

# ECONOMIC SECURITY PROJECT

ESP challenges the status quo by catalyzing ideas that build economic power for all Americans. We serve as a convener, strategist and funder. We disburse grants, identify gaps, develop communications research to inform the movements and coordinate events and convenings to encourage investment and action from others. We aim to support the emerging leaders in the economic justice field and ensure they have the networks, know-how and money to succeed.

We've identified two fights we think we can win: a **guaranteed income** to provide an income floor for all Americans and **anti-monopoly actions** to rein in concentration of corporate power.

# Terms and definitions

By 'guaranteed income' we mean a regular cash payment accessible to members of a community, with no strings attached and no work requirements.

Guaranteed income helps build a robust floor under which no one can fall.

Guaranteed income is meant to supplement, not supplant existing social safety net benefits. It is grounded on the values of trust and respect for recipients with a fundamental commitment to preserving and reinforcing the freedom of choice and dignity of individuals and families. The proposal has been championed as a means of ending poverty, reducing social inequalities, and promoting gender and racial equity.

# Compare / Contrast: UBI & GI

Guaranteed Income	Universal Basic Income
<ul style="list-style-type: none"><li>➤ Income targeted → provided to those in economic precarity or with higher need</li><li>➤ Amount can vary, pilots have been insufficient to cover all basic needs</li><li>➤ Can reduce racial income disparities</li><li>➤ May be thought of as welfare, decreasing public support</li><li>➤ Lower price tag</li></ul>	<ul style="list-style-type: none"><li>➤ Universally provided → no income targeting</li><li>➤ Amount can vary, frequently envisioned as sufficient to cover basic needs</li><li>➤ Can increase racial income and wealth disparities</li><li>➤ May avoid “welfare trap,” increasing public support</li><li>➤ Higher price tag</li><li>➤ Method of funding can increase or decrease inequality</li></ul>

# Grounded in Racial, Gender and Economic Justice



**“I am now convinced that the simplest approach will prove to be the most effective -- the solution to poverty is to abolish it directly by a now widely discussed measure: the guaranteed income.”**  
—Rev. Dr. Martin Luther King, Jr.



**“I’M A WOMAN. I’M A BLACK WOMAN. I’M A POOR WOMAN. I’M A FAT WOMAN. I’M A MIDDLE-AGED WOMAN. AND I’M ON WELFARE. IN THIS COUNTRY, IF YOU’RE ANY ONE OF THOSE THINGS YOU COUNT LESS AS A HUMAN BEING. IF YOU’RE ALL THOSE THINGS, YOU DON’T COUNT AT ALL.”**

**Johnnie  
Tillmon**

#HiddenHerstory



# We Know Cash Works

## **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

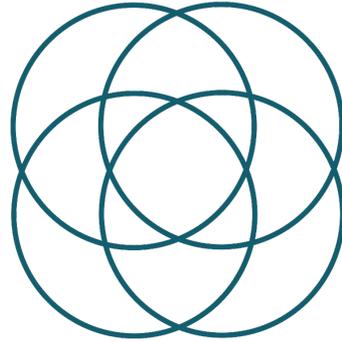
## **Alaska Permanent Fund Dividend**

- 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 Payments (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

# Current Landscape



**GUARANTEED  
INCOME**  
COMMUNITY *of* PRACTICE



**MAYORS FOR A  
GUARANTEED  
INCOME**



## **Public Funding**

- California \$35M investment
- Use of CARES Act and American Rescue Plan Act Funding

## **Child Tax Credit** - expanded in American Rescue Plan Act

- No wage-earnings required to receive fully refundable tax credit
- Monthly cash payments up to \$300/child for nearly all Americans
- Expected to drastically cut child poverty but only one year expansion

## **A Guaranteed Income for the 21st Century** - policy proposal by Darrick Hamilton

- Expands EITC so no wage-earnings required to receive fully refundable credit
- Adults eligible for up to \$12,500 + \$4,500 per child
- Eliminates poverty in the United States, moves many into 200-300% of FPL
- Dramatically reduces racial income inequality

# Considerations for Exploring a Guaranteed Income Program

1. Build with your **community**. What does the community need? Whose voices are not a part of the planning?
2. Protect **benefits**. How does this program build economic security? Are the current benefits of proposed recipients protected?
3. **Collaboration** is key. What will your program bring to the larger community? Cash in pockets is necessary, but evaluate the need and costs of another pilot carefully.
4. **Eyes on the prize**. How does this move us to a sustainable guaranteed income?

Resources & more information can be found on the  
Guaranteed Income Community of Practice Website  
at [gicp.info](http://gicp.info).