

BASIC INCOME MALAYSIA

What for?

Solve poverty directly

Poverty is a lack of money. By giving money directly, Basic Income can eradicate poverty. Nobody should start life from zero.

Tackle cost of living

A Malaysian Basic Income would serve as a citizen's dividend, and help income levels stay ahead of inflation.

Embrace future of work

Be it reskilling, entrepreneurship, or homemaking, a Malaysian Basic Income empowers our transition to the future of work.

Streamline government spending

No distinguishing between the deserving and undeserving reduces corruption, wastage, and government bureaucracy.

Build social trust

A community of recipients alleviates crime and sets a foundation for social trust and reciprocity.

BASIC INCOME MALAYSIA

Basic what?

A Basic Income is a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement.

It has the following **five** characteristics:



1. Periodic

Paid at regular intervals for a safety floor that encourages financial planning and entrepreneurship.

Not payments which are one-off, lump sum or irregular.



2. Cash payment

Allows recipients the responsibility to decide for themselves what to spend on.

Not supermarket vouchers or credit with spending restrictions.



3. Individual

Empowers freedom in all persons by paying on an individual basis.

Not payments by household or to the head of household.



4. Universal

To all. To maximise efficiency of administration, there is no distinguishing between deserving and undeserving.

Not benefits that are targeted or means-tested.



5. Unconditional

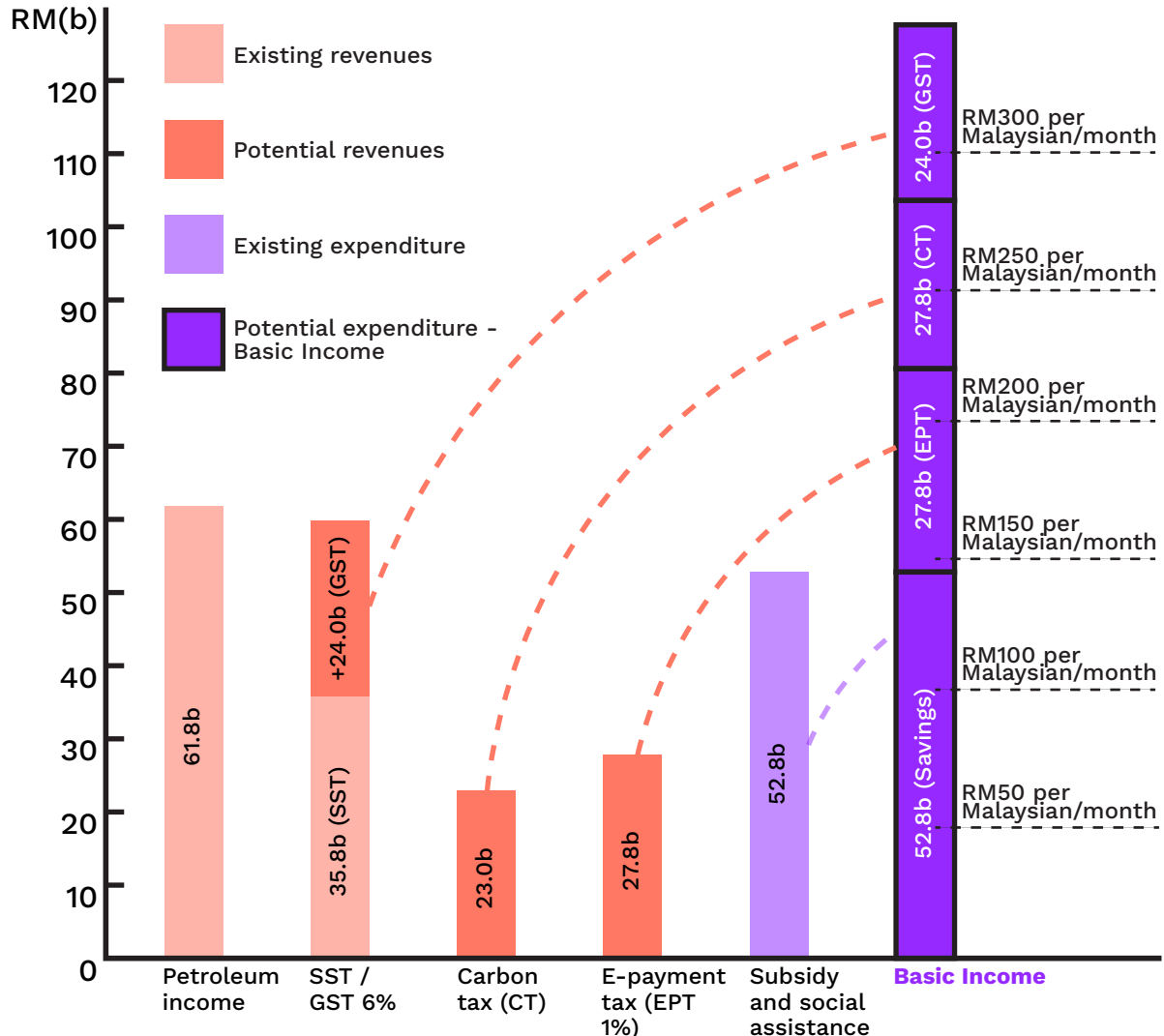
One-way transaction with no work or behavioural conditions required in return.

Not paid in exchange for work done.

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How much?

Our **RM52.8b** for subsidies and social assistance can be a Basic Income of **RM150 per Malaysian/month!**



With the following potential revenues, we can afford to pay every Malaysian well **over RM300 per month.**

Goods and Services Tax (GST)

GST's regressiveness is offset when its revenues fund Basic Income, as most would see a net gain, with only the biggest spenders losing.

Carbon tax (CT)

Carbon tax assigns a cost to our impact on the environment. When assigned to Basic Income, it provides people the headspace to act on climate concerns.

E-payment tax (EPT)

A "tiny tax" on all goods, services, fees, transfers and payments of every type at the point of the electronic transaction.

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Yeah but...

What about inflation?

A Basic Income scheme paid for purely by making changes to the current tax and benefits system would not add to the money supply, so inflation would not result from it.

Instead, Basic Income helps income levels **stay ahead of inflation**.

Who's going to pay for it?

A citizen's Basic Income is paid for by the government. When matched with GST revenues, Basic Income establishes shared **prosperity**; when matched with petroleum income, it is a **dividend** from what should belong to the commons.

Isn't the Malaysian government giving free money already?

Yes, but cash transfer policies in Malaysia (BR1M, BSH, BPN, BKM, STR) have been conditional, irregular, and with the discouraging connotations of charity.

Instead, Basic Income is universal, periodic, and has the empowering connotations of **entitlement**.

Won't we then rely on the government for everything?

Not everything, but we rely on the government for security, infrastructure, and equal opportunities. We now need to acknowledge that Basic Income is also necessary for us to be on a **level playing field**.

Won't people spend it on drugs and alcohol?

Unlike irregular payments, periodic payments would continuously provide hope, encourage financial planning, and boosts **mental health** - halting self-destructive behaviour.

Will people stop working?

Unlike an unemployment benefit, Basic Income is not removed upon employment, so it does not disincentivise work. Instead, Basic Income improves our **social mobility** without any intervention on social standing, allowing people to better express their ambitions productively.

Won't my boss just pay me less?

As people are better positioned to **pursue the jobs they want**, we expect the wages for more desirable jobs to go down, and wages for more undesirable jobs (e.g. 3D - dirty, dangerous, difficult jobs) to go up.

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If so...

How much is good enough for a Basic Income?

Basic Income forms a floor for people to stand on their feet, and that no person falls below of. The amount should be significant to most people, but still sustainable for the government.

So long as it is **sustainable** for the government, every little would help people to stand on their feet, and a large amount allows people to pursue greater fulfilment.

Should people living in Kuala Lumpur get more?

Not from the federal government. The money going further at cheaper areas would **rejuvenate rural economies** and reduce the pressure on people to leave their hometowns for a move to the capital.

Why should the rich get it?

Giving it to everyone **avoids social stigma** between recipients and non-recipients, **reduces administration** by not distinguishing between the deserving and undeserving, and enables **automatic enrolment** to prevent people from falling through the cracks. An opt-out feature could be implemented, but exclusion is an exception rather than the norm.

Where has Basic Income been implemented?

Since 1982, the Permanent Fund Dividend (PFD) pays every Alaskan approximately 1,600USD every year, funded by Alaskan oil and mining revenues. The programme is immensely popular in Alaska, **reducing crime and poverty**, and increasing **part-time employment**.

Although a federal-level Basic Income is still unprecedented, pilot studies are now widespread, and many - including in developing regions such as Namibia and Madhya Pradesh (India) - demonstrate overwhelmingly positive effects on **self-sufficiency**.

Who would object to a Basic Income?

Cynics not **trusting** others to spend in a manner that generates their desired outcomes may not wish for governments to devolve spending powers via a Basic Income.

Radical ideologues for the dismantling of the free market (which Basic Income isn't), or against **redistributive mechanisms** (which Basic Income is), may not be satisfied with a Basic Income proposal.

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How can?

Malaysia will be able to take advantage of our existing infrastructure for the **implementation** of Basic Income.



MyKad

Not just evidence of citizenship, the MyKad also features ATM integration. This enables direct cash transfer from the government to all MyKad holders, automatically and without any further bureaucracy.

All Malaysians need to apply for a physical MyKad in person within 30 days after turning 12 years old, and renew their MyKad between age 18 and 25.



Inland Revenue Board of Malaysia (LHDN)

Our income information with LHDN can be built on to implement a delivery of Basic Income. Alternatively, a guaranteed income can also be achieved by supplementing employment income with a negative income tax.



Malaysian Central Database Hub (PADU)

The potential robustness of the PADU database, developed through authentication methods such as e-KYC, could lead to a registry for a Basic Income to all Malaysians.



Central Bank Digital Currencies (CBDC)

Central banks all over the world have been studying the merits of CBDC. Since 2020, Bank Negara Malaysia has also been evaluating Malaysia's need for CBDC.

One of the opportunities of CBDC is to allow all Malaysians to hold an account or digital wallet linked directly to Bank Negara Malaysia, providing a channel for delivery of Basic Income.

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Who said?

Share this and join the discussion! Still unsure?
Contact us and we will do our best to respond to
your question or comments.



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