A GUARANTEED INCOME: The Basics

A guaranteed income is a regular cash payment given directly to individuals.

- It is accessible to members of a community with no strings attached and no work requirements.
- A guaranteed income is meant to supplement, rather than replace, the existing social safety net.
- It has been championed as a means of ending poverty, reducing social inequalities, and promoting gender and racial equity.

Where (& how) has guaranteed income worked in the U.S.:

**Stockton Economic Empowerment Demonstration (SEED)**
- 40% of recipients had full-time employment a year into the program
- Improved mental and emotional health over time & compared to control
- Recipients experienced less income volatility and were better able to cover a $400 unexpected expense

**Magnolia Mother’s Trust (MMT)**
- Mothers collectively paid off over $10,000 in predatory debt in first year cohort
- Increase in mothers preparing 3 homemade meals/day for their family
- Mothers able to pay all bills on time increased from 27% to 83% in second year cohort

**Alaska Permanent Fund Dividend**
- Greatest poverty reduction impact on children, Native Alaskans, rural residents, and the elderly
- Has lifted about 15,000 to 25,000 Alaskans out of poverty every year

**Economic Impact Payment (Stimmies)**
- From Dec 2020 to April 2021, food insufficiency fell by over 40%, financial instability by 45%, and adverse mental health symptoms by 20%
- Reductions in material hardship were greatest among low-income households

Where (& how) has guaranteed income worked in the U.S.:

<table>
<thead>
<tr>
<th>Guaranteed Income (GI)</th>
<th>Universal Basic Income (UBI)</th>
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</thead>
<tbody>
<tr>
<td>Targeted → give to highest need</td>
<td>Universally provided → no targeting</td>
</tr>
<tr>
<td>Reduce racial income disparities</td>
<td>Increase racial income and wealth disparities</td>
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<tr>
<td>Lower price tag</td>
<td>High price tag</td>
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</tbody>
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For more information, contact info@economicsecurityil.org
For further resources, go to Guaranteed Income Community of Practice at gicp.info