

# The Limits to Growth: Sustainability and the Circular Economy

## Lecture 11: Beyond the Circular Economy II

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**RECAP**

## Recap

### Eco-Sufficiency - Definition(s)

*“Seeking enough when more is possible is both intuitive and rational - personally, organizationally and ecologically. And under global ecological constraint, it is ethical.” - Thomas Princen*

*“A set of policy measures and daily practices that avoid the demand for energy, materials, land, water, and other natural resources while providing wellbeing for all within the planetary boundaries.” - IPCC*

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**Sufficiency → All you need is less**

## Recap

### 15h Work Week

John Maynard Keynes predicted a 15h work week in his 1930 essay *“Economic Possibilities for our Grandchildren”*

## Recap

### Bullshit Job - Definition

*„Form of paid employment that is so completely pointless, unnecessary, or pernicious that even the employee cannot justify its existence even though, as part of the conditions of employment, the employee feels obliged to pretend that this is not the case.“*

→ Inefficiencies in capitalism?

## Recap

### Bullshit Jobs - Now What?

- **Graeber's solution → Universal Basic Income (UBI) → Livable benefit paid to all, thus letting people work at their leisure**



# UNIVERSAL BASIC INCOME

# Universal Basic Income Overview

- Short → UBI
- Synonym(s):
  - Basic Income Guarantee (BIG)
  - Unconditional Basic Income

# Universal Basic Income Overview

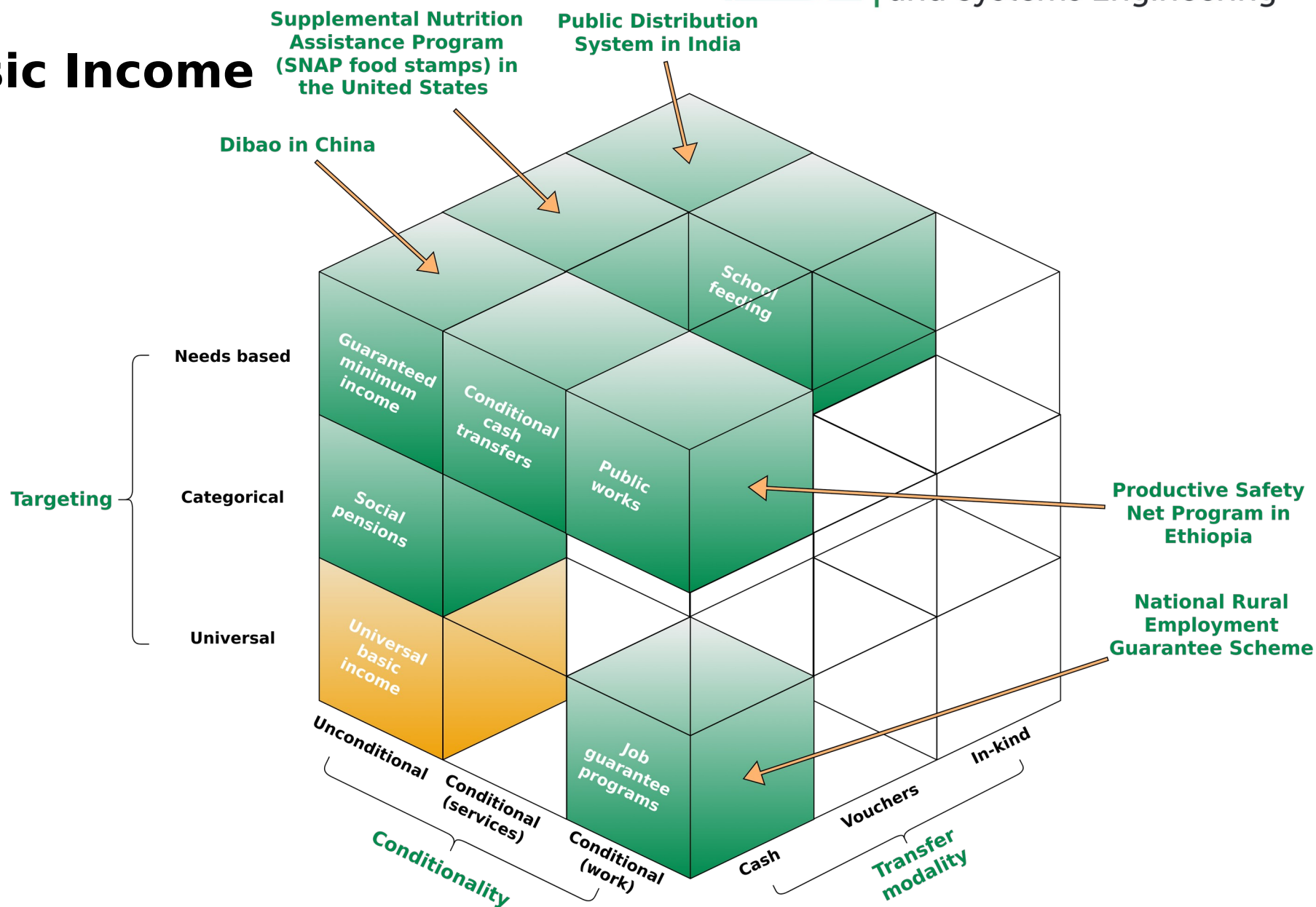
- Short → UBI
- Synonym(s):
  - Basic Income Guarantee (BIG)
  - Unconditional Basic Income
- Currently not implemented by any country
- Several small-scale pilots and a few large-scale experiments have been conducted or are still being conducted

# Universal Basic Income Overview

- Everyone receives a minimum income in the form of an unconditional transfer payment → no strings attached | no extra conditions (e.g., work, etc.)
- Different forms, e.g.:
  - Guaranteed minimum income → Paid to those who do not make enough money to live
  - Universal basic income → Independent of any other income
    - Full basic income → Sufficient to meet a person's basic needs (above poverty level)
    - Partial basic income → Below poverty level

**This is just a very short teaser on UBI → You can do a complete lecture series just on UBI.**

# Universal Basic Income Overview



# Universal Basic Income

## Definition(s)

“A transfer that is provided universally, unconditionally, and in cash” – World Bank

“A Basic Income is a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement.” - Basic Income Earth Network

1.) The World Bank (2020) – Exploring Universal Basic Income : A Guide to Navigating Concepts, Evidence, and Practices - [Link](#)

2.) BIEN (Basic Income Earth Network) – <https://basicincome.org/about-basic-income>

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- Unconditional → Paid without means test and without a requirement to work or to demonstrate willingness-to-work

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# Universal Basic Income Detour - AI Propaganda

FORBES > LEADERSHIP > LEADERSHIP STRATEGY

## Universal Basic Income: A Thoroughly Wrongheaded Idea

Milton Ezrati Senior Contributor @

*I write on finance and economics.*

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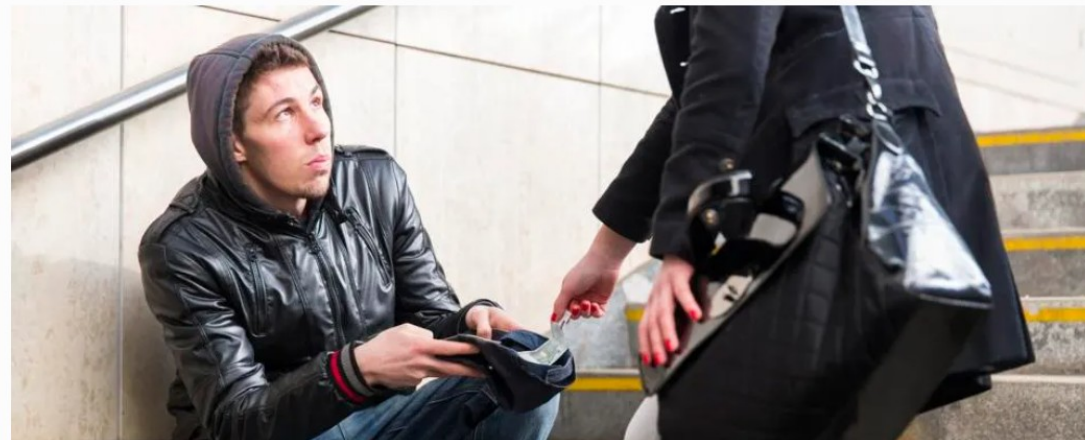
### TWEET THIS



Though in some contexts the idea has a surface appeal, it is otherwise wrongheaded.



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## **TASK 1 – WHAT ARE THE ADVANTAGES / DISADVANTAGES OF A UBI? (10MIN)**



# **Universal Basic Income Advantages**

**Results → Group Presentation**



# **Universal Basic Income**

## **Challenges / Criticism**

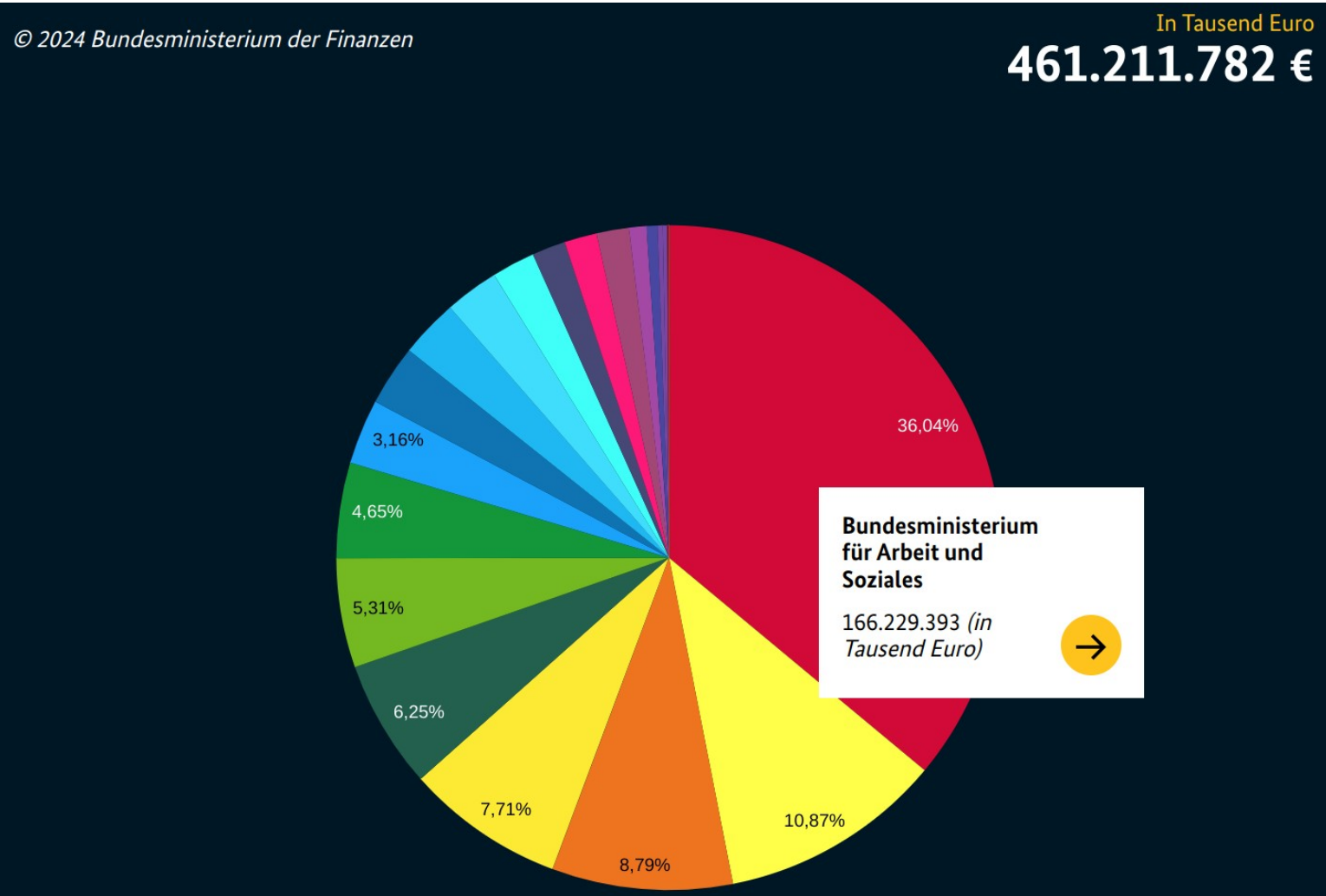
**Results → Group Presentation**



## Universal Basic Income Funding (Germany)

- German population: 84 million
- UBI per person → 1.200€
- Cost for a German UBI ~ 1 trillion Euro

# Universal Basic Income Funding (Germany)



# Universal Basic Income

## Funding (Germany) - Financial Transaction Tax

- Financial transaction tax
  - Tax financial transactions (stock exchange, etc. - not everyday transactions, e.g., supermarket)
  - Prevent financial market speculation from being more profitable than investments in the real economy.
  - 
  -

# Universal Basic Income

## Funding (Germany) - Financial Transaction Tax

- Financial transaction tax
  - Tax financial transactions (stock exchange, etc. - not everyday transactions, e.g., supermarket)
  - Prevent financial market speculation from being more profitable than investments in the real economy.
    - Less gambling in the finance sector
    - Only professional finance gamblers loose money, nobody else

# Universal Basic Income

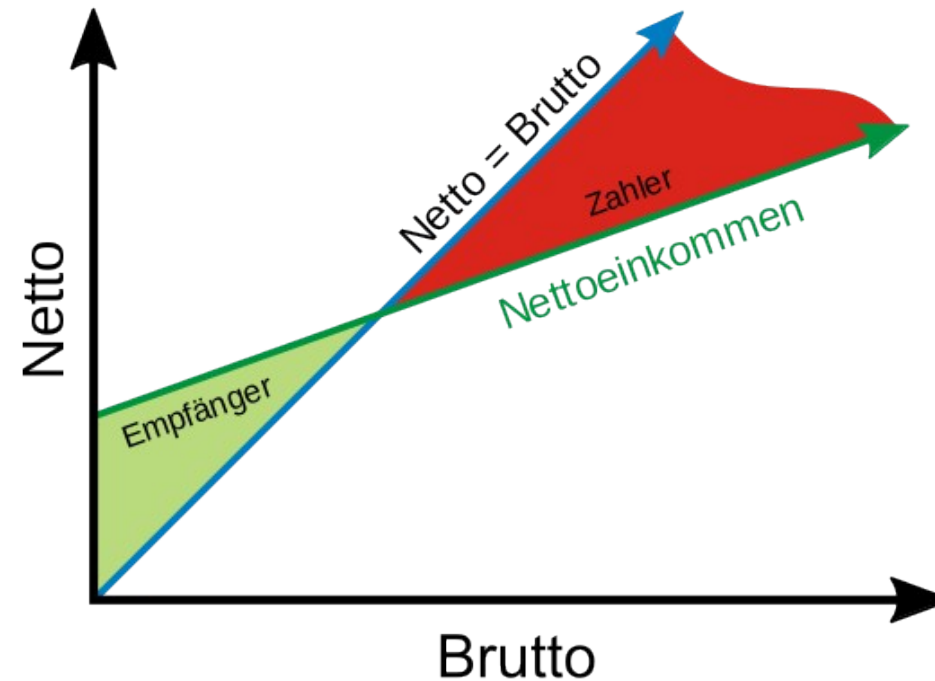
## Funding (Germany) - Various Other Tax Approaches

- Negative income tax
  - → Individuals earning below a certain threshold receive supplemental pay from the government instead of paying taxes

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# Universal Basic Income

## Funding (Germany) - Various Other Tax Approaches

- Negative income tax
  - → Individuals earning below a certain threshold receive supplemental pay from the government instead of paying taxes
- Taxation of consumption
  - → Financed by a value-added tax (VAT), which replaces all other taxes and social security contributions levied to date.
- Taxation of natural resources
- Etc.

Noch nie war das  
Grundeinkommen für alle  
so befreiend wie heute.

Wir verlosen das Bedingungslose Grundeinkommen.  
So finden wir heraus, was es wirklich kann.  
Damit es bald alle bekommen.

[Zur Verlosung](#)

[Zum Grundeinkommen für alle](#)



**Die nächste Verlosung:** 14. Februar 2024

Jetzt kostenlos anmelden und ein Utopisches oder Realistisches Grundeinkommen gewinnen.

[Ich möchte gewinnen](#)

### Wir sind gemeinnützig und crowdfunding-finanziert

#### Was macht Mein Grundeinkommen?

Wir wollen wissen, was Grundeinkommen mit Menschen macht. Darum probieren wir es einfach aus. Wir sammeln per Crowdfunding Geld und verlosen es als Grundeinkommen. Ohne Bedingungen. Für alle.

#### Wo kommen die Grundeinkommen her?

Die Teilnahme an der Verlosung ist kostenlos. Dass unser Grundeinkommenstopf regelmäßig so gut gefüllt ist und wir unsere Vereinsarbeit machen können, haben wir vor allem unseren zahlreichen [Crowdhörchen](#) zu verdanken. Sie unterstützen uns monatlich. Wofür wir das Geld verwenden, kannst du [hier nachlesen](#).

# 349.871

Menschen haben bisher 1.671  
Grundeinkommen finanziert



# CONCLUSION

## Conclusion

- Everyone receives a minimum income in the form of an unconditional transfer payment → no strings attached | no extra conditions (e.g., work, etc.)
  - Different forms, e.g.: Guaranteed minimum income vs. Universal basic income (full | partial)
- UBI funding is challenging, various approaches have been discussed
- Currently not implemented by any country
- Several small-scale pilots and a few large-scale experiments have been conducted or are still being conducted

## Additional Resources

- Manfred Folkers, Niko Paech (2020) – All you need is less
- Christian Felber (2010) - Die Gemeinwohl-Ökonomie – Das Wirtschaftsmodell der Zukunft
- Christian Felber, Gus Hagelberg (2017) – The Economy for the Common Good: A Workable, Transformative Ethics-Based Alternative – [Link](#)
- Rutger Bregman (2017) – Utopia for Realists: And How We Can Get There
- Mein Grund Einkommen (Berlin based non-profit organization) – [Link](#)

# Questions?