TRANSFORMATIVE POWER OF BASIC INCOME IN INDIA

IT'S TIME FOR UBI!

What is UBI?
A Universal Basic Income is a regular, unconditional, individual cash payment given to all citizens, to meet their basic needs.

A UBI has 5 core principles.

- **Cash**, as opposed to in-kind transfers or coupons.
- **Periodic (monthly)**, as opposed to a lump sum payment.
- **Individual**, as opposed to paid for the household.
- **Unconditional**, as opposed to conditional.
- **Universal**, as opposed to targetted.

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BASIC INCOME GOVT SCHEMES AND RESEARCH PILOTS IN INDIA

- Hyderabad: Transgender Care UBI, WorkFREE
- Maharashtra, Rajasthan: Project Deep
- Madhya Pradesh: SEWA Pilot
- Ladli Behna Yojana
- Tamilnadu: KMUT Women’s Rights Scheme
- Telangana: Mahalakshmi Policy
- New Delhi: Mahila Samman Yojana
- West Bengal: Lakshmir Bhandar Scheme
- Delhi: PDS Pilot
- Udaipur: Cash Relief Pilot
- Karnataka: Gruha Lakshmi
- Delhi: PDS Pilot
WHY UBI IN INDIA?

1. Rising inequality and income insecurity
   - India is ranked as the second most unequal country in the world
   - 69% of jobs in India are at threat from automation
   - 90% of the labourforce is in an informal and unprotected system
   - Pandemics, automation, climate change and rising inequality have made the lives of the poor increasingly precarious and uncertain. An unconditional cash support can augment and compound the broader social security guarantee package (food security, education, health, transport etc.)

2. Inefficiencies in fragmented welfare system
   - Only 50% of India’s welfare budget reaches the hands of the poor
   - Millions of eligible welfare participants miss out on being registered for or
   - Scattered and fragmented
   - Policies working in silos with disparate budgets and identification and management systems.

3. Stimulating economic growth and innovation
   - Only 50% of India’s welfare budget reaches the hands of the poor
   - 65% of India is below 35. We need to capitalise on this demographic dividend

4. UBI shows a marked increase in
   - Access to healthcare and nutritional outcomes
   - Quality Education
   - Financial Inclusion, freedom from debt and improved savings
   - Dignity, recognition and social relations
   - Better Labour Choices and reduced exploitation

VISHWAGURU
India’s aspirations to the status of a World Leader cannot be achieved with large parts of the population living in insecurity and poverty

ECONOMIC STIMULATION
Pilots across India show how unconditional cash boosts money back in the economy and sparks entrepreneurship, investment and innovation
FAQs

1. Won’t people drink or smoke it away?

Studies show most people use UBI for basic needs like food, healthcare, and education. In many cases, UBI was found to reduce substance abuse. Poverty is a cause of, not a hindrance to, substance abuse.

2. Get lazy and stop working?

A review of evidence from pilots across the world, including by Nobel laureate Abhijit Banerjee shows that UBI doesn’t significantly reduce work. Instead, it empowers people to seek better opportunities and invest in education or entrepreneurship.

3. How do we pay for this?

There are a number of proposals, including restructuring the public finance base and streamlining existing financial flows that can help fund a significant UBI. The money exists!