

WHY A GBI?

Despite our economic wealth, scientific knowledge and technological capability, 1.4 billion people on our planet live in extreme poverty. More than 900 million people are chronically undernourished and 6 million children die each year unnecessarily. This tragedy must be put to an end. As Martin Luther King rightfully said: *The curse of poverty has no justification in our age.*

MILLENNIUM DEVELOPMENT GOALS

We have the means to end poverty, but we still lack the imagination or will to do so. The Millennium Development Goals that were adopted by the UN in the year 2000 aim at halving poverty. This is in fact an acceptance of our failure to eradicate poverty. It means that for decades to come hundreds of millions of people will still live in extreme poverty. We need a different perspective and commitment. This is what a GBI aims at.

HOW TO END POVERTY

Poverty has many causes: lack of education, poor health, insufficient economic development and jobs, war and conflict, corruption, etc. If we try to remove all these causes one by one, we will never be able to eradicate poverty.

However, there is a more effective approach: instead of trying to change everything we can abolish poverty directly by giving money to the poor. This is the method that rich countries have applied by introducing social welfare. If we guarantee everybody the necessary means or money to satisfy basic needs, poverty can be eliminated.

Developing countries are now starting to follow the same path by introducing old age pensions and other benefits for poor families, like the Bolsa Familia program in Brazil or the Child Support Grant in South Africa. There is a growing awareness that developing countries also need to use direct cash transfers to reduce poverty.

WHAT IS A GBI?

The financial resources of most developing countries are too limited to finance substantial social security programs. Even the rich countries are cutting down on welfare spending. What we need, therefore, is a global strategy.

That is what a GBI is: a global pact to ensure every child, man and woman the means to satisfy basic needs.

A global social security agreement needs to be simple and transparent. One idea is rapidly spreading across the globe that answers these criteria: the idea of a basic income. A basic income (BI) is a minimum income or grant that is given unconditionally to every individual, rich and poor, without work requirement. It's a basic minimum that all people are entitled to as a recognition of the right of every person to live in freedom and dignity.

BASIC INCOME WORLDWIDE

The idea of a basic income has been discussed in the developed world for several decades now. Martin Luther King was one of the early advocates in his book "Where Do We Go From Here?". At present Germany has a strong BI movement and a lot of discussion in the media. But, surprisingly, developing countries are now taking the lead in the BI debate, especially Brazil and Namibia.

BASIC INCOME IN BRAZIL AND NAMIBIA

Brazil is the first country in the world that has established the right to a "Citizen's Basic Income" in a law, approved by the Brazilian parliament in 2003, and sanctioned by President Lula da Silva in 2004. The law calls for a gradual implementation of a BI for all people living in Brazil. In **Namibia** a coalition of churches, unions and NGO's has conducted a successful two-year pilot project in 2008 and 2009. The Basic Income Coalition is now appealing to the Namibian Government to introduce a BI nationwide.

IMPLEMENTATION

Almost all BI organizations are advocating a BI on a national level. A Global BI agreement will help developing countries to finance a BI. Moreover, it may also help rich countries, who are now afraid to spend more on social security because of global economic competition. A Global BI agreement with a fair distribution of the financial burden would eliminate this problem. It would also enhance the financing possibilities. One of the most promising suggestions to finance a GBI is a so-called cap-and-dividend system, which means that all people would receive a dividend from the proceeds of auctioning CO₂ permits. In this way eradication of poverty and prevention of catastrophic climate change will go hand in hand.

GLOBAL BASIC INCOME: TWO OPTIONS

A GBI is a shared commitment by the global community of people and nations to eradicate poverty by means of an unconditional, guaranteed minimum income for all people. A GBI can be implemented in two different ways: 1. **a global system**: the UN, or another international agency, collects the funds and distributes a GBI to all people worldwide; 2. **a global pact**: an agreement which contains the agreed upon criteria and financing mechanism, but delegates the responsibility for the actual distribution to the national level.

A GBI received each month by all people worldwide would be a constantly renewed message of human solidarity and would be a major stepping stone towards much more effective international cooperation on issues such as sustainable development, security and migration.

A GBI Fund can be financed in many different ways. One possibility is a contribution of all countries in proportion to their wealth (GDP). Other options are global taxes, e.g. on air travel and ocean fishery, or the above mentioned CO₂ cap-and-dividend system.