



# **Basic income beyond borders: How a worldwide basic income could tackle global inequality and end extreme poverty**

## **Abstract**

Basic income has most often been promoted as a national initiative, provided to citizens of a country by their national government. This has fantastic potential to address inequality in that country and to end poverty there, but it leaves global inequality and poverty, including the immense and unjust divide between the Global North and South, untouched.

This paper argues that it is time to take the basic income idea beyond borders, and push for the introduction of a complementary global scheme – a world basic income. Using new global funding streams this would redistribute wealth at the world level, tackling global inequalities and extreme poverty directly, and securing a better life for people everywhere.

Real-world practical proposals are presented for how a world basic income scheme could work. Drawing on popular notions of the commons and our collective human inheritance, a number of potential funding mechanisms are explored and costed, including common corporate shares, land value and wealth taxes, and carbon cap incomes. Potential solutions for cash distribution and secure ID are outlined, making use of Southern-led tech innovations in mobile banking for reaching remote areas. Legitimacy, politics and governance options for a global scheme of this scale are discussed, and the paper concludes by addressing the toughest question of all – how we can build a movement to get us there.

## **Contents**

### **Introduction – Why have a world basic income?**

- We need both – national basic incomes and world basic income
- World basic income – a mechanism to rebalance North-South inequality
- Experience and benefits in the Global South – reducing poverty, boosting opportunity

### **How a world basic income scheme could work – funding and distribution**

- Where the money could come from – new global taxes, charges and shareholdings
- Distributing the money – mobile phone banking makes reaching people possible

### **Creating and running a world basic income scheme**

- Governance, legitimacy and practicalities
- A route-map to change – steps towards world basic income implementation
- Country-by-country introduction of global transfers – a possible 'way in'

## **Conclusions**

## **Introduction – Why have a world basic income?**

### **We need both at the moment – national basic incomes and world basic income**

Basic income has recently gained exponential growth in interest in the rich world as a dignified alternative to conditional social security, and as a means of sharing wealth as automation diminishes paid work opportunities.<sup>1</sup> In less well-off countries, basic income is mainly seen as a mechanism for addressing income poverty, for boosting the bargaining power of the poor, and for creating jobs by stimulating customer demand and small capital investment.<sup>2</sup> Pilot experiments in India<sup>3</sup>, Namibia<sup>4</sup> and Kenya<sup>5</sup> have shown extensive benefits, from increased school attendance for girls, to improvements in earned incomes, as recipients invest the money in small business ventures like baking, tailoring and brick-making.

A number of countries including Finland, the Netherlands, India, Namibia and Canada are discussing implementing basic income at the national level.<sup>6</sup> This is great news. At World Basic Income, we hope that all nations will adopt a national basic income, to provide social security and economic empowerment at a level suited to that country. The vision for world basic income is that it exists *as well as*, not instead of national basic incomes.

World basic income is a proposed global policy that aims to complement these national basic income schemes. It would act as the ultimate global safety net, provided unconditionally to everyone worldwide, regardless of other benefits they might receive where they live. In this way, a world basic income would provide a basic boost to all, and act as the final line of defence against destitution. However troubled their national economy might be, people would always receive their world basic income.

### **World basic income - A mechanism to rebalance North-South inequality**

Although North-South inequality has been broadly dropped from the global agenda since the 1970s, the Global South remains painfully aware that it is primarily a lack of money that holds back development. On the 30<sup>th</sup> anniversary of the passing of the 'Right to Development', many countries made statements highlighting the importance of money for achieving development goals, with Sierra Leone noting that, “Access to resources remains a predominant concern.”<sup>7</sup>

There also exists a significant appetite for global co-operation. Sri Lanka stressed the need to address challenges like extreme poverty at the global level, while India called for, “fresh ideas and new mechanisms,” and, “an equitable global order.” Algeria stated that, “The international community has the duty to support actively or at least not to hinder the process of development of people and of the most disadvantaged peoples and individuals.”<sup>8</sup>

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<http://www.basicincome.org.uk/reasons-support-basic-income>

2 <https://www.theguardian.com/business/economics-blog/2014/dec/18/incomes-scheme-transforms-lives-poor>

3 [https://www.guystanding.com/files/documents/Basic\\_Income\\_Pilots\\_in\\_India\\_note\\_for\\_inaugural.pdf](https://www.guystanding.com/files/documents/Basic_Income_Pilots_in_India_note_for_inaugural.pdf)

4 [http://www.bignam.org/BIG\\_pilot.html](http://www.bignam.org/BIG_pilot.html)

5 <https://www.givedirectly.org/blog-post?id=1423924916713458127>

6 <http://basicincome.org/news/>

7 <https://www.southcentre.int/question/developing-countries-call-for-greater-efforts-to-implement-the-right-to-development/>

8 <https://www.southcentre.int/question/developing-countries-call-for-greater-efforts-to-implement-the-right-to->

We should also note that although extreme poverty has been declining as a percentage of world population in recent years, this has occurred almost exclusively in Asia. Reducing extreme poverty in the world's poorest countries, all of which are in Africa, is not a likely possibility under current world economic structures.<sup>9</sup>

World basic income has immense potential to address this current problematic distribution of global resources. By raising funds at the global level (with the proposed taxes and charges likely to fall much more heavily on the world best-off companies and individuals) and then pumping the money back into the global economy from the grassroots, we can directly redistribute global income. Depending on the scale of taxes and world basic income chosen, this could drastically reduce North-South inequality, as well as giving the world economy a boost.

### **Experience and benefits in the Global South – Reducing poverty, boosting opportunity**

Alongside the provision of public services, direct cash transfers from governments and NGOs to citizens are increasingly being used in the Global South to tackle poverty and cement improvements in living standards.

Major government programmes in many countries have normalised the practice of distributing cash, in the form of social pensions, child benefits, and income support programmes. The 2010 book *Just Give Money to the Poor: The Development Revolution from the Global South*<sup>10</sup> documents the impressive positive outcomes of these schemes, from significant reductions in child malnutrition, to major increases in households' earned income, as families become able to invest in their farms, small businesses and job-seeking efforts.

Brazil's *Bolsa Família* programme, launched in 2003, gives cash transfers averaging US\$48 per month<sup>11</sup> to the poorest 40% of families at a cost of just 0.5% of GDP.<sup>12</sup> Economists assess that for every Real (R\$) transferred, family incomes increase by R\$2.40, thanks to the virtuous economic cycles created by the presence of cash in local pockets.<sup>13</sup>

In Malawi in 1998, one of World Basic Income's directors, Paul Harnett, piloted the transfer of a one-off \$10 voucher to a thousand recipients, in place of seeds and fertiliser received by a control group. The results of the cash transfers were a startling positive improvement in agricultural productivity.<sup>14</sup> Poorer farmers suddenly did not have to work on other's land in order to get cash for essentials like salt and soap, and could instead develop their own land and production. This enabled many to break out of the poverty cycle for a while, and a regular transfer could have done far more.

Universal basic income was officially proposed in Namibia as early as 2002, when the

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development/

<sup>9</sup> <https://www.economist.com/blogs/economist-explains/2017/05/economist-explains-1?zid=301&ah=e8eb01e57f7c9b43a3c864613973b57f>

<sup>10</sup> [https://books.google.co.uk/books/about/Just\\_Give\\_Money\\_to\\_the\\_Poor.html?id=M2WWHIzQON0C&printsec=frontcover&source=kp\\_read\\_button&redir\\_esc=y#v=onepage&q&f=false](https://books.google.co.uk/books/about/Just_Give_Money_to_the_Poor.html?id=M2WWHIzQON0C&printsec=frontcover&source=kp_read_button&redir_esc=y#v=onepage&q&f=false)

<sup>11</sup> [http://www.ipea.gov.br/portal/images/stories/PDFs/livros/livros/livro\\_bolsafamilia\\_10anos.pdf](http://www.ipea.gov.br/portal/images/stories/PDFs/livros/livros/livro_bolsafamilia_10anos.pdf)

<sup>12</sup> <https://braziltalk.org/2017/02/21/brazilians-have-a-civic-role-in-keeping-the-bolsa-familia-program/>

<sup>13</sup> <https://braziltalk.org/2017/02/21/brazilians-have-a-civic-role-in-keeping-the-bolsa-familia-program/>

<sup>14</sup> <http://www.tandfonline.com/doi/abs/10.1080/13623690801957356>

government's own tax commission recommended that a basic income be provided to end the survival economy and boost economic growth.<sup>15</sup> After the idea was rejected by the government, a major network of Namibian civil society groups, the BIG (Basic Income Grant) Coalition, emerged to fight for it, and instigated a highly successful pilot scheme in the village of Otjivero. Unlike many other cash transfer schemes, which attempt to target money to just the poor, the Namibian BIG was intended to be universal, based on the idea that, "The money of people not in need or not in poverty would be recuperated through adjustments in the tax system."<sup>16</sup> The outcomes of the scheme were roundly positive, and during the 2013/4 drought, an emergency grant scheme by the Lutheran churches used the same model.<sup>17</sup> The political battle for the introduction of basic income across the country continues.

Following successful basic income pilots led by the Self-Employed Women's Association<sup>18</sup>, India's government recently endorsed basic income in an annual report, describing it as, "A radical and compelling paradigm shift in thinking about both social justice and a productive economy."<sup>19</sup> The India Network for Basic Income held the country's first conference to explore the topic in March 2017, and civil society pressure is growing.<sup>20</sup>

Many other countries and communities in the Global South have experimented with basic income or schemes similar to it. Mongolia uses mining revenues for a Human Development Fund, part of which is distributed as annual cash payments to every citizen.<sup>21</sup> Mexico City provides an unconditional universal pension to every older person.<sup>22</sup> In South Africa over 30% of people, including non-citizen residents like refugees, receive a government cash grant, ranging from the Child Support Grant of around US\$28 per month, to the Older Persons Grant of US\$120 monthly.<sup>23</sup> Communities and families in China, Kenya, Brazil and Uganda enjoy small basic incomes,<sup>24</sup> while many more receive targeted cash transfers to boost their income.<sup>25</sup>

Cash transfers are also now widely used in aid, emergency and philanthropy arrangements with the Global South. Organisations including the World Food Programme and the UK's Department for International Development provide cash directly to Syrian refugees, communities hit by Ebola, and millions more families living in poverty all over the world.<sup>26</sup> Cash is increasingly seen as an effective way of 'cutting out the middleman' and achieving real improvements in people's quality of life.<sup>27</sup>

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<sup>15</sup> <https://cms.my.na/assets/documents/p1b2aoh5r914v4uktsusbuej1j4.pdf>

<sup>16</sup> <http://www.bignam.org/>

<sup>17</sup> <https://cms.my.na/assets/documents/p1b2aoh5r914v4uktsusbuej1j4.pdf>

<sup>18</sup> <http://sewabharat.org/resources/report-on-unconditional-cash-transfers/>

<sup>19</sup> <http://www.independent.co.uk/news/world/asia/india-universal-basic-income-combat-alleviate-poverty-economic-survey-a7555416.html>

<sup>20</sup> <http://basicincome.org/topic/india/>

<sup>21</sup> <https://www.brookings.edu/opinions/mongolias-quest-to-balance-human-development-in-its-booming-mineral-based-economy/>

<sup>22</sup> <http://www.basicincome.org/bien/pdf/PensionPabloSpeech.pdf>

<sup>23</sup> [http://www.groundup.org.za/article/everything-you-need-know-about-social-grants\\_820/](http://www.groundup.org.za/article/everything-you-need-know-about-social-grants_820/)

<sup>24</sup> <http://www.worldbasicincome.org.uk/national-basic-income-campaigns.html>

<sup>25</sup> <http://www.worldbank.org/en/results/2016/05/19/cash-transfers-help-pakistans-poorest>

<http://newsroom.iza.org/en/2016/09/15/how-the-worlds-largest-social-pension-reform-is-transforming-family-old-age-care/>

[https://www.research.manchester.ac.uk/portal/en/publications/design-and-rural-context-in-antipoverty-transfers\(0c62bd46-f27f-48ad-818f-a84a5e3f15c9\).html](https://www.research.manchester.ac.uk/portal/en/publications/design-and-rural-context-in-antipoverty-transfers(0c62bd46-f27f-48ad-818f-a84a5e3f15c9).html)

<sup>26</sup> <http://www.cashlearning.org/>

<sup>27</sup> <http://www.bbc.co.uk/news/uk-38591386>



## How a world basic income scheme could work – funding and distribution

### Where the money could come from – new global taxes, charges and shareholdings

In progressive societies, taxation has been used to redistribute wealth and income. At World Basic Income, we propose that this model also be adopted at the global level. An existing or a new global body, or a series of bodies, could levy taxes and charges directly on companies and individuals. An alternative or complementary mechanism could see a global equity fund set up to hold shares and property in the name of the world's population, and collect the related dividends. These bodies could pool the money collected into a fund, which could be redistributed, wholly or in part, as a world basic income to every person in the world.

Philosophical justification for these taxes, charges and shareholdings can be derived from the idea of the global commons – the spaces and forms of wealth that can reasonably be considered to belong to all people equally.

Many goods (and 'bads') that are used to create wealth are global in origin. Our atmosphere is an obvious global commons, and polluting it has entirely global effects. International airspace and the great majority of our oceans are global commons too. Goods of human origin, such as the global banking and money system, and our shared heritage of knowledge, skills and intellectual property, can also be understood to belong to all of us in equal share.

These global common goods are obvious places to begin discussions about global taxation. The term 'taxes' should be understood broadly here, and may include revenues from the sale of permits or collective ownership of shares, royalties on sales revenues, or fees for specific activities. These taxes can be construed as rents that private users pay for the profitable use of global common property. Some examples include:

- **Carbon cap-and-share.** Money is raised through the sale of fossil fuel extraction permits.
- **Aviation and shipping fees.** Airliners and ships using international airspace and waters pay a fee to do so.
- **Financial transaction taxes.** A small percentage is charged on cross-border transactions.
- **Intellectual property royalties.** A proportion of the sales price of patented and copyrighted goods is levied as a royalty.

Many other goods could be considered to be commons, but these commons may not always be considered to be 'global'. Land, for example, is naturally-occurring, and therefore, in the first instance, can be considered to belong equally to everyone worldwide (in a moral sense). However, although the value of land emerges in part from its sheer existence, a considerable proportion of its value also derives from the infrastructure built around it, which can usually be attributed to local efforts. It therefore seems reasonable that low-level global land value taxes could be applied, but space should be left for countries to apply additional national land value taxes as well.

Similar considerations apply to Piketty's proposed wealth tax,<sup>28</sup> and to Varoufakis' proposal for common corporate dividends, whereby a proportion of the company shares sold in an Initial

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<sup>28</sup> [https://books.google.co.uk/books/about/Capital\\_in\\_the\\_Twenty\\_First\\_Century.html?id=T8zuAgAAQBAJ&printsec=frontcover&source=kp\\_read\\_button&redir\\_esc=y#v=onepage&q&f=false](https://books.google.co.uk/books/about/Capital_in_the_Twenty_First_Century.html?id=T8zuAgAAQBAJ&printsec=frontcover&source=kp_read_button&redir_esc=y#v=onepage&q&f=false)

Public Offering are automatically transferred to a Commons Capital Depository.<sup>29</sup>

Table 1 shows initial calculations for some amounts that could be raised from various global taxes. These calculations show that enough could be raised through relatively conservative estimates of global taxes and other revenues to provide a world basic income of US\$71 per person per month, assuming a world population of 7.5 billion. This equates to roughly two dollars per day for every adult and every child in the world.

If such taxes were levied and used in full for a world basic income, this would push everyone in the world above the global extreme poverty line of \$1.90 per day. Furthermore, it would redistribute over \$8.5 trillion (circa 8% of global GDP) every year from the upper end of the global income scale, where the new global taxes would predominantly fall, and distribute it among people everywhere, most of whom are close to the bottom of the global income pyramid.

These figures are only illustrative. Much higher levels of taxation and transfers could be adopted, to tackle global poverty and inequality more thoroughly. Alternatively, lower levels could be chosen, to minimise any macro- and microeconomic impacts.

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<sup>29</sup> <https://www.project-syndicate.org/commentary/basic-income-funded-by-capital-income-by-yanis-varoufakis-2016-10>

Potential global tax revenues					
Potential funding stream	Suggested by...?	Charging rate	Amount this rate is charged on	Total amount raised per year	Amount that could be paid per person per month (\$)
<b>CARBON TAX</b>	IMF	IMF suggest \$59 per tonne of CO2	35 gigatonnes of CO2 per year	\$2,065 billion	\$22.94
<b>AVIATION AND SHIPPING FEES</b>					
Passenger flights	World Basic Income	\$12 per flight	3 billion passengers fly per year	\$36 billion	\$0.40
Air freight		\$0.02 per freight tonne km	185 billion freight tonne km per year	\$3.7 billion	\$0.04
Shipping of containers		\$200 per container	200 million containers shipped per year	\$40 billion	\$0.44
<b>FINANCIAL TRANSACTION TAX</b>					
Currency Transaction Tax	A coalition of organisations, including the Tax Justice Network, Trade Union Coalition and Christian Aid.	0.005%	\$900 trillion in 2010, less 25% to account for likely reductions in trade	\$33 billion	\$0.37
Trade in bonds, gilts, derivatives, etc		0.005%	\$3,150 trillion	\$118 billion	\$1.31
Stamp duty on trading in shares		0.50%	\$60 trillion, less 25% to account for likely reductions in trade	\$225 billion	\$2.50
<b>INTELLECTUAL PROPERTY CHARGE</b>	Peter Barnes, with data extrapolated to the world level by WBI	2% on each sale of patented or copyright goods (WBI's suggestion)	\$8 trillion	\$160 billion	\$1.78
<b>LAND VALUE TAX</b>	WBI	Flat 0.5% on land holdings worth more than \$5,000.	Assumed \$5 trillion worth of land in each of the 35 OECD countries, plus \$1 trillion average in each of the 160 other countries.	\$3,350 billion	\$37.22
<b>WEALTH TAX</b>	Thomas Piketty	Progressive rates of 0.1% to 10% on wealth above £200,000 (higher rates are only for fortunes over £5 billion)	Not specified	'A few hundred billion,' says Piketty. 'We will assume \$250 billion.'	\$2.78
<b>COMMON CORPORATE SHARES</b>	Yanis Varoufakis	10% of all corporate dividend payments (WBI's suggestion)	\$1,167 billion of dividends in 2015	\$17 billion	\$1.30
			<b>TOTAL</b>	<b>\$8,568 billion</b>	<b>\$71.09</b>

### Distributing the money – mobile phone banking makes reaching people possible

Transferring money from a global scheme to individuals worldwide is simple where people have bank accounts – a direct, personal transfer can be made each month, securely at very low cost.

However, until recently it was expensive and in many cases may have been impossible to get money to the billions of people around the world who don't have bank accounts. But since the



invention of mobile phone based banking, cash can be transferred cheaply and easily to and from individuals all over the world. It should be noted that this is distinct from internet banking and requires a simple mobile phone rather than a smartphone.

The story starts in 2004, when a research project in Kenya explored the potential for microfinance repayments to be made by mobile phone.<sup>30</sup> But with Kenya's trend of internal migration, it soon became clear that urban workers wanted a tool that could transfer money cheaply and directly to their families back home. In spite of opposition from the country's major banking firms,<sup>31</sup> the Kenyan regulators agreed to 'let regulation follow innovation' and allowed the scheme to go ahead.<sup>32</sup> By 2007, the M-PESA (Meaning 'M(mobile)-Money' in Swahili) service was launched, and by 2010 the service had over 10 million users in Kenya.<sup>33</sup> Money transfers are now as simple as sending a text message and users can maintain a balance and even open a savings account, all through their mobile phone. Local agents and ATMs allow people to deposit and withdraw cash to and from their mobile money account.

M-PESA spread rapidly around the world, reaching Tanzania in 2008, India in 2013 and Romania in 2014.<sup>34</sup> Unstable regimes have proved to be no barrier – M-PESA launched in the Democratic Republic of Congo in 2012, despite on-going conflict within the country.<sup>35</sup> Similar mobile banking services have sprung up all over the world, from Pakistan<sup>36</sup> to Mexico<sup>37</sup> and although uptake has been slow in some areas,<sup>38</sup> a swift upward trend is clear.

Mobile phone banking is revolutionary because of its accessibility. It's a lot easier to get a mobile phone than it is to get a bank account. Extensive ID requirements and creditworthiness checks have historically excluded many people from banking services. But 73% of people worldwide now use a mobile phone, and coverage is still growing.<sup>39</sup> Over 1 billion mobile phone users used their devices for banking purposes by the end of 2015. This is forecast to reach 2 billion by 2020, by which time it will represent 37% of the global adult population.

Sub-Saharan Africa is experiencing the world's fastest rise. Some 12% of adults in the region had a mobile money account at the end of 2014, according to World Bank figures.

The rapid spread of mobile banking opens up possibilities for new redistributions of wealth. From small business trading to remittances, mobile money is making it possible for more cash to land in people's pockets in the Global South. Coupled with traditional arrangements for transferring money like bank transfers and charge cards, it is becoming possible to reach nearly the whole world population with automatic direct cash transfers. The introduction of a worldwide basic income scheme is also, of course, likely to drive even further increases in mobile banking and other bank service uptake.

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<sup>30</sup> <http://www.economist.com/blogs/economist-explains/2013/05/economist-explains-18>

<sup>31</sup> <http://paymentsafrika.com/payment-news/mobile/how-kenyan-banks-lost-to-mpesa/>

<sup>32</sup> <http://blogs.worldbank.org/africacan/how-kenya-became-a-world-leader-for-mobile-money>

<sup>33</sup> <http://kenyayote.com/history-of-mpesa-evolution-of-kenyas-top-mobile-money-banking-platform-safaricom/>

<sup>34</sup> <http://edition.cnn.com/2017/02/21/africa/mpesa-10th-anniversary/>

<sup>35</sup> <http://edition.cnn.com/2017/02/21/africa/mpesa-10th-anniversary/>

<sup>36</sup> <https://swiftmoney.com/blog/emerging-money-trends-what-you-should-know-about-mobile-money/>

<sup>37</sup> <http://marketrealist.com/2016/06/mobile-banking-boosting-financial-inclusion-latin-america/>

<sup>38</sup> <http://www.gdi.manchester.ac.uk/research/publications/di/di-wp65/>

<sup>39</sup> <http://www.gsma.com/mobileeconomy/>

## **Creating and running a world basic income scheme**

Introducing and governing a worldwide basic income, with the accompanying global funding mechanisms to pay for it, will be no mean feat. Every element of the proposal, from the creation of a global body empowered to gather funds, the information-gathering necessary to charge each proposed global tax, and the secure registration of recipients worldwide, will take immense effort and political will. We are, at present, right at the beginning of that process.

To push forward, we need to sketch out some options for how such a scheme could be made operational. How would the taxes be calculated and levied, and who would distribute the money? To what extent would national governments play a role? How would this process obtain democratic legitimacy and oversight?

We also need to explore how we might get from here to there. Awareness and support for the idea will need to be built up among the world's population. Pressure will need to be put on politicians and institutions at all levels, to drive forward progress. There is much to be done, and we at World Basic Income certainly do not profess to know exactly how this process might be achieved. We can, however, draw on the success of previous movements for social change, as well as opportunities arising from the world's new interconnectedness, to envisage ways forward.

### **Governance, legitimacy and practicalities**

There are two main paradigms for governing a worldwide basic income. The first is to use centralised global bodies to collect and distribute the money, perhaps sited with the UN or a new global organisation. The second is to make use of newer decentralised systems of collection and distribution, using digital IDs, blockchain, and other emerging technologies.

The centralised paradigm is easier for most people to imagine, although many struggle to believe that the necessarily high level of global co-operation could be achieved (see below for more on this). In a push to tackle chronic tax abuse, countries of the Global South have already raised demands for taxation to be overseen by the United Nations. The UN tax body that may emerge could have potential to take on global tax-raising responsibilities in future.

The UN is not currently of sufficient capacity to operate a global tax body, but the expertise does exist, in particular at the OECD. In the short term this expertise could be transferred to a newly empowered and resourced tax body within the UN, while global taxation expertise from a wider constituency of nations is sought and brought on board. New unified standards of reporting by companies and individuals (i.e. all those who undertake activities that would be subject to the new global taxes) would need to be introduced. In particular, the way that revenues and profits are calculated would need to be standardised, so that taxes can be charged fairly.

Needless to say, a new level of transparency is involved here. Tax havens, also known as 'secrecy jurisdictions', would have no place in a system of this kind. Fortunately, progress is already being made to improve global financial transparency. The world basic income movement would need to lend its support to these efforts.

If the world basic income scheme is run by the UN, the legitimacy for raising global taxes and

distributing them as cash would emerge essentially from the legitimacy of the national governments that participate in UN democracy. It is possible that in future a more participatory global body may emerge, where people are represented directly rather than via their national governments. World basic income could function legitimately in either case, and it is of course beyond the scope of our organisation to define how global democracy should operate.

The decentralised paradigm is harder to picture, but technology is developing quickly and new opportunities may soon become apparent. The Grantcoin Foundation has already in January 2016, distributed digital currency to 1,132 basic income applicants from around 79 countries around the world. Blockchain technology appears to render financial transactions and ID more private – a distinct advantage given the furore over the Aadhaar scheme in India and the issue of respect for personal privacy.<sup>40</sup> Basic income advocates have also suggested moves towards a group currency which is a cryptocurrency that:

- provides its identified members with a basic income
- provides voting rights over a group fund (optional)
- provides adequate means for transparency and accountability

Certainly, the distribution of basic income will need to ensure that privacy is respected as far as possible and therefore it is worth monitoring these cryptocurrency developments.

Beyond fundraising and distribution powers, there are many further governance issues to consider. A crucial decision is whether the revenues raised should be distributed entirely as world basic income, or earmarked for specific purposes, perhaps linked to the taxes that generated the funds, or used for collective public spending like healthcare and education, as national tax revenues are. Campaign groups for particular taxes, such as Robin Hood Tax campaigns for financial transaction taxes, and groups proposing carbon taxes or charges, have often proposed their own schemes for spending the money. Meanwhile, existing global organisations like the UN and global disaster relief programmes often suffer from chronic underfunding, and may reasonably demand a share of this new global funding pot to support their activities. The administration costs of world basic income and any other programmes would also need to be covered.

Of course, these decisions ultimately and rightly should be taken through a global political process, and we sincerely hope that the views of people everywhere will be heard as part of this. Global democratic decision-making is yet another challenge, with truly democratic bodies not yet in place and nations a long way off from this level of co-operation. Nevertheless, international co-operation in many areas, from trade to banking to shipping regulation, is already considered mainstream, and it is certainly not beyond our capabilities to extend this to new arenas for the sake of global well-being.

Distributing cash worldwide will require equally immense efforts, in order to ensure people can register with the scheme, and to make sure the money reliably ends up with the right people on a monthly basis.

WBI envisages that people would be able to sign up for their world basic income directly with the global body that provides it. A simple, secure sign up system would need to be developed,

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<sup>40</sup> <https://www.theguardian.com/world/2017/aug/24/indian-court-rules-privacy-a-fundamental-right-in-battle-over-national-id-cards>

possibly involving self-registration on a smartphone using biometric ID such as a fingerprint or eye scan. Secondary confirmation processes may be required, and periodic re-confirmation may be needed to ensure that money is transferred only to real living people. It is possible that any global body running the scheme may need to co-operate with national governments to arrange mass registration schemes, publicity campaigns, and – where appropriate – to triangulate the ID that individuals provide during sign up with national birth records. In the case of hostile regimes, alternative processes will need to be found. In remote areas and for more vulnerable groups, proactive registration campaigns will be needed, with workers approaching people directly to support them to register. This will, of course, be costly, but would at least provide local jobs for registration agents, which would inadvertently bring that salary money into local economies.

None of these changes come without difficulties, and attention will need to be paid at all stages to avoid and mitigate any unintended negative consequences. Furthermore, all of these processes will take time, money and political co-operation on a scale that may currently feel out of reach.

But as all campaigners know, most big changes start off feeling like distant possibilities. The changes needed to introduce a worldwide basic income would generally be positive in their own right, and should be fought for anyway. A global tax body could do wonders in preventing tax abuse, enabling governments worldwide to spend more on services like healthcare and education, and ensuring incentives for the protection of our environment. Penetration of mobile phones and mobile banking can enable people to stay connected with each other, and can provide new income-earning and distribution opportunities, not to mention the educational possibilities. ID registration can give people better access to public services as well as crucial rights such as voting. We should work together worldwide to make these positive changes, and then, when possible, we should bring them together and introduce a world basic income. The world economy is ours to run, if we choose to do so. We should fight to use it for the benefit of us all.

## **A route-map to change**

When explored in detail, creating a world basic income can feel like an insurmountably huge project. But many changes are already in motion that could help to put in place the component parts of a world basic income scheme. Therefore, the first stop on our route map to change must be to support the campaigns that drive forward these initiatives. We must press governments and other organisations to keep exploring and expanding cash transfer schemes and basic income pilots. We must raise our voices in support of the UN tax body and continue to explore the potential of decentralised digital money. Campaigns for global democracy, like Democracy Without Borders<sup>41</sup>, and cross-border efforts to tackle global justice issues, such as the Fight Inequality Alliance<sup>42</sup> are vital in their own right, and could also help to put in place the grassroots global co-operation needed to make big global decisions. Together, these efforts could put the world in a much better place, and could make huge positive changes like world basic income possible.

In the meantime, we need to develop the world basic income idea and build a movement. Pushing for world basic income could help to give even stronger impetus for the changes

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<sup>41</sup> <https://www.democracywithoutborders.org/>

<sup>42</sup> <https://www.fightinequality.org/en/about/>

described above. And when some of the necessary global infrastructure emerges, we need to be ready with well-developed proposals, a strong evidence base, and a broad-based demand from people around the world to put in place global transfers to end poverty. For national basic income, the moment is almost here, and what once seemed impossibly utopian is now being trialled and formally proposed. World basic income is a much younger movement, but with equivalent efforts our time will come.

### Country-by-country introduction of global transfers – a possible 'way in'

The eventual introduction of a world basic income is unlikely to come as a single 'big bang', at least in distribution terms. For practical reasons, and to minimise sudden macro- and microeconomic problems, it would most likely make sense to introduce it gradually. Global taxes could be introduced one by one, with adjustment periods and initial low rates. Distribution could be initially on a country-by-country basis, by age group (for instance beginning with a world basic pension or child benefit), or by some other means.

Given the dominant role currently played by national governments, the country-by-country approach for distribution is a likely way forward. For that reason some costing scenarios are presented in Table 2, assuming a basic income of \$10 per month is provided.

These scenarios illustrate how the revenue raised could be rolled out to countries as funds become available, and as registration campaigns progress. For global justice reasons, it makes sense to start with the poorest countries and progress from there.

**Table 2**

<b>Countries</b>	<b>Cost/Year</b>
Whole world	\$900 Billion
All countries with >10% living in extreme poverty (except India and China)	\$209 Billion
All countries with >10% living in extreme poverty in low income countries	\$68 Billion
12 poorest countries in the world	\$16 Billion
Sierra Leone, Liberia, Guinea	\$2.8 Billion
Sierra Leone	\$0.85 Billion

The preparedness of countries with respect to mobile banking, identification of citizens and governance would also need to be considered. World Basic Income has researched many of these issues which are summarised for the 12 poorest countries of the world in Annex 1.

Finally, it is recognised that such a dramatic change to redistributing and managing the world's assets is likely to encounter resistance from the most powerful quarters of the world. Mobilising grassroots demand for the scheme would be a priority and would go hand in hand with other progressive movements globally. Naturally that would include those interested in tax justice, basic income, climate change, fighting corruption, peace and justice, the rights of women and girls, and many other positive campaigns for change. WBI is a campaigning organisation and therefore aims to spread the message of WBI to as many people as possible both in the corridors of power and in the homes of the majority of the world's population that lives in poverty. The time will come for world basic income when people worldwide are demanding this from those that represent them.

## **Conclusion**













World Basic Income is a relatively new idea. Until recently we did not have the technology to identify the world's population or transfer cash to them. Nor did we have the prospect of global revenues, or a global body to collect them. Only recently have cash transfers been identified as an efficient method of addressing poverty, as well as generating virtuous economic cycles, and achieving justice and social goals.

The synthesis of these ideas has the potential to eradicate extreme poverty, and to redistribute some of the value of the global commons to people everywhere, as we all deserve. The global community has been working to address poverty for decades, but it is yet to find solutions for the poorest billion, who continue to suffer unnecessarily while the world gets ever richer. North-South inequality has become so extreme, and so unjust, that few ideas have yet come forward to address it.

This idea is worth trying. It has intrinsic appeal. It is comparatively cheap, it solves the problem directly, and schemes like it have been highly popular and effective. It is based on evidence. And it could change the world forever.

A paper by World Basic Income, August 2017.  
[www.worldbasicincome.org.uk](http://www.worldbasicincome.org.uk)

## Annex 1 12 poorest countries of the world (HDI rank) Basic Income Potential

HDI Rank	Country	Population	% living on <£1.90/day	Cost/year	Total Cost	Potential Pitfalls*
177	 <a href="#">Liberia</a>	4,530,000	68.64 (2007)	\$543,600,000	\$2,718,000,000	
178	 <a href="#">Guinea Bissau</a>	1,693,398	67.08 (2010)	\$203,207,760	\$1,016,038,800	No mobile banking. Major problem
179	 <a href="#">Mali</a>	14,517,176	49.25 (2009)	\$1,742,061,120	\$8,710,305,600	
180	 <a href="#">Mozambique</a>	24,692,144	68.74 (2008)	\$2,963,057,280	\$14,815,286,400	
181	 <a href="#">Sierra Leone</a>	7,075,641	52.33 (2011)	\$849,076,920	\$4,245,384,600	
182	 <a href="#">Guinea</a>	11,628,972	35.27 (2012)	\$1,395,476,640	\$6,977,383,200	Mobile banking in infancy
183	 <a href="#">Burkina Faso</a>	17,322,796	55.29 (2009)	\$2,078,735,520	\$10,393,677,600	
184	 <a href="#">Burundi</a>	11,178,921	77.65 (2006)	\$1,341,470,520	\$6,707,352,600	
185	 <a href="#">Chad</a>	13,670,084	38.43 (2011)	\$1,640,410,080	\$8,202,050,400	Potential good mobile banking
186	 <a href="#">Eritrea</a>	6,380,803	No data	\$765,696,360	\$3,828,481,800	No mobile banking. Major problem
187	 <a href="#">Central African Republic</a>	4,709,000	66.27 (2008)	\$565,080,000	\$2,825,400,000	Negligible mobile banking. Major problem
188	 <a href="#">Niger</a>	17,138,707	50.34 (2011)	\$2,056,644,840	\$10,283,224,200	Mobile banking in infancy
<b>Total</b>		<b>134,537,642</b>	<b>57.45</b>	<b>\$16,144,517,040</b>	<b>\$80,722,585,200</b>	

**In the above scenario, 77,291,875 people living on under \$1.90/day would receive \$10/month, MASSIVELY ALLEVIATING POVERTY. Most of the others receiving \$10/day under this scenario would also be considered poor. Some money would go to the richer members of these poor countries but this is an acceptable consequence of not paying the costs of targeting. None of the 62 richest billionaires live in any of these 12 countries.**