



## EVALUATION INDICATORS

1. Alignment Competence
2. Context Competence
3. Content Competence
4. Language Competence
5. Introduction Competence
6. Structure - Presentation Competence
7. Conclusion Competence

Overall Macro Comments / feedback / suggestions on Answer Booklet:

1.

2.

3.

4.

5.

6.

All the Best

Universal Basic Income : an idea whose  
time has come

Back in the 18<sup>th</sup> century, amidst all the talk of capitalism, political theorist David Hume talked of the need for 'allocative justice'. If all the resources like land, minerals, water are creations of nature, how can anyone claim to own them. And if they are no one's how can the rich hold on to their riches. To address this issue, he suggested distribution of wealth, the government should tax the rich more and give it to the poor as their unpaid due!

The idea didn't attract the required attention. Maybe because it was too revolutionary for the time. But two centuries later, when the world has moved far ahead in terms of its understanding of human rights, human dignity



and has seen the limitations of capitalism in bringing shared prosperity. The idea has returned in the form of debate on Universal Basic Income (UBI). Its utility in terms of inclusive growth, reducing inequality is being understood. Some have hailed it as the idea that will truly herald justice in human society. But at the same time, people have questioned if the concept creates a moral hazard of pleasure without pain, results without benefit? This is to be analysed.

## UBI - A smile for every face!

Modern discourse on human existence has been dominated by human rights, basic human dignity and inclusive societies. With high levels of prosperity, western rich countries like Switzerland are the one's to initiate the debate of UBI. Recently there was

a referendum for its adoption. Certainly, these societies have enough riches that such a distribution can be undertaken. But for a developing country like India, deeper study is required.

The concept of an unconditional universal basic income has many potential benefits. The most evident one is on poverty. Latest NSSO data point that poverty in India is still at around 30%. Government efforts have reduced it considerably. But a UBI equal to minimum wage rate will bring drastic reduction in it.

Now reducing poverty has many benefits. The World Development Report calls poverty a 'Tax on Cognition' whose worries and troubles are themselves so heavy that a poor person loses majority.

of his/her capabilities. Poverty also leads to poor socio-economic conditions like poor healthcare, education level etc.

Apart from material benefit, UBI also adds greatly to a person's dignity. This is by considering them as active agents of choice. By giving them means rather material, it gives them the option to shape their destiny according to their will rather than being shaped by government's welfare.

A certain assured income also provides people to argue and bargain for proper work condition. Indian constitution assures freedom from bonded labour but in a country marked with lack of opportunity, needs often trump choices. Hence by providing an assured income, it helps people avoid distress migration and poor labour conditions.



Various exclusion errors and leakages dot the various government scheme. Indian ex PM. Manmohan Singh famously said that for every ₹ 1 Rs. expenditure from government, only 20 paise reach the beneficiary. UBI along with Aadhar, Jan Dhan, Mobile (JAM) helps avoid these exclusions and leakages and is expected to be far more convenient administratively.

It will also lead to various market reforms. The Administered Price Mechanism due to government interventions and subsidies ensure that sectors like fertilizer stay under inefficiencies. By reducing buying and selling by government and opening markets, UBI will correct these inefficiencies.

Economic Survey talks about how despite increased competitive federalism among states in attracting investment, service delivery standards among states remain disparate. UBI by reducing the role will correct this regional inequality.

UBI is also expected to have a striking blow on gender inequality. A very big factor behind disadvantaged position of women is their financial dependence. By giving them a degree of financial independence it will improve their position in society.

Government welfare has also introduced the misuse of funded political advertisements, issue of freebies in elections. Images of leaders on distributed goods act as government funded advertisements for the



leader. UBI is expected to correct this trend.

lastly, in the age of automation, basic livelihood is being threatened. As World Economic Forum observes, countries like India, China face prospects of job displacement of upto 70% of their population especially the low skilled. In such a scenario, the introduction of UBI not only becomes a luxury but a necessity.

like  
Hence UBI seems, an idea whose time has not only come but seems to be banging on the door to be unleashed. But the debate around UBI doesn't end here. It may be revolutionary, but is not without faults.

## UBI - Challenges

"Karmanye Vadhivasaste, Matasnu Kadalaha"  
Indian philosophy of work has centred around

this statement which not only asks us to strive for work but do it without thinking of result (फल) at the end. UBI completely turns <sup>this</sup> around to talk about benefits without work making many question if it raises a moral hazard. It may lead to people getting lazy, labour getting scanty. This was one of the reason why people in Switzerland also rejected the idea during the referendum.

Next challenge is with respect to human rationality. UBI gives choices to people to shape their destiny, but it ignores the fact that people usually make irrational choices. Conspicuous expenditure like drinking, gambling make us doubt the ability of people to really think for themselves. A goods

based welfare system counters this challenge but UBI does not.

Giving money also raises the economic challenge of inflation. How does the government decide when and how to raise the allocation. The consumption basket for people are different and so are the impact of inflation.

Next, an even bigger challenge is how to fund UBI itself. With limited resources, one way is to end all other welfare schemes. But as seen above that is not a very prudent idea. Hence the government which already falls short with finances will find it very difficult to implement UBI.

It also raises the political question of how to draw back UBI if it's a failure.



Removing entitlements even for a small section of population is a difficult choice politically in a democracy. Doing it for the whole population almost seems impossible.

Also, UBI though beneficial in removing exclusion errors itself introduces inclusion error to the scale of 60%-70% for non-poor people if implemented in universal terms.

Hence, it can be concluded with confidence that UBI which seems like a revolutionary idea at first sight and is indeed very beneficial becomes a mammoth when it comes to its implementation.

Hence certain modifications and alterations in approach are required.

## Way forward

De jure-universality, De-facto quasi universality. The concept talked about in Ecosurency emphasises on UBI being universal only in notion but being quasi universal in real life. We can impart UBI in starting to a section of population like poor women, or backward states so that associated expenditure and its impact could be assessed. Not only its impact on poverty and socioeconomic factors can be assessed, but its efficiency can be evaluated too.

Alternatively, a choice to people can be given in terms of choice between UBI and scheme based welfare. This will reduce the double expenditure and also

pressurise administrators to improve the scheme in fear of getting driven out.

Another approach could be to delay UBI for some time and improve the existing delivery at present. The improvements introduced will pave the way for healthier implementation of UBI. Through steps like 'Quint+Up' campaign, we can also bring behavioural change so that when UBI is introduced, the rich themselves opt out of it as moral duty.

Hence, it can be agreed that UBI is an idea with potential which can indeed bring many good changes but faces some practical challenges. The fact that it has



entered the political discussions is itself a healthy indicator. With time it can be expected to get refined and become even more efficient. Our duty stands at its collective construction.

## Rise of Populism: A threat to Democracy

One fine evening, our dead leaders were having an evening chat in the heaven. There was Lincoln, Franklin Roosevelt, Mahatma Gandhi, Attaturk Kemal all talking about their contribution. Attaturk talked about how he helped turn Turkey into a secular and tolerant country, Gandhi talked about India's tolerant structure, FDR called America leader of the world and Lincoln talked of absence of class divide. To verify these, they decided to pay a visit to the Earth. When in USA, they got to attend a white supremacist rally, in Turkey they were lucky to have escaped military crackdown and in India the newspapers were filled with news of Akilg's lynching. All these made them terribly sad and

questioned if this was the vision that they laid out for their country.

## An age of Populism

Since the second world war, democracy has been on the ascent. Most newly independent countries adopted it, many formerly kingdoms adopted it. The environment and discussions have been led by how it has helped usher in human rights, globalisation.

But amidst all this discussion, many fundamental issues were neglected. In many countries, elections were being rigged and democracy was just in namesake, unemployment was still high, inequality was rising, decision making was slow. Then came the 2008 financial crisis. It brought crisis to every corner of the world and an era where populism started displacing democracy.



Populism is referred to situation when policymakers start making policy and running governments according to demands of few for political reasons and less so for the population in total and are mostly unsustainable in short term.

Recent times have seen a rise in such policies. The biggest examples are our political elections. USA which was called the melting point of diversity is witnessing election victories on basis of agenda against immigration. This has led to visible differences and fractures in its society. People of one community - Muslims have been disempowered in their own country, something that a democracy would never strive for.

Then there are visible structural changes happening in government. Turkey recently witnessed a drastic change from parliamentary system to executive presidency. Apparently, the change was approved through electronically having about importance of Islam and narrow sectarian speeches in a country which has had strong secular values.

Incomplete revolution in terms of Arab Spring have also hinted towards failure in transition to democracy. Countries like Libya, Egypt faced unprecedented chaos and are now under authoritarian rules.

This populism goes way beyond politics. Populism in economic terms has been going on for some time. Currency devaluation by China and consequent currency war has been called a recipe for next crisis by ex RBI governor.

Raghuram Rajan. This crisis will further push the world away from multilateral and democratic world. This is since such crisis leads to job losses which increase the scope for populism.

Increasing aversion of countries to accepting refugees also point towards such a trend.  
Democracy is an order which respects people. But these progressive ideas are being thrown to dump due to some section's xenophobia, economic closure etc.

Slow decision making in democracy has also led to rise of strong leaders often encouraged by populism. Populism in these cases usually take the form of nationalism, not the nationalism that espouses nationalism but one that opposes pluralism. The idea of these dominant communities is there



imposed on general population and every dissent questioned or curbed. India in recent times has seen people branding anyone questioning government as anti-national. Hence, freedom of expression that forms the bedrock of democracy is being stifled.

Countries taking back their name from climate change responsibilities also point to role of populism threatening long term goals over short term gains.

In cultural terms growing intolerance towards minority is being seen. In Switzerland, a referendum to even build a mosque minar (pillars) was rejected. White supremacists in US have called for reinstating whites at their top position in society changing US from a democracy to a community controlled country.

Populism has also greatly reduced the efficiency of democratic institutions. Parliaments have seen a continuous reduction in quality of debates since they have started TV broadcast. Leaders now try to gain TV time at the expense of meaningful debates.

All these point to growing presence of populism and eroding value of democracy in today's world. But the situation is not as bleak as it looks, and further analysis shows this.

~~1. Democracy is the best~~

Despite dominant clamours against Angela Merkel's decision to allow immigration into Germany, her recent victory for the 4th

Time points to the fact that democracy holds the solution to its own problems like populism. In short terms, populism can trump people's interest and democracy but a democratic structure is seen to come at the top in long run.

Also populism itself is not always bad if done with a good intention. Though Turkey has seen structural changes, it still stands as one of the few strong democracies of the region amidst all the turmoil.

In India populism has been challenged along the national grid. This is the reason why western accusation of India participating in Paris treaty for economic gain has been taken as a challenge by the people and efforts to combat climate change continued though they may lead to some economic loss.

In US, the response to government sponsored terrorism is the coming together of



influential groups from various areas like industrialists, workers etc. Bipartisanship seen in recent days is being seen as the resistance of democracy against populism.

## Way forward

Hence, it can be seen that a unilateral defeat of democracy in wake of populism is not the right conclusion. Infant steps need to be taken to counter populism to preserve and strengthen democracy.

The easiest way is to spread awareness. It is said that most short term measures come because people do not know their long term harms. Strengthening authority may seem beneficial in quickening the speed in short terms but endures accountability in the long run.

Long term damage from climate change, economic protectionism needs to be spread so that people favour sustainable policies over short term targets. Past experiences like Hitler led populism turned Nazism should be brought out.

Then globalisation as a change has to be further promoted since it helps counter narrow parochial ideas or populism. Movement of people, trade, transfer of ideas need to be promoted.

Participation of people in governance, social audit are also instruments to contain growth of autocratic tendencies and narrow viewpoints.

To conclude, we all have to remember Winston Churchill's words that "Democracy is the worst form of government than for the others". It has some flaws but still stands as the best form of government and it is the prime duty of the people to cherish it through their choices.













All this contributed to growth of populism.

- Populism is when governments start - - - - - This is being seen across the world - America - by just example the land of melting pot, Trump's decision election - pitting communities against each other, undermines democracy - underpowers minority;

- Economic policies - China - undervaluation of RMB raised question - anti globalisation

- In UK - referendum - Scottish question

- Postia - debates very poor

- Voices - stifled India's white supremacists

- Climate change

- Immigration - refusal

- Globalisation halted - International insti - ended

- Cultural assimilation - Switzerland - reducing

- Very strong leaders rising  
- Failed experiment in Arab Spring

Democracy - majority - majoritarian - Its own victim

But - democracy - now Ayuda more, Populism - Turkey stronger, US more against

climate change (popular duty question)

than insupport



Universal Basic Income: An idea: for what shall you ~~sell~~ <sup>earn</sup> your riches and dinner.

David Hume; Kulus start <sup>then too rentahary - capitalisms</sup> than in modern times, growth <sup>now</sup> of human rights, human worth, this idea has <sup>earn</sup> come back in form of UBSI. Understands that the prosperity is shared and aims to give back to everyone, value everyone - from Gandhi's <sup>Don't write anything this morning</sup> <sup>(इस आवाज में कुछ ना लिखें)</sup> <sup>work.</sup>