

THE CITIZEN'S BASIC INCOME

BY EDUARDO SUPLICY

A COLLECTION OF THE IDEAS, TRAJECTORIES,
AND PROPOSALS OF EDUARDO MATARAZZO SUPLICY

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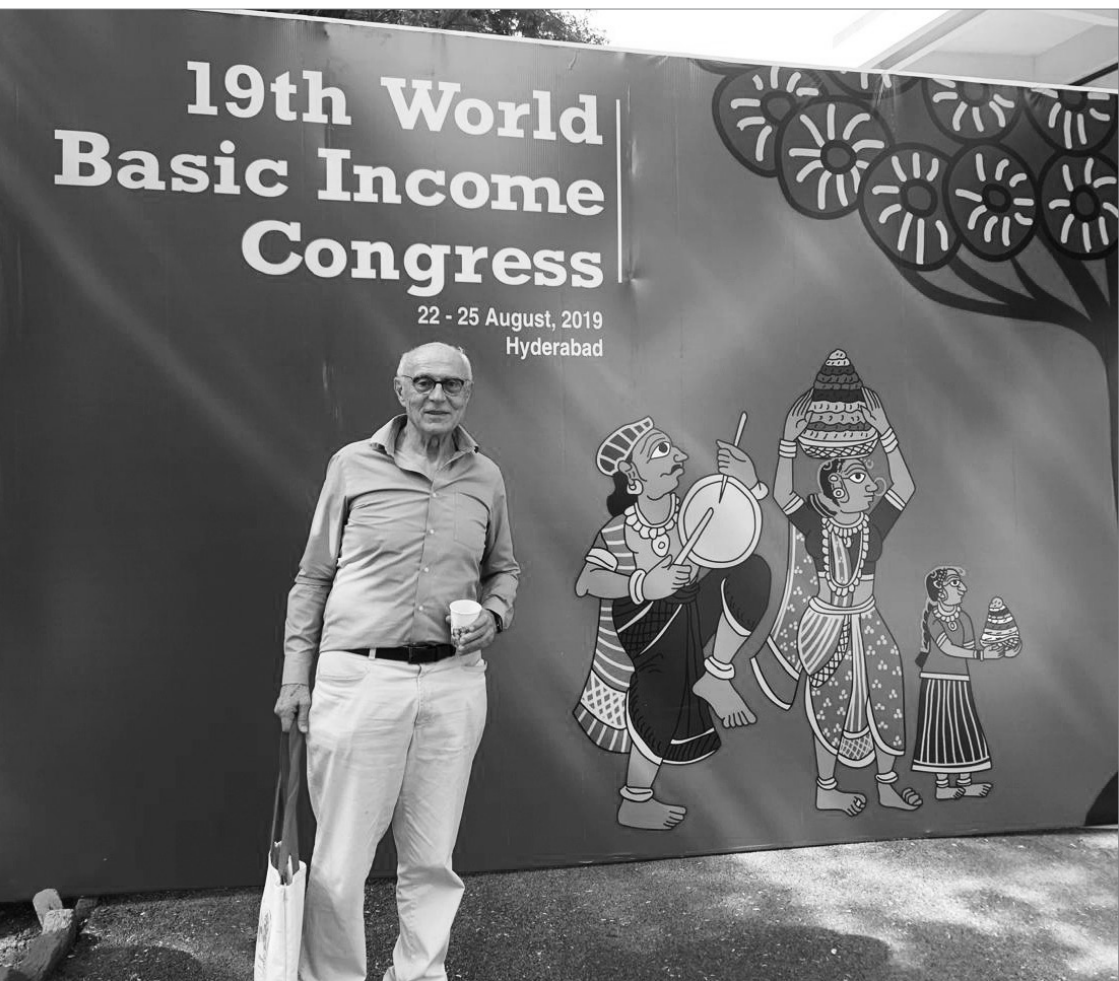
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Eduardo Suplicy at the 19th International Congress of the Basic Income Earth Network (BIEN), in Hyderabad, India, (2019)

INTRODUCTION

A Life Dedicated to Basic Income

Born in São Paulo on June 21, 1941, since my childhood I have been interested in finding ways to help build a society where everyone can live with freedom and dignity. I was the eighth of eleven children born to my parents, Paulo Cochrane Suplicy and Filomena Matarazzo Suplicy. They were very Catholic and used to say how important it would be for us to always be very fraternal, with much solidarity, and unity, and that those values should be valid beyond the walls of our home. As a young student, I became increasingly curious about the different ways of organizing a society. Over time, I became convinced that it is indeed possible to build a just and civilized society through democratic, nonviolent, and peaceful means.

After studying business administration and working for a year alongside my father at Escritório Suplicy, where I helped develop an export sector for Brazil's manufactured goods, I decided to take the competitive exam to become a professor of economics at the São Paulo School of Business Administration at Fundação Getulio Vargas Foundation. Being successful, I was able

to complete my Master's and Ph.D. at Michigan State University, followed by fifteen additional months of study at Stanford University, where I was invited to teach a one-term course on the Brazilian economy. During that time, I had the opportunity to follow the debates around a Guaranteed Minimum Income through a Negative Income Tax, as advocated by economists such as James Tobin, Paul Samuelson, John Kenneth Galbraith, Milton Friedman, and many others.

Over the course of 46 years in public life, I served as a Senator for São Paulo for 24 years, the first to be elected by the Workers' Party (Partido dos Trabalhadores – PT) in 1990. I was also elected State Representative (1978), Federal Representative (1982), and City Councilor in 1988, 2016, and 2020, receiving the highest number of votes in all three City Councilor elections (1988, 2016, and 2020) among all candidates in Brazil. In 2015, I was invited by then-Mayor of São Paulo, Fernando Haddad (PT), to serve as Secretary for Human Rights and Citizenship.

Once elected Senator in 1990, I introduced a bill in April 1991 to establish a Guaranteed Minimum Income program through a Negative Income Tax system. The proposal emerged from discussions connecting guaranteed income to access to education and health care. Parents eligible for the minimum income would be required to enroll their children in school and ensure they received essential vaccinations at public health centers. This Bill was unanimously approved by the Senate.

In July 1994, Belgian economist and philosopher Philippe Van Parijs, one of the main founding figures of the Basic Income

European Network (BIEN), came to Brazil to deliver lectures at Federal University of Rio de Janeiro and University of São Paulo. We were invited to participate in a seminar organized by the International Affairs Division of the Institute of Advanced Studies at the University of São Paulo. On the panel were Philippe Van Parijs, economists and professors Luiz Carlos Bresser-Pereira (Fundação Getulio Vargas), Paul Singer (School of Economics and Business Administration at USP), and myself.

I had not yet met Philippe Van Parijs in person, but already been sympathetic to the idea of a basic income. In 1992, the economist Antonio Maria da Silveira, with whom I interacted frequently, gifted me the book *Arguing for a Basic Income: Ethical Foundations for a Radical Reform*, edited by Van Parijs and featuring contributions from leading contemporary thinkers. I was positively impressed. It is worth noting that Antonio Maria da Silveira was the first author to publish an article on the guarantee of a minimum income in Brazil, in 1975, titled “Income Redistribution.”

During the debate at USP, Van Parijs criticized existing minimum income initiatives in some countries, which only supplemented the incomes of the poorest up to a set threshold. “However, the benefit ends up encouraging unemployment, as the granted difference is often much greater than the individual’s income, who then chooses to live solely on it and gives up working”. Since it is granted to everyone regardless of their situation, basic income does not have these negative effects, argued the Belgian economist. “Those who work will

always have a higher net income than if they did not work, thus eliminating the ‘unemployment trap’”. At the time, I considered an unconditional basic income ideal in the long term but still unfeasible given Brazil’s persistent income inequality.

Professor Bresser-Pereira said he was inclined to support the concept of basic income due to its simplicity and lower administrative costs. For Professor Paul Singer, some public services could be seen as a form of “in-kind” basic income, such as free public education and healthcare. However, he argued that if these were replaced with direct cash transfers, the population would enjoy greater autonomy.

In an article published in *Folha de S.Paulo* in October 1994, Van Parijs wrote that he was surprised by the quality of the debate he encountered in Brazil:

“A debate on the broader version of the idea – a citizenship income paid directly and unconditionally to all adults – has been developing since the 1980s in Western Europe, where high unemployment rates have spurred discussion. Many, including myself, assumed this kind of debate could only emerge in highly industrialized societies. It was with great surprise that I discovered, during a recent visit to Brazil, that a guaranteed minimum income proposal made by Senator Eduardo Suplicy in 1991 was approved almost unanimously by the Brazilian Senate in December 1991 and was now set to be debated in the Chamber of Deputies.

What is even more surprising is that the Brazilian proposal, being a form of negative income tax, is much closer to a basic income than the European minimum income schemes. It consists,

first and foremost, of an individual right to a cash income, with no restrictions on the involuntarily unemployed, while preserving work incentives at the lower end of the scale.”

Noting my enthusiasm for the debates promoted by the Basic Income European Network (BIEN), which held small international gatherings every two years, Philippe Van Parijs invited me to attend the 5th International Congress at Goldsmiths College in London, in September 1994. There, I began to interact more closely with Philippe Van Parijs, someone I consider my best friend on Planet Earth. At the congress, I also met several key proponents of basic income, including Claus Offe, Guy Standing, Ann Miller, and Lionel Stoléru, which helped deepen my studies. I then decided to personally visit the pioneering unconditional universal basic income initiative in Alaska, USA.

Through my involvement with BIEN members, I participated in the 6th International Congress in Vienna in 1996. In 1998, as the congress was scheduled two weeks before the elections, I decided it was more important to focus on my reelection campaign and continue the fight for income guarantee. Therefore I missed the 7th Congress in Amsterdam. Fortunately, I was reelected and attended the subsequent conferences in Berlin (2000) and Geneva (2002).

After extensive study of the growing global literature on Universal Basic Income (UBI), I decided to present a new bill to the Brazilian Senate in December 2001 to gradually institute a Citizen's Basic Income (CBI): the right of all Brazilian residents, including foreign nationals with five years of residency, to receive

a universal and unconditional cash transfer sufficient to meet their basic needs. The bill was enacted in 2004 as Law No. 10,835, making Brazil the first country in the world to guarantee the CBI. The law provides that the CBI will be implemented step by step, taking into account the criteria set by the Executive Branch, beginning with those most in need, thus complying with the Fiscal Responsibility Law, which requires that each new expense must be matched by corresponding revenue.

At the 10th BIEN Congress in Barcelona in 2004, I noticed representatives from all continents. I then proposed changing the meaning of BIEN from “Basic Income European Network” to “Basic Income Earth Network.” The proposal was approved by consensus. Also in Barcelona, and due to the enactment of the CBI Law, I was honored to be elected co-chair of BIEN. During the same congress, the Brazilian Basic Income Network was founded, with 13 Brazilians present. I was informally appointed as its coordinator.

I attended the subsequent congresses in South Africa (2006) and Ireland (2008).

In 2010, the 13th BIEN International Congress, held at University of São Paulo (June 30 to July 2), was crucial for strengthening basic income advocacy, particularly within academia. It was supported by the Faculty of Economics at USP, the Institute for Applied Economic Research (Instituto de Pesquisa Econômica Aplicada – IPEA), the Ministry of Social Development, the Secretariat for Solidarity Economy (headed by Paul Singer), the Ministry of Labor, and other institutions. All



The participants of the 13th BIEN International Congress at the University of São Paulo with President Lula (2010)

the intellectuals present, such as the Namibian Bishop Zephania Kameeta (who was enthusiastic about Otjivero's pilot project) were received by President Luiz Inácio Lula da Silva.

I also attended the 2012 Congress in Munich, the 2014 Congress in Montreal, and the 2016 Congress in Seoul.

In February 2016, I received one of the greatest honors of my life: the conferral of an Honorary Doctorate (Doctor Honoris Causa) from the Catholic University of Louvain, awarded during the celebration of the 500th anniversary of the publication of *Utopia* by Thomas More, in recognition of my long and persistent battle in favor of Basic Income in Brazil and on Planet Earth.

In 2017, I suggested to the President of the Perseu Abramo Foundation, Marcio Pochmann, that we create a working group to study the steps toward implementing a basic income. He agreed, and the meetings of this group helped revive the work of the Brazilian Basic Income Network (Rede Brasileira de Renda

Básica - RBRB), which was then formalized on April 26, 2019. The board was composed of President Leandro Teodoro Ferreira, Vice President Tatiana Marins Roque, Secretary Bruna Cristina Neves Carnelossi, Treasurer Marília Gabriela Silva, Communications Director Marcelo Lessa, Scientific Director Fábio Domingues Waltenberg, Director of International and Institutional Relations Paola Loureiro Carvalho, and members of the Fiscal Council: Aldaiza de Oliveira Sposati, Américo Sampaio, and Fernando José Gomes Freitas, with myself being appointed Honorary President.

Over the course of 24 years and three terms in the Federal Senate (1991–2015), I traveled to 48 countries representing Brazil's National Congress. I received countless invitations from universities, governments, NGOs, labor unions, parliaments, and international forums to participate in lectures, debates, and seminars. The election of President Lula (in 2002 and 2006), along with my role as chair of the Senate's Foreign Relations Committee, helped strengthen international contacts.

All travel invitations were formally approved by the full chamber. I never let my absences interfere with my duties as a Senator, which is why the trips were always brief. Between 1995 and 2014, I was absent from less than 2% of sessions, and all were properly justified.

As my involvement in global advocacy for Basic Income expanded, so did the invitations. Spreading the idea across Latin America, the Middle East, Africa, Asia, and the Americas became a personal mission. I have not yet visited Oceania, but the debate is already underway there.

Now serving as a State Deputy in São Paulo, I continue to advocate for Basic Income. In 2024, following my proposal, President Lula authorized the creation of a Working Group (WG) within the Council for Sustainable Economic and Social Development to study the gradual transition from the Bolsa Família program to a Universal and Unconditional Basic Income.

It is with great joy that I can say that I was among those who helped plant the seed of UBI across the Planet Earth. Today, fortunately, I have the pleasure of witnessing the idea bear fruit in many different parts of the world. Implementing an Unconditional Universal Basic Income in Brazil and globally remains my life's mission.

Countries Visited

South America: Argentina, Chile, Uruguay, Paraguay, Venezuela, Ecuador, Colombia, Peru, Bolivia

Central America: El Salvador, Costa Rica, Curaçao, Cuba, Guatemala, Haiti, Aruba

North America: United States, Canada, Mexico

Europe: Germany, England, Denmark, Austria, Italy, Switzerland, France, Spain, Belgium, Ireland, Finland

Africa: South Africa, Morocco, Mozambique, Sudan, Namibia, Kenya

Asia: Israel, Lebanon, Iran, Philippines, Sri Lanka, China, Bangladesh, South Korea, Palestine, Iraq, India, Timor-Leste



José Dirceu, President Lula, Marisa Letícia Lula and Eduardo Suplicy on the Enactment of Law 10,835/2004

CHAPTER 1

Paths of Basic Income in Brazil

Thirty-one years ago, in September 1994, I traveled to London at the invitation of Professor Philippe Van Parijs to participate, for the first time, in a BIEN International Congress – the fifth one. I was invited because, as a Senator, I had successfully proposed and secured Senate approval for a bill to establish a Guaranteed Minimum Income through a Negative Income Tax. In England, I met and engaged for the first time with fellow BIEN members such as Guy Standing, Claus Offe, Walter Van Trier, and Anne Miller. James Edward Meade, who could not attend due to illness, was honored during the event and represented by his daughter, Bridget.

The debate surrounding that proposal in Brazil ultimately led to the institution of a Guaranteed Minimum Income program for poor families tied to educational opportunities. Low-income families below a certain threshold gained the right to receive a monthly stipend, provided their school-aged children attended classes regularly. In a debate held in August 1991 among economists aligned with the Workers' Party (PT),



Eduardo Suplicy, Maria Victória Benevides, Philippe Van Parijs and Umberto Cordani at Institute of Advanced Studies at the University of São Paulo (1994)

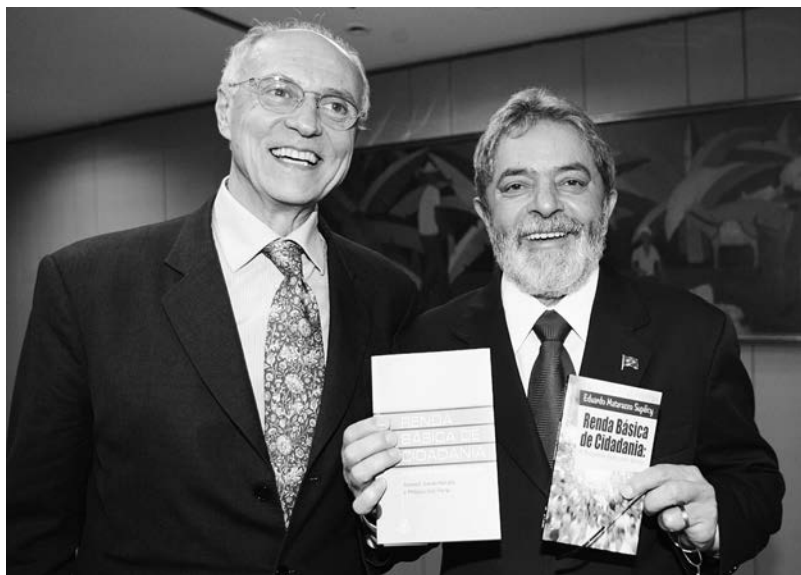
Professor José Márcio Camargo (Pontifical Catholic University of Rio de Janeiro) argued that this conditionality would help break one of the main cycles of poverty. This program got the name “Bolsa Escola” (“School Grant”) – such as those first introduced in 1995 by Governor Cristovam Buarque (PT) in the Federal District and by Mayor José Roberto Magalhães Teixeira (Brazilian Social Democracy Party / Partido da Social Democracia Brasileira - PSDB) in Campinas.

In 1996, when Philippe Van Parijs visited Brazil again, during a hearing that I suggested with President Fernando Henrique Cardoso, the Belgian Professor stated that the best solution would be a Universal and Unconditional Basic Income. But to start with a guaranteed minimum income tied to education, such as the Bolsa Escola, would be a valuable investment in human capital. Then President Fernando Henrique

gave the green light for Congress to pass Law No. 10,219/2001. That same year, he also enacted legislation establishing the Bolsa Alimentação (“Food Allowance”), which provided income to parents who brought their children to public health centers for vaccinations required by the Ministry of Health. Shortly thereafter, the Auxílio Gás (“Gas Voucher”) was created, offering a bimonthly cash transfer of R\$15 for low-income families to purchase cooking gas.

Elected President for the first time in 2002, Luiz Inácio Lula da Silva had as one of his main objectives to eradicate poverty and hunger and promote greater equality and justice. Early in his term, in 2003, he launched the Cartão Alimentação (“Food Card”), which provided R\$50 per month to low-income families for purchasing food. In October 2003, following the recommendation of his multidisciplinary advisory group, President Lula decided to rationalize and unify those four existing programs (Bolsa Escola, Bolsa Alimentação, Auxílio Gás, and Cartão Alimentação) into the Bolsa Família Program (BFP).

Currently, the Bolsa Família Program provides assistance to all families in Brazil with a per capita income of up to R\$218 (approximately US\$39.20) per month. Families must register in the Unified Social Registry (Cadastro Único para Programas Sociais – *CadÚnico*), providing income information for each household member. As of today, the program pays R\$600 per month per family, plus R\$150 per child aged 0 to 6, plus R\$50 per child aged 7 to 12, R\$50 per adolescent aged 12 to under 18, and an additional R\$50 per month for pregnant women. The



Eduardo Suplicy and President Lula

number of families receiving benefits rose from 3.5 million in 2004 to more than 14.2 million in 2014, and 20.4 million in April 2025. At that point, the Food and Agriculture Organization of the United Nations (FAO/UN) recognized Brazil as having reached the Zero Hunger milestone.

As I interacted more and more with my friends from BIEN and studied the expanding literature on the subject, I became convinced that a universal and unconditional basic income would be even more effective than a minimum income scheme. Therefore, in December 2001, I introduced a new bill in the Senate to gradually implement a Citizen's Basic Income (CBI), which consisted of the right of all Brazilian citizens residing in the country and foreign nationals who had lived in Brazil for at

least five years, regardless of socioeconomic status, to receive an unconditional income sufficient to meet basic needs.

The bill's rapporteur, Senator Francelino Pereira (PFL), recommended me to accept a paragraph stating that the CBI would be instituted step by step, taking into account the criteria set by the Executive Branch, starting with those most in need, as is done with the Bolsa Família Program. I recalled the recommendations of James Edward Meade in *Agathotopia* (1989), in which he warned that one should introduce new policies gradually, not all at once, otherwise political instability may arise, as he had seen along the 20th Century. Thanks to that clause included, the law passed with no objection on the National Congress. On January 8, 2004, in a beautiful ceremony attended by Professor Philippe Van Parijs, Law No. 10,835/2004 was enacted by President Lula.

Following the departure of President Dilma Rousseff (2011–2016), August 31st, 2016, both Presidents Michel Temer (2016–2018) and Jair Bolsonaro (2019–2022) gave little attention to the goals of poverty eradication and equity promotion. As a result, the percentage of the population experiencing severe food insecurity began to rise again, reaching 7.3% during the 2019–2021 period and climbing to 9.9% between 2020 and 2022. This meant, at that time, that 21.1 million people were once again facing hunger, even with the distribution of emergency benefits paid during the COVID-19 pandemic, such as the Auxílio Emergencial (“Emergency Aid”).



Guy Standing and Eduardo Suplicy

CHAPTER 2

The Advantages of Universal and Unconditional Basic Income

But after all, why do I believe so strongly in UBI? It is because of the following advantages:

First, we eliminate all bureaucracy involved in having to verify one's income, whether from the formal or informal labor market.

Second, we eliminate any stigma or sense of shame associated with disclosing one's financial circumstances.

Third, we eliminate the dependency phenomenon that occurs when someone is deciding whether to accept a job opportunity, but if they choose to work and start earning, the government takes away their benefits. This creates a situation where working leaves them worse off. As a result, many people understandably turn down or abandon jobs, falling into the so-called unemployment or poverty trap.

Fourth, the Brazilian Constitution affirms the right to private property. This means that owners of industries, farms,

banks, real estate, and financial assets receive income from these properties without any conditions. If wealthier individuals can receive such benefits unconditionally, why don't we extend the same right to all people, rich or poor, to share, at least a little, in the wealth of the nation?

But the most important advantage of the Universal Basic Income is from the point of view of freedom and dignity, as Professor Amartya Sen explains in *Development as Freedom* (1999). Development, if it is to be true, must mean a greater degree of freedom for all people in society. In this regard, he recalls an experience from when he was ten years old, when his father was a good professor and they lived in a good house in Dacca (then part of India). One day, while playing in the garden, a man suddenly entered through the gate, asking for help. He had been stabbed in the back. Sen immediately called his father and accompanied him, taking that man, whose name was Kader Mia, to the hospital. On the way, the man said: "My wife told me not to come to this region, known for its ethnic conflicts. But I had no other alternative to support my family." Upon arriving at the hospital, Kader Mia, suffering from severe hemorrhaging, passed away. Sen concluded: "This man did not have real freedom. He had to risk his health and life just to meet his family's basic needs."

In the same way – for that mother who, with no other means to feed her children, turns to prostitution in São Paulo's Parque da Luz (where I personally spoke with women who confirmed this harsh reality); or for that young man with no



Eduardo Suplicy with homeless people in São Paulo

options to support his family, who becomes a drug runner like the protagonist in *The Man on the Road* (*O Homem na Estrada*) by my friend Mano Brown of Racionais MC's – the day when Brazil implements Universal Basic Income, both will finally be able to say:

“No! Now, thanks to the UBI guaranteed for me and for each member of my family, I can wait for a while, perhaps do a course at an institution in my city, with professors like Philippe Van Parijs or Guy Standing, until I find an opportunity that truly matches my vocation.”

In this sense the UBI will elevate the level of freedom and dignity for all.



The Mumbuca Card used in the payments of the Citizen's Basic Income in Maricá

CHAPTER 3

Basic Income and Solidarity Economy: Successful Initiatives in Brazil

In December 2015, I gave a lecture in São Paulo about Human Rights and the Citizen's Basic Income. Following my presentation, Washington Quaqué, then Mayor of Maricá (2008–2016), who was in attendance, told me: “I want to implement this in Maricá.” Remarkably, just one month later, in January 2016, all families receiving Bolsa Família in Maricá began to receive additional 10 mumbucas, marking the first municipal level Basic Income policy in Brazil. Created in 2013 through a partnership with Banco Mumbuca, the Mumbuca is a social currency valid exclusively in Maricá, designed to stimulate the local economy. Each Mumbuca is equal to one real.

Banco Mumbuca also offers microcredit to residents without assets but with productive potential, financing work tools, such as horses, carts, kitchen equipment, computers, motorcycles, or other instruments, enabling borrowers to provide well-being for their families while repaying the loan over 12 or



Eduardo Suplicy and Mayor Rodrigo Neves with a group of Students in Niterói



Eduardo Suplicy, Fabiano Horta, Washington Quaquá and Diego Zeidan in Maricá

24 months. This innovative model bridges financial inclusion and community development through tangible economic empowerment.

A new mayor, Fabiano Horta (PT), was elected in October 2016. He took office in January 2017, when every family receiving Bolsa Família received additional 20 mumbucas. In December 2019, the municipal government began paying a Basic Income of 130 mumbucas per month to all individuals belonging to families enrolled in the Unified Social Registry (those with a monthly income of up to three minimum wages). A total of 43,000 people became beneficiaries – 25% of the population. In 2020, during the COVID-19 pandemic, the mayor increased the Basic Income to 300 mumbucas. After the pandemic ended, the amount was adjusted to 200 mumbucas per month. It is worth noting that Mayor Fabiano Horta was reelected in 2020 with 88% of the vote. In November 2023, the number of Basic Income beneficiaries reached 93,000 – about 50% of Maricá's population – each receiving 230 mumbucas per month. A better enforcement of conditionalities reduced the number of beneficiaries to 71,430 in July 2025.

It is important to note that Maricá has a significant fiscal advantage compared to other municipalities because of its geographic location facing the Campos Basin oil fields, which entitles it to substantial petroleum royalties from Petrobras. This generates considerable revenue to finance policies such as the CBI. Alongside this initiative, the municipal administration has implemented other remarkable programs, such as free

public transportation (including for students of Universities in neighboring cities), the Dr. Ernesto Che Guevara Hospital, improved school quality, and extensive support for local cooperatives.

It is significant that the Basic Income experience in Maricá is having a very positive interchange with other municipalities and attracted international interest. The Jain Family Institute, in collaboration with the Fluminense Federal University, is conducting comparative studies between cities in the United States and Maricá. Almost all of Maricá's socio-economic indicators have shown positive results, as a consequence of the implementation of the Mumbuca and the CBI.

Considering the positive results of the basic income here in Maricá, I keep thinking about how appropriate it would be to also have other funding sources beyond just oil royalties. I believe this deserves serious consideration by the Maricá City Government, so that the universalization of Basic Income can deliver its full potential.

If Maricá continues to rely solely on oil royalties to finance Basic Income, then wouldn't it make sense to make it universal? But if a portion of the income of the wealthiest was taxed, then it would become clear that those who have more resources would be contributing significantly to making Maricá a model for enhancing dignity and solidarity for the entire population.

Following the steps from Maricá, in 2021, Niterói launched Renda Básica Temporária ("Temporary Basic Income"), a cash transfer program aimed at assisting vulnerable families affected

by the COVID-19 pandemic, providing monthly payments to thousands of low-income residents. Building on this, Niterói also adopted the solidarity economy model, supporting cooperatives, community banks, and local production networks that prioritize fair wages, democratic management, and sustainable practices.

In December 2021, I had the opportunity to attend the launch of Arariboia, the social currency created by the municipality and used to pay benefits within the Basic Income program. The stipend amount varies depending on the number of family members. The base value, for the first family member, is 293 Arariboias. Each additional member receives 106 Arariboias, up to a maximum of six family members. Families with six or more members receive the capped amount of 823 Arariboias. In total, the Niterói City Government invests R\$ 23 million per month in this program, ensuring financial support for vulnerable households while promoting local economic resilience through its complementary currency system.

In addition, the city government has partnered with universities and civil society organizations to provide training, microcredit, and infrastructure for cooperative enterprises, especially in favelas and peripheral neighborhoods. These policies not only alleviate poverty but also strengthen grassroots economic resilience, reducing reliance on traditional welfare systems.



Marília Silva, Diego Zeidan, Leandro Ferreira, Eduardo Suplicy, Acting President Geraldo Alckmin, Professor Aldaiza Sposati, Vinicius Amaral, Marcelo Lessa and Carlos Luque at the Council for Sustainable Economic and Social Development

CHAPTER 4

Advances of Basic Income in Brazil

In 2020, through Writ of Injunction No. 7,300, the Federal Public Defender's Office (Defensoria Pública da União - DPU), acting on behalf of a homeless man from Porto Alegre, Alexandre da Silva Portuguese, 51 years old, epileptic, whose only monthly income of R\$91 came from the Bolsa Família program, challenged before the Supreme Court (Supremo Tribunal Federal – STF) the constitutionality of the Executive's failure to regulate the Citizen's Basic Income (CBI) as established by Law No. 10,835/2004. The STF issued a partial ruling, ordering the Executive Branch to set the benefit amount for those in extreme poverty and poverty starting in 2022 and to take the necessary steps for its implementation.

With the election of President Lula in 2022 for a third term, positive news began to happen again. On June 19, 2023, President Lula enacted Law No. 14,601, reinstating the Bolsa Família Program and replacing the “Brazil Aid Program” (Programa Auxílio Brasil), which had several conditionalities and had been introduced by President Jair Bolsonaro. In

the first paragraph of the first article of this new law, it is established that:

“The Bolsa Família Program is a stage of the gradual progressive process of the implementation of the universalization of the citizen’s basic income, in the form established by the sole paragraph of Article 6 of the Federal Constitution and in the caput and §1 of Article 1 of Law 10,835/2004.”

This is a clear sign that President Lula is willing to take the necessary steps to institute the Universal Basic Income during this term from 2023 to 2026. However to achieve this objective we will need to study how it will be possible to finance a UBI for the 211 million Brazilians.

In October 2023, I sent a letter to President Lula, Vice President Geraldo Alckmin, Finance Minister Fernando Haddad, Planning Minister Simone Tebet, Social Assistance Minister Wellington Dias, Institutional Relations Minister Alexandre Padilha, Environment and Climate Change Minister Marina Silva, Human Rights Minister Sérgio Almeida, and Labor and Employment Minister Luiz Marinho, suggesting the creation of a working group (WG) to study the steps toward the implementation of the universalization of the CBI.

On February 1st, 2024, President Lula received me in an audience, along with former Minister of Institutional Relations and current Health Minister Alexandre Padilha, and Mônica Dallari, in which he approved my suggestion that this working group should be created and interact with the Council for Sustainable Economic and Social Development (Conselho de

Desenvolvimento Econômico Social Sustentável – “Conselhão”). This Council is composed of 220 members representing leaders from many sectors (entrepreneurs, labor associations, economists, social scientists, agroindustry, technology, and grassroots movements) from all regions of the country.

After March 2024, the working group held more than ten meetings, with some members participating in person and others online, where we thoroughly studied how to organize the gradual implementation of UBI. During these meetings, Professor Aldaíza Sposati, a member of the Brazilian Basic Income Network, emphasized the distinction between conditional Minimum Income Transfer policies and UBI. Universal Basic Income offers a standard of citizenship because it is unconditional



Eduardo Suplicy and Minister Alexandre Padilha (2024)

and extended to all, without requiring proof of poverty or compliance with specific conditions. Therefore, UBI promotes a fairer relationship between the State and its citizens, ensuring a minimum income that guarantees human dignity, stability, and respect for every individual.

After all our meetings, we had the opportunity to present the final report during a ceremony presided over by Acting President Geraldo Alckmin (as President Lula was hospitalized), alongside the “Conselhão” and all ministers, on December 12, 2024. Our proposal focused initially on eliminating child poverty as a critical first step. The plan centers on introducing a Child and Adolescent Benefit, which would be gradually rolled out across different age groups. This benefit would provide R\$ 637 per month per child – an amount that corresponds to the World Bank’s poverty line – with the goal of fully covering all children and adolescents aged 0 to 17 by 2028. This proposal is directly tied to the fact that, unfortunately, 49.1% of Brazilian children aged 0 to 14 currently live below the poverty line, according to data from IBGE (Brazilian Institute of Geography and Statistics). The immediate effect would be to lift all these children out of poverty while creating a strong social safety net. Once this program is fully implemented for the children and adolescents, the proposal foresees gradually expanding coverage until achieving universality.

As an alternative path, the working group also considered starting with a more modest but universal basic income, then progressively increasing its value as government revenues grow.

To finance the CBI, the working group identified several potential sources of funding. First, an option would be to reallocate part of Brazil's corporate tax exemptions, which currently total up to R\$641 billion annually. Second, we recommend implementing a wealth tax on ultra-high-net-worth individuals, which could generate around R\$250 billion per year, while simultaneously addressing wealth inequality. Third, the proposal suggests creating a Brazilian Permanent Fund, inspired by successful examples like those in Alaska and Maricá. This fund would receive royalties from natural resource extraction (including oil, iron ore, asbestos, aluminum, lithium, carbon, and others), and distribute dividends both through direct cash transfers to citizens, as well as strategic reinvestments in social infrastructure.

The next phase of the working group's activities will focus on inter-ministerial coordination to move the proposal toward implementation, including discussions with the Ministries of Social Development and Finance, to align the basic income plan with broader fiscal and social policies.



Eduardo Suplicy and
villagers in Kenya (2019)

CHAPTER 5

Inspiring International Experiences I Have Visited

I would like to highlight some key Universal Basic Income (UBI) initiatives that I have personally witnessed, experiences where I observed firsthand the transformative advantages of UBI in action.

The Alaska Permanent Fund Dividend, established in 1982, is a strong example of a universal, unconditional basic income. Every person who has been a resident of Alaska for at least one year receives an equal annual share of the net income of the Alaska Permanent Fund, which is financed through oil royalties. Since its inception, the dividend has ranged from a few hundred to over two thousand dollars per year per person, distributed equally to all Alaskans, regardless of income or employment status.

In July 1995, over the course of seven days, I visited the Alaska Permanent Fund office in Juneau. During my time there, I spoke with residents about the dividend and encountered unanimous support for the policy. Basic income transformed Alaska from the most unequal U.S. state in 1980 to one of

the three most equal, alongside New Hampshire and Utah. Interestingly, Alaska is also one of the few U.S. states without a state income tax or sales tax, demonstrating that a basic income is compatible with low overall taxation when natural resource revenues are shared.

In 2005, in Washington D.C., I had the opportunity to meet former Governor Jay Hammond, who created the Alaska Permanent Fund, during a joint lecture we gave on Basic Income at the World Bank. After he explained the great success of the system, I asked him: “Do you know that you implemented one of the main proposals made by one of the greatest ideologues of the American and French Revolutions, Thomas Paine, in *Agrarian Justice* (1796)?” He did not, and he was very grateful to learn it.

Since 2008, in Macau, China, the government has implemented a “Wealth Partaking Scheme,” which distributes a yearly cash handout to all permanent residents, funded by casino revenues. This scheme functions as a kind of basic income dividend. Although the amount fluctuates, it is distributed unconditionally to all citizens.

Namibia conducted a pilot project in the Otjivero-Omitara region from 2008 to 2011, in which every resident under the age of 60 received a monthly basic income of 100 Namibian dollars. Evaluations showed that the project led to reductions in poverty, crime, and malnutrition, as well as increases in school attendance and local economic activity. In February 2011, I accepted an invitation from Bishop Zephania Kameeta,

president of Namibia's Basic Income Coalition, to visit this pioneering basic income experiment.

During my visit, I witnessed remarkable changes in the village: residents invested in vegetable farming, bakeries, brickmaking, and tailoring, while school dropout rates among 350 children dropped from 40% to zero.

In Kenya, the NGO GiveDirectly has implemented one of the largest and longest-running basic income experiments in the world. Thousands of individuals in several rural villages receive monthly cash transfers, unconditionally, for a period of 12 years. The project aims to test the long-term effects of a basic income on poverty, economic development, health, and social outcomes.

Germany has also implemented a universal benefit for children known as *Kindergeld*, a type of family allowance. This benefit is provided for each child once they are enrolled in school. However, there are disparities in the additional benefits offered by each state. Currently, the government is considering transforming the system into a unified "Basic Security for Children," aimed at simplifying and standardizing access. As of now, this proposal is facing several political challenges.

Until 2023, the amount of the benefit to each child in Germany depended on whether the child was the first, second, or third in the family. But from 2023 on, the benefit became equal for all: a universal amount of 250 euros per month per child. Additional complementary benefits still vary by state, meaning there are differences depending on where the family lives.



Eduardo Suplicy and Philippe Van Parijs

CHAPTER 6

Basic Income: A New Ethic for the 21st Century

We live in a time of rapid transformation, where old social, economic, and environmental paradigms are no longer sufficient to address today's challenges. Artificial intelligence, automation, climate change, forced migration, and deepening inequality all call on us to rethink the foundations of justice and human dignity. In this context, Universal and Unconditional Basic Income emerges not just as an economic policy, but as a new ethic, a civilizational proposal grounded in the guarantee of the right to exist with dignity.

During his last visit to Latin America, Pope Francis urged heads of state to adopt economic policies that elevate the degree of justice in society, calling it a fundamental condition for peace within and between nations. He himself highlighted Universal Basic Income as one such instrument. As the Pope, I am convinced that UBI can make a decisive contribution to building peace among peoples. As soon as one country begins implementing UBI, others will follow its example, and we can envision greater integration among all nations.

This BIEN Congress must also express concern about the wars that, unfortunately, still claim thousands of lives, such as those between Russia and Ukraine, Israel and Palestine, and in many regions of Africa and Asia. Imagine if Israelis and Palestinians, who have long welcomed visitors of diverse faiths, agreed to allocate part of their tourism revenue to create a shared fund for a Universal Basic Income for all. And imagine if Russians and Ukrainians did the same. What kind of world could we build, if not a world of peace?

When President Donald Trump requested \$50 billion from the U.S. Congress to build a wall on the Mexican border, I thought: *“Wouldn’t it be more interesting to invite all nations of the Americas to contribute to an American Solidarity Fund to finance a Universal Basic Income for all their inhabitants? Each country could choose how to fund its contribution. On the day that a Basic Income exists from Canada to Argentina, there will no longer be any reason to build walls or adopt anti-immigration policies.”*

Likewise, the so-called Fourth Industrial Revolution is deeply changing the labor market. With the rise of artificial intelligence and automation, many jobs are being replaced by machines and algorithms. Sectors such as manufacturing, transportation, and even some skilled services are being heavily impacted. In this scenario, Basic Income is a strategic policy to build a more resilient and inclusive society, allowing people time to retrain for new roles or dedicate themselves to meaningful life projects.

Another major challenge of our time is the climate emergency. It is no longer possible to separate environmental justice from social justice. Recent reports, such as the one by Transforma in partnership with Equal Right, show how Basic Income can be central to a just ecological transition, combining economic security with environmental protection. Models like Cap and Share, which limits carbon emissions and redistributes revenue directly to the population, offer viable and promising pathways. Basic Income initiatives aimed at environmental conservation and indigenous communities have also been proposed, broadening the policy's scope as a tool for eco-social transformation.

In Brazil, there are already Bills proposing, for example, to replace social energy tariffs with the installation of solar panels for low-income households, connecting the right to clean energy with a concrete form of Energy Basic Income. It is both possible and necessary to link climate justice to poverty reduction.

Adding to this debate is an issue that feminists have denounced for decades: the invisibility and undervaluation of care work. According to a study by Fundação Getúlio Vargas, unpaid domestic and care work represents 13% of Brazil's GDP, more than double the contribution of the agricultural sector. Most of this work is performed by women, particularly those from lower-income backgrounds. Basic Income acknowledges this labor as essential to sustaining life. As scholar Silvia Federici reminds us, reproductive labor is just as fundamental

as productive labor, though it has been historically ignored by economic policy.

Recent UNICEF data shows that Brazil's poorest children and adolescents face alarming levels of violence. A Universal Basic Income could be a powerful tool to break this cycle by providing vulnerable families with a stable foundation of social protection.

I also want to highlight the role of youth, academia, and grassroots movements in championing UBI. These groups are the ones keeping the Basic Income debate alive and advancing it across the world.

Citizen's Basic Income is, therefore, an ethical response to the dilemmas of the 21st century. It is a recognition of every person's intrinsic value, the dignity of human life, and the right to live without the fear of hunger or abandonment. More than a public policy instrument, it is a call for solidarity, justice, and peace. It is with this dream that I continue to advocate for this proposal, with courage, hope, and perseverance.

Conclusion

Twenty-one years ago, on January 8, 2004, when President Lula signed Law No. 10,835/2004 establishing Brazil's Citizen's Basic Income, he challenged us to "set this boat sailing." These words symbolize, for me, the transition from passing a visionary law to its implementation. It is a call to action, urging us to turn this idea into a lived reality and transform the lives of every Brazilian.

Citizen's Basic Income is the key to human dignity and freedom. It eliminates the bureaucracy and stigma attached to conditional welfare programs and, most importantly, empowers people to say "No!" to exploitative opportunities, granting them the freedom to pursue their own path and vocation.

We have inspiring examples, like Alaska, which has distributed oil dividends to all residents for decades, helping make it one of the most egalitarian U.S. states. Closer to home, the city of Maricá in Rio de Janeiro has successfully implemented a Basic Income program using a local social currency funded by oil royalties.

The "boat" of Universal Basic Income is now sailing, but this journey requires dialogue and commitment. We continue to advance through the Working Group under the Council for

Sustainable Economic and Social Development, exploring funding models and defining next steps toward universalization. The goal is clear: to reduce Brazil's extreme income inequality and ensure a dignified existence for all.

Yes, we are setting our boat to sail, navigating toward a fairer and freer future for all.



APPENDIX

Historical and Philosophical Foundations of Basic Income

Throughout human history, thinkers across all civilizations have laid the philosophical foundations for what we now call Universal Basic Income. This idea did not emerge spontaneously, but rather represents the cumulative wisdom of those who studied how to achieve economic justice. Allow me to present some of the most pivotal contributors to this legacy:

Confucius (55 B.C.), in the *Book of Explanations and Answers*:
“Uncertainty is even worse than poverty. The exit is through the door.”

Aristotle (300 B.C.), in *Politics*: *“The purpose of politics is a just life, which is achieved through the common good, making the unequal equal by means of law.”*

Old Testament of the Holy Bible: The most cited word (513 times) is *Tzedakah*, which in Hebrew means “social justice” or “justice of society,” which was the great yearning of the Jewish people, as it is also of the Palestinian people.

New Testament of the Holy Bible, in Acts of the Apostles (2:42-45):

“They devoted themselves to the Apostles’ teaching, to fellowship, to the breaking of bread, and to prayer. Awe came upon everyone because of the many wonders and signs performed by the Apostles. All who believed were together and held everything in common; they sold their possessions and goods and distributed the proceeds to all, as any had need.”

In Hadith literature, Omar ibn al-Khattab, the second of the four

Caliphs who succeeded Prophet Muhammad, stated: “Those blessed with abundant wealth or surplus income must reserve a portion for those who possess little or nothing.”

Dalai Lama, in *An Ethics for the New Millennium*, states: “A

luxurious life led by some human beings would be admissible as long as all humanity had enough to meet their basic needs, and a little more.”

Thomas More, in *Utopia* (1516), through the character Rafael

Hitlodeu who made the following observation to Cardinal Morton and others who commented that the death penalty in England, instituted at the beginning of the 15th century, had not reduced criminality, assaults, robberies, or murders: “Instead of inflicting these horrible punishments, it would be much better to provide everyone with some means of survival, in such a way that no one would be submitting to the terrible necessity of first becoming a thief and then a corpse.” Based on this reflection, a friend of Thomas More, Juan Luis Vivés

made the first proposal of a minimum income scheme to the mayor of the Flemish city of Bruges, in Belgium, in *De subventionne pauperum sive de humanis necessitatibus*. For this reason, Thomas More is considered one of the important historical figures who laid the groundwork for Basic Income.

Thomas Paine, in *Agrarian Justice* (1795), sent to the French National Assembly an essay in which he observes that poverty was linked to civilization and the institution of private property. He observed that an uncontroversial position, that land in its natural uncultivated state, was and always would continue to be the common property of the human race. He argued that he considered it fair that a person who cultivated land and made some improvements could have the right to receive the fruits of that cultivation. But he added that “*Every proprietor who cultivates the land owes the community a rent for it. This rent would form a national fund from which equal dividends could be distributed to all, in order to compensate for the loss of their natural inheritance: ‘every individual is born into the world with a legitimate right to a certain form of property or its equivalent.’*”

Joseph Charlier, in *Solution to the Social Problem or Humanitarian Constitution* (1848), clearly formulated the proposal of granting all people, unconditionally, the right to a basic income.

Karl Marx (1848), in *Das Kapital* observes that in a more mature society, human beings will behave in such a way as to be able

to have the following principle: “From each according to his ability, to each according to his need.”

Bertrand Russell, in *Roads to Freedom: Socialism, Anarchism and Syndicalism* (1918), stated: “The plan we are advocating essentially comes down to this: that a certain income, sufficient for needs, will be guaranteed to everyone, whether they work or not, and that a greater income – as much greater as the total quantity of goods produced allows – should be provided to those who are willing to dedicate themselves to some work that the community recognizes as valuable.”

James E. Meade (1935), in *Economic Policy Guidelines for a Labour Government*, and in the *Agathotopia* trilogy (1989, 1992, and 1995), advocates for the establishment of a citizen’s income or social dividend, as a crucial tool for achieving higher levels of employment in the economy. While studying the social arrangements of *Agathotopia*, he concluded those were the best to reach the goals humanity and economists have sought: Freedom: for each person to pursue their vocation and spend their earnings as they wish; Equality: in the sense of not having large disparities in income and wealth; Efficiency: maximizing the standard of living with the available resources and technology. The instruments to achieve these goals include price and wage flexibility, profit-sharing quotas in each company, and universal basic income, with the recommendation that such tools should be introduced gradually to avoid causing political instability.



Eduardo Suplicy with indigenous people in Brazil

John Maynard Keynes, considered by many the greatest economist of the 20th century, in *How to Pay for the War* (1939), first published in *The Times* and later in *Essays in Persuasion*, urged his compatriots that, at a time when it was necessary to provide enough for defense against Germany and the countries entering into war against the United Kingdom, it was equally necessary to reserve around 2% of the Gross National Product (£100 million out of a total of £5 billion) to guarantee a basic income for all.

Milton Friedman (1962) contributed to popularizing the concept of a guaranteed minimum income through a negative income tax in his book *Capitalism and Freedom*.

John Kenneth Galbraith (1998), upon receiving an honorary degree from the London School of Economics at the age of 90, observed: *“The answer, or part of the answer, is very clear: all people need to be guaranteed a decent basic income.”*

Martin Luther King Jr., in *Where Do We Go from Here: Chaos or Community?* (1967), echoed Confucius’s idea that the way forward is through the door: *“I am now convinced that the simplest approach will prove to be the most effective, the solution to poverty is to abolish it directly through a measure now widely discussed: the guaranteed income.”*

Philippe Van Parijs and Guy Standing, founders of BIEN (Basic Income Earth Network), in 1986, in *What is a Just Society* (1991), *Arguing for a Basic Income: The Ethical Foundations of a Radical Reform* (1992), and *Real Freedom for All: What (if anything) Can Justify Capitalism?* (1995). Van Parijs starts from the principle of justice that was developed by the philosopher John Rawls in *A Theory of Justice* (1971): (1) every person has an equal right to the most extensive set of fundamental liberties compatible with the assignment of all of this same set of liberties (principle of equal liberty); (2) Inequalities of socioeconomic advantages are justified only if (a) they contribute to improving the lot of the least advantaged members of society (difference principle), and if (b) they are attached to positions that everyone has equitable opportunities to occupy (principles of equal opportunity). Guy Standing recommends that policies can only be seen



Ceremony for the conferral of the honorary Doctorate (Honoris Causa) upon Eduardo Suplicy at the Catholic University of Louvain (2016)

as just if, and only if, they minimize the difference between the degree of security of those who have the least and the rest of society.

Pope Francis, in *Let Us Dream: The Path to a Better Future* (2020), writes: “Recognizing the value of unpaid work to society is vital to rethink the post-pandemic world. Therefore, I believe it is time to explore concepts such as the universal basic income, also known as negative income tax: an unconditional fixed payment to all citizens, which could be distributed through the tax system.

Universal basic income could redefine relationships in the labor market, guaranteeing people the dignity of rejecting working conditions that trapped them in poverty. It would give individuals basic assurance that they need, eliminating the stigma of unemployment insurance, and would facilitate the change from one job to another, as technological imperatives in the world of work demand. Policies like this can also help people to combine time dedicated to paid work with time for the community.

By making the integration of the poor and care for the environment, objectives central to society, we can generate work and humanize our surroundings. With a universal basic income, we liberate and ensure that people are capable of working for their community in a dignified manner. When adopting more intensive sustainable methods in food production, we regenerate the natural world, we create work and biodiversity and live better”.

Nobel Prize Laureates in Economics and Peace who advocate for Universal Basic Income

Desmond Tutu: Nobel Peace Prize (1984);

Robert Solow: Nobel Memorial Prize in Economic Sciences (1987);

Amartya Sen: Nobel Memorial Prize in Economic Sciences (1998);

Daniel McFadden: Nobel Memorial Prize in Economic Sciences (2000);

Vernon Smith: Nobel Memorial Prize in Economic Sciences (2002);

Muhammad Yunus: Nobel Peace Prize (2006);

Peter Diamond: Nobel Memorial Prize in Economic Sciences (2010);

Christopher Pissarides: Nobel Memorial Prize in Economic Sciences (2010);

Angus Deaton: Nobel Memorial Prize in Economic Sciences (2015);

Abhijit Banerjee: Nobel Memorial Prize in Economic Sciences (2019);

Esther Duflo: Nobel Memorial Prize in Economic Sciences (2019).

Professor Celso Furtado, on January 8, 2004, on the occasion of the enactment of the Law establishing the Citizen's Basic Income, sent the following message:

To His Excellency President Luiz Inácio Lula da Silva
President of the Republic

At this moment when Your Excellency enacts the Citizen's Basic Income Law, I wish to express my conviction that, with this measure, our country positions itself at the forefront of those fighting for the construction of a more solidarity-driven society. Brazil has often been referred to as one of the last countries to abolish slave labor. Now, with this act, which is the result of the civic spirit and broad social vision of Senator Eduardo Matarazzo Suplicy, Brazil will be remembered as the first to establish such a comprehensive system of solidarity, and moreover, one approved by the representatives of its people. I take this opportunity to wish Your Excellency continued success in the important mission entrusted to you.

Sincerely,
Celso Furtado
Paris, January 8, 2004