

# India: Congress party pledges universal basic income for the poor

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## Opposition leader Rahul Gandhi promises 'final assault on poverty' if elected in May

India's main opposition leader, Rahul Gandhi, says he will mount a "final assault on poverty" if elected in May, by giving a guaranteed income to 250 million of the country's poorest citizens.

The plan announced by the Congress party president on Monday is loosely modelled on a universal basic income (UBI) – an idea that has gained momentum in various countries recently – and would be the world's largest variation on the scheme.

Gandhi is fighting a difficult election campaign against incumbent Narendra Modi, whose popularity is thought to have received a boost from recent military clashes with Pakistan. Voting commences on 11 April and continues for the next six weeks.

Under his plan, every family would be guaranteed an income of 12,000 rupees (£130) a month, paid into their bank accounts. The scheme would be known as Nyay, Hindi for justice.

"It is fiscally possible," Gandhi said on Monday. "We have done all the calculations, asked the best economists; they all backed us. We have been studying the scheme for four to five months."

Congress leaders declined to respond to queries about how the scheme would be funded or how people would qualify for it in a country with a vast informal economy, where precise incomes could be difficult to calculate. It is also unclear if the payment would replace existing subsidies on food, petrol and fertilisers valued at 2.64tn rupees for all Indians in the 2018-19 budget.

The ruling Bharatiya Janata party said the plan was unaffordable. "If you are sure about your defeat, you can promise [the] moon," the party's general secretary, Ram Madhav, tweeted.

The BJP has previously said the government had examined a UBI in 2014 but concluded that eliminating all subsidies would provide only enough funds to pay 6,000 rupees per family a month, less than what is required to feed them.

The poverty rate in [India](#) has fallen from about 70% when the country became independent, to 22% in 2012. The BJP said on Monday it had fallen to about 5% since then.

In principle, a UBI involves paying all citizens an unconditional monthly sum regardless of whether they work, that they can use as they like. It has gained popularity among various political schools of thought worldwide for its potential to eliminate poverty while also insulating workers against the threat of the mass automation of jobs.

UBI has gained momentum in recent years and has been [tried on a small scale](#) in places including [Finland](#), Italy and [Canada](#). The government of Sikkim, another Indian state, promised to

implement a UBI within three years if re-elected.

Guy Standing, a significant UBI advocate, said in January that he believed Congress's variation was a good first step towards a universal scheme. He said UBI trials among poor communities in Madhya Pradesh state had shown "huge improvements in nutrition, health, schooling, sanitation, and in equity, because women benefited more than men, and disabled [people] benefited more from others, and scheduled [socially less dominant] castes benefited more than others, so it reduced inequities".

Polls have generally shown Modi's party comfortably ahead of Congress though short of a majority in India's 543-seat parliament.

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### **Michael Safi**

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