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Living Income Guaranteed

The Living Income Guaranteed Proposal



EQUAL
LIFE FOUNDATION

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THE EQUAL LIFE FOUNDATION

Introducing a Living Income Guaranteed

We live in a world that is deteriorating by the day. Corruption, violence, wars, austerity, debt, default, poverty, homelessness, slavery; these are the words that define it, if not for all, for many and no one can deny the need for Change.

As we considered how to design a change that would be implementable and permanent we had to consider many facets of the problems we face, not least the one that we are apparently, at present, by our own definition and acceptance of hierarchy as it is, locked out from the governing powers of the world and how could each one of us get back into their own power to direct this world to a different outcome, to a different reality that would benefit All and not just some.

What became quite apparent was that there is at the moment only one point of Equality that we can summon for ourselves and from which we can start to work to remedy at the damage done so far, that point is the point of Equal Responsibility, a point where we can share immediately in the load of decision making with everyone on the planet, a point that won't have to be debated, fought for or demanded because it is a point each one of us can self-realize and decide to act on, as part of the solution.

In light of this understanding and of our common responsibility, we have written a proposal for change, we don't need leaders, we need a collective agreement about no longer supporting such a world, such misery, such suffering because there is no need for it, no one has become better for it or wiser, so we must change the content of the lessons we are attempting to teach ourselves and each other by renouncing our

suffering, by giving up the suffering of all for a different world where Life is what is valued above All, and Money is returned to the place of servitude where it should have always been, at the service of Life.

This proposal is a draft and as we agree on taking responsibility for this world, we'll multiply the hands available to do the work to fill in the gaps in writing a new Constitution for this world, a new Chart through which we will commit to do everything in our power to change the way things are.

There has never been a plan that would consider how to live harmoniously on this planet so far, we are calling for all those with a vision to join in, to participate in a movement for Change that starts with our self-responsibility for everything that exists and as we embrace the world and humanity as our family, we will change it to reflect our embrace vs. our isolation, our resolve vs. our demands, our responsibility vs. blaming those in power for not doing what we see could be done better, could be done for All, could be done to make sure this world will never be the same.

We can leave a better world behind, this is the draft we propose on how to go about it, the world can change as we change, each one of us has the power to stand for change as The Change.



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INTRODUCTION

The Living Income Guaranteed (“L.I.G.”) is a Proposal that addresses the immediate and pressing problem of massive world inequality. Current economic and political policies implemented to promote prosperity and the well-being of the world’s disenfranchised may have, to a degree, been able to facilitate economic growth, but the bounties of this growth have yet to reach those who most need it.

The Living Income Guaranteed will assist and support those individuals within society that find themselves in a disadvantaged position as a result of this structural ineffectiveness and inadequacy. The Living Income Guaranteed will provide Equal Opportunity for all; functioning as the medium through which nations will be able to remediate the most direct and negative effects of capitalism, while maintaining many of the unique strengths that such a system embodies. The Living Income Guaranteed will thus aid in balancing growth with sustainability; ensuring and securing Fundamental Human Rights for everyone.

WHAT IS L.I.G.?

The Living Income Guaranteed is the provision of an actual ‘Living Income’ for each eligible citizen – an income that provides a reasonable level of financial security so that everyone may lead a dignified life. Unlike the Basic Income Grant proposals, the Living Income Guaranteed is not unconditionally provided but is allocated through a means-test. The Living Income Guaranteed is a social security ‘net’ available to all; on an as-needed basis. This principle exemplifies our national expectations of government, as laid out within most country’s Bill of Rights, where the state ensures the well-being of its citizens when the citizens are unable to provide for themselves.

PARADIGM SHIFT

The implementation of a Living Income Guaranteed also requires the implementation of a paradigm shift. We need to acknowledge that our current system and approach of managing resources and ensuring human rights has been far from effective. As a society, acknowledging the ineffectiveness of our system prompts us to profoundly investigate our value system and preclude ideas that no longer serve us. When we hold on to the ways of the past because that’s ‘how things have always been done’, we recreate the same problems of the past; the very ones we wish to eradicate. The only way to move forward and bring about an actual improvement in society is to do things differently. To be able to do so, we require an openness for change – for innovation and creativity – for ‘out of the box thinking’. In Einstein’s words: “We can’t solve problems by using the same kind of thinking we used when we created them.”

STRUCTURAL ADJUSTMENTS

To finance a Living Income Guaranteed System, changes are required within the current socio-economic and political structure. Funding the Living Income Guaranteed directly through the Government by allocating money from the budget, or through deficit spending, is not a viable option. Government, by itself, is not set up to handle such a load of income transfers at the level required for all Living Income recipients to be able to live a dignified life. Adjustments and tweaks are required to free up and ensure a proper Living Income can be actually, guaranteed.

NATIONALIZATION OF RESOURCES AND SOCIAL DIVIDENDS

One way to fund a Living Income Guaranteed is through the nationalization of resources within each country. To benefit the public well-being, each country's resources are re-allocated by nationalizing companies that utilize the national resources in manufacturing and production processes. The citizenry would then effectively become shareholders of these companies. Economic profit generated by publicly owned companies would partially (or wholly, if necessary) finance the Living Income Guaranteed.

Beyond the obvious funding function of such a step, the nationalization of resources and connected enterprises provides an opportunity for the management of the country's resources by the people of that country – and is, in fact, an extension of direct democracy.

REDIRECTION OF MILITARY BUDGETS

A second major and appropriate source of funds to finance a Living Income is the redirection of military budgets. Whereas the real and propagated justifications for war are questionable, their resulting devastation is not. It requires no further explanation or argumentation to clarify why warfare is undesirable and worth eradicating.

Every democratic government has a duty first and foremost to the citizens of their own country. Spending vast amounts of public funds to finance military action under the guise of humanitarianism has no sensible meaning when at home such things as unemployment, poverty, inadequate education programs or health systems are common and increasingly problematic. To better the world, we must start at home.

TAXATION

Within the Living Income Guaranteed, direct or personal tax methods will be discontinued. Only indirect tax methods will be facilitated, inter alia, in the form of VAT, sales tax and import duties. There will no longer be a need for excessive taxation, as the role and functions that the government will be required to execute and fund, will be minimal.

The amount of tax for each individual will be directly related to one's activity and participation within a particular system or section of society (eg. Toll roads / Road pricing).

Note that from the financing options suggested here, the particular combination and spreading should be tailored for each country – dependent on the specific current economic reality and cultural climate. A country-specific evaluation can determine in which areas of a particular economy funds that are misappropriated that can be redirected towards the guaranteeing of a Living Income.

MINIMUM WAGE

One common objection to the Living Income is that it will serve as a disincentive for people to seek employment, leading to labor supply scarcity for positions deemed unpleasant. To create incentive, the remuneration for employment would have to be at least that of a Minimum Wage, of which the amount would be double the Living Income. Anyone who is able to take up any form of employment, would have a direct interest in doing so. The Living Income will only cover one's direct and basic needs to have a dignified home, food, healthcare, education and access to necessary public services (e.g. transportation); it will not provide a lifestyle with 'extras' or 'luxury'.

SUSTAINABLE PRICING

In order for companies and enterprises to be able to provide a minimum wage at double the Living Income, a new price determination for wages is required. Prices must reflect the input of capital and include the cost of the human capital within the production process of goods and services.

This new price determination sets up a relationship between suppliers and consumers that is of mutual support because equivalent value is given to both. The price of goods or services rendered reflects the labor that was required in the creation process, and this is remunerated by the consumer who contributes to the livelihood of the laborer. The laborer has contributed his time and effort to create the final good or service that the consumer is obtaining. The function of prices thus ensures that at minimum, everyone involved in the creation process of the good or service is able to sustain themselves, and only in second place should pricing be used as a means to further competition.

AUTOMATION, TRANSPARENCY AND THE DIGITALIZATION OF MONEY

The implementation of an economic system on the basis of the Living Income Guaranteed, requires processes involving the society's service, manufacture and production, as well as general logistics, to be addressed in the most efficient and practical manner. To this end, digitalization and automation will be compulsory to fulfill on the one hand the smooth operation of the system, and on the other minimize error and human interference in form of accidents and deliberate abusive behavior. Ample technological options are available to create an integrated and interconnected administrative network, designed to ensure the security and well-being of every citizen. Many countries already have deployed electronic identity cards; interlinking identification cards with banking cards is not a big leap. Interlinked ID cards and banking cards will retain all the relevant information, assessment, and evaluation to ensure that everyone in need of financial security may receive their Living Income Guaranteed.

Automation will also ensure transparency and will monitor regulations such as the basic minimum wage to ensure that no one is attempting to de-fraud the system – whether on a personal, corporate or governmental basis.

Increased automation and the ensuing transparency of data and money operations, along with a transfer away from cash money towards digital money, will result in reduced opportunity and propensity to take part in illicit financial transactions by individuals and organized groups.

MATCHING BUSINESS WITH SUSTAINABILITY

EFFECTIVE MARKETING FOR EFFECTIVE MARKETS: ADVERTISEMENT AND PUBLIC RELATIONS

To encourage the development of a stable and effective economy, changes are required within how markets are influenced and driven, to ensure that the supply within the

economy, in fact, reflects the demands of the people. We speak of the ‘demands of the people’ because all people will effectively be able to indicate their demands within the economy through the provision of the Living Income Guaranteed. Through this simple shift and increase in purchasing power, we will be faced with new demand curves, demand curves that truly signal what is required within society for a market to be able to satisfy the consumers’ requirements and requests.

Modifications to advertising and public relations need to take place, to truly honor the dictum of the ‘informed consumer’ making rational decisions. The public relations and advertisement industries have primarily focused on enticing consumers on an emotional level to purchase or develop a liking towards a product or service instead of appealing to consumers on a rational level. This causes irrational consumer behavior which then interferes with the effective management of resources, as demands are being generated and are being supplied, which would never have existed if not for the psychological manipulation tactics used within public relations and advertising campaigns.

Such marketing strategies and campaigns have led a vast waste of scarce resources in the interest and name of profit. Since this form of marketing is clearly inefficient, advertisement and public relations projects ought to be focused on educating the consumer and/or population in a factual manner using information relevant to the product or service being described and promoted. A shift occurs from emotional enticement to rational consideration within consumer decision making, leading to a demand-and-supply mechanism based on genuine need and quality products and services in support of sustainability.

BUREAU OF STANDARDS: QUALITY ASSURANCE AND CONTROL

Within Living Income Guaranteed, policy making and regulations within society will be committed to the principles of sustainability and durability. Only by applying these principles can we maximize our capacity as a society to provide a living environment of the highest quality for everyone; one that will support and maintain our present

and our future.

In practical terms, this translates into the production and rendering of goods and services through well-defined procedures to meet all the criteria that ensure and assure quality and durability to the consumer.

Before a product or service is placed on the market, the particular product or service will be reviewed and tested stringently by a Bureau of Standards to assess whether the product or service has been designed, engineered and tested to its limits to guarantee high quality of material and functioning. Once a product has been approved and certified, regular monitoring and review will ensure the continuity of quality.

The concept of quality determination will be comprehensive to ensure quality in all dimensions and aspects of the production processes as well as within the final stages of product delivery and usage by the consumer.

Quality will be evaluated in respect to quality of input materials used, safety of production process, minimization of environmental impact, durability of the product, as well as transparency and accuracy of information in labels and manuals



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