progress and increased competitiveness of production units.

The article "Development Strategy and the Three Fronts of Expansion in Brazil: A Conceptual Design" by Ricardo Bielschowsky outlines the conceptual and methodological pillars of social developmentalism. According to Bielschowsky (2012, p. 730), Brazil has three major engines or fronts of economic expansion: i) a domestic market for mass consumption; ii) strong national demand for natural resources; and iii) the prospect of robust public and private demand for infrastructure investment. These three engines must be powered by two key drivers: technological innovation and the recovery and reactivation of productive linkages in the economy. Notably, in the social-developmentalist view, the export of complex industrial goods is not considered a primary engine of development, since foreign trade demand for such commodities is seen as merely complementary to domestic market expansion.

New developmentalism is both a theoretical and practical alternative to traditional orthodox models and social developmentalism. Beyond a mere theoretical reference, new developmentalism is a concrete political and economic strategy aimed at enabling middle-income countries to achieve new standards of well-being and productivity. According to Luiz Carlos Bresser-Pereira (2016), new developmentalism centers on an active macroeconomic policy targeting five key prices: profit, interest, exchange, wage, and inflation rates.

For new developmentalists, both public and private investment depends on state coordination to maintain a balance between these fundamental prices of the economy. In addition, new developmentalism advocates a strategic industrial policy to promote technological innovation and productive sophistication, with the dual aim of serving the domestic market and ensuring international competitiveness. In this context, the exchange rate plays a strategic role in supporting the reindustrialization process that renders domestic firms competitive in the global market.

Finally, a third and still-emerging school of thought may be referred to as "mission-oriented developmentalism": a development strategy grounded in the idea that the true engine of national development lies in the resolution of historical social debts. According to this perspective, the development strategy is founded on the inseparable interconnection between social and economic policies. There is no contradiction between economic growth and the expansion of social well-being. In this framework, industrial policy should not be oriented toward the selection of "national champions." In contrast, industrial policy ceases to be sector-based (such as a specific policy for the automotive industry) and becomes mission-oriented, focusing on goals such as urban mobility or basic sanitation (Dweck & Rossi, 2010).

The Furtadian legacy, whether through social developmentalism, new developmentalism, or mission-oriented developmentalism, depends on guaranteeing a minimum income level for citizens (Universal Basic Income), both to stimulate domestic demand and, fundamentally, to ensure the realization of human dignity based on state planning.

3. Universal Basic Income: One of the Paths in the Search for a New Model

Law n.° 10 835/2004, which establishes Universal Basic Income, was introduced by Senator Eduardo Suplicy (Suplicy, 2002). The law assigns the Executive Branch, while respecting the Fiscal Responsibility Law, responsibility for defining the amount, implementation, and allocation in the Annual Budget Law. Despite its legal provision, Universal Basic Income has never been implemented.

Universal Basic Income has a permanent character and is paid by the State to all individuals, regardless of family status or willingness to work (Van Parijs, 2000). In Brazil, it aims to give concrete effect to Article 3 of the Brazilian Federal Constitution, which sets forth the fundamental objectives of the Federative Republic of Brazil: i) to build a free, just, and solidary society; ii) to ensure national development; iii) to eradicate poverty and marginalization and reduce social and regional inequalities; and iv) to promote the well-being of all, without prejudice as to origin, race, sex, color, age, or any other form of discrimination (Brazil, 2020). Therefore, it is justice embodied in a right.

The idea that Universal Basic Income is not mere charity but rather an element of justice originated with its earliest proponent, the Englishman Thomas Paine, in the 18th century (Paine, 1895). Paine argued that poverty did not exist in the world until the emergence of civilization and private property. The State, therefore, should eradicate poverty through the institution of a universal income. Funding for the national fund from which Paine's universal income would be paid would come from the taxation of land ownership as compensation for the alienation of such property from the rest of society.

Beyond the conception of justice tied to universal income in the context of the liberal state forming in Paine's time, it is also necessary to understand the foundational aspects of Universal Basic Income within capitalism. In this sense, the implementation of Universal Basic Income would not entail the dismantling of the Welfare State, but rather a radical step toward basic income capitalism: a state that advances the "communist" appeal for freedom without demanding the socialist mode of production.

Universal Basic Income signifies real freedom for all. It helps structure a society where rights are firmly guaranteed, where each person is the owner of themselves, and where everyone can pursue their own project of a good life. For real freedom to exist, Van Parijs (1994) argues, it is not enough to have an abstract legal guarantee of liberty; it is also necessary to ensure the means to exercise that freedom. In capitalism based on basic income, these means are provided through universal income. The universal, unconditional basic income, freely usable for any purpose, constitutes how individuals gain the freedom to live life as they choose. To fulfill all these premises, Universal Basic Income must: i) not be restricted to those willing to work; ii) be available ex ante; iii) be guaranteed to the individual regardless of family status; and iv) not vary according to the place of residence (Van Parijs, 1994).

Criticism often follows from these principles. However, contrary to what critics claim, Universal Basic Income is not an incentive to abandon work. In places where it has been implemented, such as Alaska, Macau, and Finland (the latter on an experimental basis between 2017 and 2018), an increase in years of education, rejection of precarious employment, and pursuit of work as a way to earn additional income without the risk of losing everything and falling into the unemployment trap have been observed. With a guaranteed minimum income, individuals tend to pursue better qualifications and are more willing to take entrepreneurial risks without the threat of a total loss.

The fact that Universal Basic Income is available ex ante is also significant. If paid ex post, as in Milton Friedman's proposal of a negative income tax, the mere absence of income in the present makes it impossible to enjoy real freedom and to be the owner of oneself (Friedman, 1982). This is because transfers would depend on a complex bureaucratic system of verification and payment, elements that are absent in a basic income simply and unconditionally granted to all.

Another frequent criticism is that universal income would only be feasible after economic growth. However, there is no logical priority for growth over redistribution. Accepting this premise would mean adhering to the classical economic understanding of growth from the 19th century (as in Adam Smith, David Ricardo, and John Stuart Mill) or to the neoclassical school (e.g., Alfred Marshall, John Bates Clark, Milton Friedman). For this line of thought, mere economic growth automatically leads to equitable and conflict-free distribution among all economic and social agents (Clark & Corrêa, 2009).

An alternative school of thought distinguishes growth from development: economic growth refers to the quantitative variation of Gross Domestic Product (GDP), a model that is insufficient by itself to ensure improved living conditions for the population. In contrast, economic development is characterized by a continuous process of structural transformation in the social, cultural, and economic conditions of a population (Lelis, 2019).

According to Van Parijs, the concern regarding the funding of the program lies solely in understanding that Universal Basic Income alone does not eliminate other forms of inequality, such as racial, regional, religious, and social segregation (Van Parijs, 1994). Therefore, if Universal Basic Income is not sufficient to resolve inequality, the State must implement other public policies to reduce disparities to mere economic inequality.

The pursuit of the ideal of real freedom through Universal Basic Income is already being practiced in other countries, such as in the United States, in the state of Alaska, and in China, in the autonomous region of Macau. In Alaska, the implementation of Universal Basic Income dates from the 1960s, in the village of Bristol Bay, where fishing generated substantial revenue, yet economic inequality persisted among the locals. The mayor at the time, Jay Sterner Hammond, approved a 3 % tax on fishing, with the proceeds directed to a fund that would finance a local Universal Basic Income. In 1976, following the discovery of offshore oil, Hammond, then serving as governor of Alaska, proposed allocating 25 % of oil exploration royalties to a fund that would support Alaska's Universal Basic Income.

With the formal establishment of Universal Basic Income, that share of royalties began to be invested in the Alaska Permanent Fund Corporation (APFC) through U.S. Treasury bonds, shares in Alaskan companies, international investment funds, and foreign equity. By 2019, the APFC had grown to a total of 66 billion U.S. dollars (APFC, 2020). Thanks to this initiative, Alaska, previously the U.S. state with the highest socioeconomic inequality in the 1980s, came to share the title of most equal state in the country with Utah.

In Macau, since 2008, the Wealth Partaking Scheme has distributed approximately 6 % of the annual revenue from local casinos to the citizens of this autonomous region of the People's Republic of China, around 700 000 people. After all, Macau, which has more casinos than Nevada's capital in the U.S., is often referred to as the "Chinese Las Vegas." In 2017, Macau distributed 9000 patacas to its citizens, equivalent to approximately 1200 U.S. dollars (Macau, 2020).

In Brazil, beyond the current legislation, studies have demonstrated the feasibility of implementing Universal Basic Income. A proposal by Daniel Duque, from the Getúlio Vargas Foundation (FGV), shows that by investing 2.4 % of the Brazilian GDP, a fiscally viable amount for the public coffers, it would be possible to implement a Universal Basic Income (Duque, 2020). Under this model, a general monthly amount of R$190.00 (one hundred and ninety Brazilian reais) would be paid to all individuals who are not formal private sector workers, civil servants, retirees under the Social Security system, or registered self-employed workers earning more than the minimum wage. A higher amount of R$420.00 (four hundred and twenty Brazilian reais) would be paid to individuals under 19 and over 65 years of age who met the same criteria.

Current proposals in Brazil seem to acknowledge the fiscal and budgetary constraints that make the implementation of Universal Basic Income unfeasible in the short term. However, Federal Law n.° 10 835/2004 provides for the payment of this benefit to all Brazilians, without distinction, in an amount sufficient to meet their basic needs for food, health, and education, in accordance with the country's development and budgetary considerations. According to the Inter-Union Department of Statistics and Socioeconomic Studies (DIEESE, 2020), in May 2020, the monthly amount required to meet all these minimum needs, based on the minimum wage standard, would be R$4694.57. Such an amount would undoubtedly have a significant impact on public budgeting and planning in the future.

Considering this impact, Paes and Siqueira conducted comparative studies between Universal Basic Income and negative income tax models, calculating costs, benefits, and outcomes, and reached the following conclusions: i) although under the negative income tax it would be possible to receive twice as much as under the basic income, the administrative costs of targeting the poorest families would raise program costs to such an extent that, under the principle of efficiency, the lower-value Universal Basic Income would be preferable; ii) both models, Universal Basic Income and negative income tax, have a positive effect on the Gini index, improving Brazil's income distribution. However, while basic income reduces poverty, negative income tax may increase it; iii) negative income tax tends to reduce working hours, which consequently increases poverty, reduces capital stock, output, and household income, and ultimately decreases consumption. In contrast, universal basic income has a lesser effect on working hours and thus leads to a smaller reduction in capital stock and output, maintaining higher levels of income and consumption in the productive sectors.

All things considered, any meaningful development project for Brazil must consider the eradication of poverty (Goal 1 of the United Nations Sustainable Development Goals), the reduction of income inequality, and transformations in labor relations (Goal 10 of the United Nations Sustainable Development Goals). Among the available policy options to achieve such objectives, Universal Basic Income stands out as the most solid and comprehensive. Universal Basic Income can ensure the material basis for effective freedom, promote capacities for self-determination, and renew the legal framework of the welfare state. In practice, its implementation should be gradual, initially targeting the poorest families and integrating it with other poverty-eradication programs until it becomes feasible to expand the basic income and eventually replace all other programs.

4. Final Remarks

Beyond the current systemic crisis, the Fourth Industrial Revolution, the deterioration of labor relations, and the increasing economization and informatization of all spheres of life have already substantially transformed productive, commercial, and social processes. In this sense, state planning is not an ideological panacea. It is a guiding force for development, capable of contributing through public policies and economic incentives. All developed nations have managed to reconcile capitalist market actions with state planning; however, Brazil has continually failed in this endeavor.

Nevertheless, the debate on the formulation and implementation of a Universal Basic Income must not replace or overshadow the broader discussion regarding the constitutional role of the state and the national development strategy. Therefore, one of the fundamental premises for discussing Universal Basic Income is to understand it as an instrument for integration and feedback within the dynamic expansion of economic rights enshrined in the Economic Constitution, as well as a tool for realizing human dignity, as established in Goals 1 and 10 of the United Nations Sustainable Development Goals, namely, the eradication of poverty and the reduction of inequality within and among countries.

Indeed, this observation is crucial, especially in times of rupture with the constitutional economic order caused by current austerity-based public policies. Universal Basic Income may emerge as a tool to replace what remains of an already fragile Welfare State. However, it must not be used as a social placebo or as a mechanism for dismantling or mutilating the Brazilian Federal Constitution, which seeks profound socioeconomic, environmental, technological, and racial transformation. The State has been assigned the duty of promoting a multiplicity of rights. Therefore, while the benefits of Universal Basic Income may be enthusiastically received, Universal Basic Income is also met with skepticism due to the risk of an ultra-liberal interpretation or application of the Brazilian Constitution, one that seeks to reduce social rights (such as education, health, leisure, and social security) to be purchased freely on the market through vouchers (the very antithesis of Universal Basic Income).

We must continue to affirm the centrality of the Brazilian Federal Constitution, especially when the achievements of the last 30 years are under attack or are being dismantled. To once again recall Celso Furtado: "When man's creative capacity is turned toward discovering his own potential and he commits himself to enriching the universe that generated him, what we call development takes place" (Furtado, 2001: 47). In this light, the planning State, tasked with carrying out its various constitutional missions, must serve as the means through which the proposal of Universal Basic Income is interpreted and realized as a foundational element of a new model of development.

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