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# Universal Basic Income (UBI)

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Prepared By

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## Introduction

The idea of Universal Basic Income (UBI) has been widely debated and tested by many governments lately as a new fiscal reform needed to reduce income inequality. The UBI can be defined as "a certain unconditional amount of cash transfers paid by the government to each citizen regardless of the marital, employment status, or any other preconditions". The UBI substitutes all other social transfers financed by the government.

The idea of the UBI is dated back to the 16th century when it was proposed in the "Utopia book" published by Thomas More in 1516 as a mechanism to ensure that everyone has sufficient financial resources to fulfill his basic and essential needs hence stop thefts and achieve social stability. The interest in this idea is currently renewed by several economists, governments, and political parties amid the increasing income inequality in many countries.

The British economist and politician Juliet Rhys-Williams and the US economists and Nobel laureates Milton Friedman and James Tobin were among the well-known supporters of this idea in the 20th century[1]. In the 1960s, Friedman developed the concept of a negative income tax as a coupling of income tax and social transfers[2]. James Tobin developed the "case for an income guarantee" that was based on the negative income tax[3].

1 Intereconomics, (2017). "On the Economics of a Universal Basic Income", Volume 52, March/April 2017, Number 2 pp. 74-80.

2 M. Friedman: Capitalism and Freedom, Chicago 1962, University of Chicago Press.

3 J. Tobin: The Case for an Income Guarantee, in: The Public Interest, No. 4, 1966, pp. 31-41.

The idea was further developed by the former Harvard economist Philippe Van Parijs, who brought forward the concept of a UBI and founded the European Basic Income Earth Network (BIEN)[4] in 1986[5].

As stated in some research, “the UBI reconciles economic efficiency and social security. It is radical, but just. It is liberal and contemporary. That is why it offers the best social-political prerequisites for “prosperity for all” in the 21st century”[6]. The UBI was also embedded in the recent political and economic debate in many advanced and developing countries like the United States of America, Canada, Switzerland, Finland, India, China, Namibia, Brazil, and other countries.

## Pros and Cons of UBI

The proponents of the idea see that it could help governments overcome a number of long-term challenges, the most important of which is reducing income inequality, which is of one of the most pressing challenges facing global economic stability. Lately, the IMF confirmed that even though income inequality has significantly decreased across countries because of the fast-growing growth rates achieved in some developing countries like China and India, income inequality within the countries has increased. Over the past three decades, 53 percent of countries have seen an increase in income inequality[7]. In some of these countries, income inequality is at the highest level since the great depression, as the case of the United States of America [8].

4 The Basic Income European Network (BIEN) was founded in 1986 to serve as a link between individuals and groups committed to or interested in basic income and to foster informed discussion on the topic throughout Europe.

5 P. Van Parijs, (1992). “Arguing for Basic Income. Ethical foundations for a radical reform.

6 Intereconomics, (2017). Op cit.

7 International Monetary Fund (2017). “Fiscal Monitor”, Oct.

8 Hass Institute, “An Introduction to Universal Basic Income”, Universal Income Project.

Fiscal policy can play an important role in reducing income disparities as it helps to offset around one-third of income inequality levels before taxes and transfers. Within this context, the UBI is considered by some economists, governments, and political parties as one of the most important fiscal reforms that could help contain income inequality simply because it flows directly to the poor.

The UBI set at 25 percent of income per capita[9] would have a significant impact on reducing income inequality levels specially in countries characterized by high levels of poverty, increasing income inequality, and less efficient social safety nets. It could decrease inequality measured by the Gini Coefficient[10] and poverty level by 5.3 and 10.4 percentage points respectively in emerging market and developing economies. It is worth noting that the impact recorded in developing countries is higher than what could be reached in the case of the advanced economies.

In a country like Egypt, the implementation of UBI set at a 10 percent of per capita income could lower income inequality by around three percentage points and poverty rate by around five percentage points. Increasing the allocations of UBI to 25 percent of income per capita could have a more significant impact (6 and 10 percentage points reduction in Gini coefficient and poverty rate, respectively) [11], Chart (1).

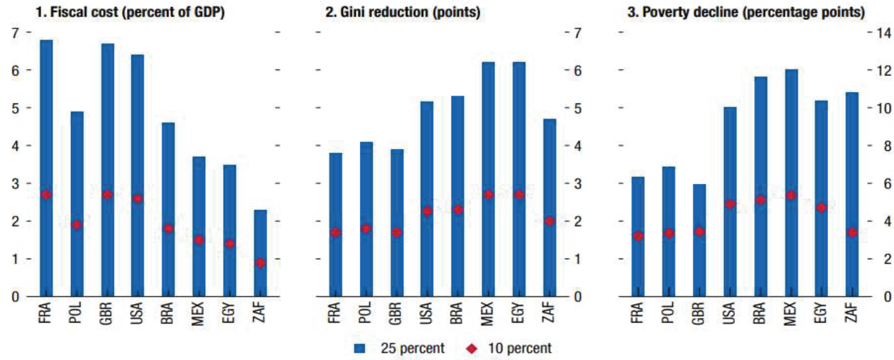
[9] In this case, the implementation of the UBI will not cancel the existing social transfers programs.

[10] The Gini coefficient is the most commonly used measure of income inequality, where 0 represents perfect equality, and 1 represents total inequality.

[11] International Monetary Fund (2017). “Fiscal Monitor”, Oct.

Chart (1)

Universal Basic Income: Gross Fiscal Cost and Distributional Impact




Source: International Monetary Fund (2017). "Fiscal Monitor", Oct.

In addition, the UBI could replace the current inefficient and inequitable subsidies systems. Many studies and research confirmed that the benefits of current schemes of social transfers mostly channeled to the rich segments of the society instead of the poor, particularly energy subsidies schemes (ex. 80 percent of fuel subsidy system goes to the richest 20 percent of the society in Egypt).

Moreover, some social transfers systems have limited coverage due to the inefficient targeting mechanisms and the accompanying bureaucratic procedures, making it difficult for some groups to benefit from them (ex. disabled or elderly people). The UBI, which flows directly to the poor, could benefit them more than the current inefficient social transfers under certain conditions helping increase the efficiency and equity of social transfers.

In addition, since the poor have a higher marginal propensity to consume compared to the rich, the UBI also has the power to spur economic growth. The unconditional cash transfers would increase the aggregate demand and enhance economic growth.

Another very important justification of the UBI is to protect people that will be affected by the technological changes that resulted from the Fourth Industrial Revolution (FIR). The recent technological changes, the rise of automation, and artificial intelligence have been threatening many unskilled workers. Studies refer to an expected loss of about 20-40 percent of unskilled jobs due to these developments. In this case, income inequality will see a dramatic rise, which will impact social cohesion and threaten political stability. Therefore, the idea of UBI is supported by many leaders of the high-tech companies instead of imposing a tax on the automated work "Automation Tax" to withstand its implications on income inequality[12].

Moreover, the UBI could help to reduce the gender gap as it is paid to every person in society. Many NGOs and women's organizations see this fiscal policy as a very good tool to empower women as it gives them opportunities to live a better life, enhance their choices, and help them to start new projects.

Despite the promising advantages of the UBI, the opponents of the idea think that it is associated with many disadvantages especially the high cost associated with its implementation, especially for countries with a large population. Leakage of public transfers to non-eligible persons is another important disadvantage. The UBI benefits all the people within the county, even the rich, so it could mean lower benefits going to the targeted people than the custom schemes, so it will be very far from the appropriate level required to eradicate poverty.

Additionally, the UBI may have an adverse impact on labor markets, as it could negatively affect work incentives for some people and reduce the supply of labor. Moreover, it could encourage the birth rates, thus restrains the efforts exerted by some highly populated

[12] WEF, (2017). "Mark Zuckerberg – 'We should explore universal basic incomes", May, available at: https://www.weforum.org/agenda/2017/05/mark-zuckerberg-we-should-explore-universal-basic-incomes.

countries to control birth rates. It could also encourage immigration to countries with this kind of social transfer complicating the current immigration problems.

### Financing the UBI

The cost of the UBI is estimated at around 6.50 percent of the GDP for advanced economies and 3.75 percent for emerging market economies. This cost is associated with a UBI set at 25 percent of the median per capita income[13].

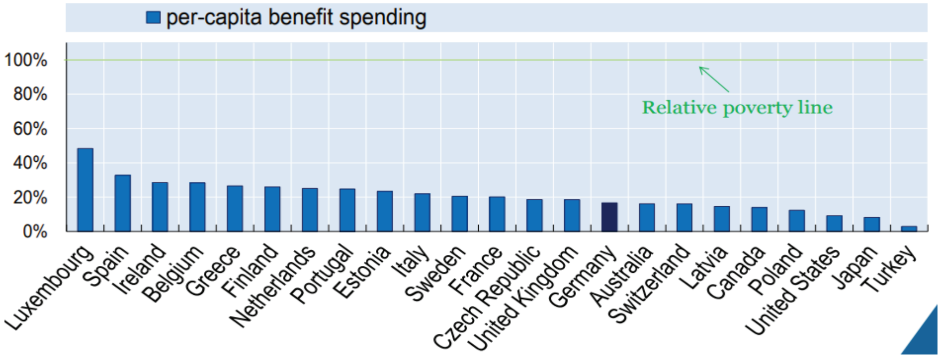
There are many alternatives to finance the UBI. A budget neutral UBI means financing universal cash transfers without imposing any burden on the public budget, including:

1. Using all the financial resources allocated to social transfers schemes in the budget particularly food and energy subsidies systems to finance it;
2. Increasing taxes or;
3. Decreasing public spending on some other areas and use it to finance the UBI.

For the first alternative, the UBI allocated to each person may be lower than the income level associated with the poverty line, which means that the UBI will not be effective as it will not help reducing poverty or income inequality[14]. Therefore, within a budget neutral UBI (financing the UBI through the existent cash transfers without imposing further taxes), a single person without any other resources might be significantly worse off with the neutral UBI than using the current schemes[15], chart (2).

[13] International Monetary Fund (2017). "Fiscal Monitor", Oct.
[14] OECD, (2017). "Basic Income as a Policy Option: Can it Add Up?", Policy Brief on the Future of Work, May.
[15] OECD, (2017). Ibid.

Chart (2)
BI amount that would be equivalent to current spending on working-age benefits, in % of a (low) relative poverty line in some OECD countries




Source: OECD, (2017). “Basic Income as a Policy Option: Can it Add Up?”, Policy Brief on the Future of Work, May.

Therefore, to ensure the effectiveness and efficiency of the UBI system, it should be financed by the allocation of social transfer systems in addition to imposing changes on the taxation system, particularly through adopting very progressive taxes. In this case, the UBI could result in a higher reduction in income inequality and poverty, and it could also result in a budget-saving in some countries.

For instance, the OECD found that UBI set at the Guaranteed Minimum Income (GMI) may result in a budget-saving in some countries (Italy and Finland) if all tax -free allowances are abolished, and all income-tax thresholds are shifted downwards by a corresponding amount. The problem with this mode of finance is that some people would continue to pay more in taxes than they would receive from the UBI system in some countries[16].

[16] Intereconomics, (2017). “On the Economics of a Universal Basic Income”, Volume 52, March/April 2017, Number 2 pp. 74-80.

Other alternatives for financing the UBI include, among others imposing taxes on publicly owned assets, financial speculation activities, air-polluted activities, in addition to increasing income, corporate, and sales taxes.

Some of the recent ideas centered around applying the UBI has emerged within the presidential election in the USA in 2020, as the campaign of one of the presidential candidates includes paying 236 million adult citizens a thousand USD dollar a month (USD 12 thousands yearly payment). The program will cost the budget approximately USD 2.8 trillion and proposed to be financed by imposing 10 percent value added taxes on goods and services or increasing taxes on capital gains. This monthly allowance is believed to enable all Americans to satisfy their basic needs and give a boost to the local economy of about 2.5 trillion dollars by 2025[(17)].

## The implementation of the UBI: country experiences

Despite that, the idea of the UBI is gaining momentum in many countries in the last years; the full-fledged UBI hasn't been entirely implemented in any country till now. The Switzerland government conducted a referendum in 2016 on a proposal to implement the UBI, which resulted in the refusal of 77 percent of the voters. Most of them missed a full understanding of the idea and how it could be financed.

Nevertheless, few pilot projects of Basic Income (BI or partial UBI) which target some segments of the society have been implemented in many countries including USA, Finland, Canada, Namibia, India, China, and Brazil with promising results in terms of poverty reduction, improving health and nutrition and boosting economic activity[18].

Brazil enacted a law to guarantee each person the right to have a Citizens' Basic Income, which was planned to be introduced gradually

[17] Yang 2020, "Policy the Freedom Dividend", available at: https://www.yang2020.com/policies/the-freedom-dividend/

[18] Perkio, J. (2014). "Universal Basic Income: A New Tool for Development Policy?", International Solidarity Work.

starting with the most-needy persons. As a start, a conditional cash transfer is given to families with income which is below a certain level. The prerequisites to have the UBI include the commitment to visit health clinics regularly and children enrollment in schools. The implementation of the UBI has many positive results (Box 1).

Box (1)

**Brazil: From Bolsa Familia to Citizen's Basic Income** [19]

Brazil is the first country in the world that has enacted a law on basic income that institutes a Citizen's Basic Income (CBI) to all residents. This law was approved by the National Congress in 2003 and sanctioned by the President Lula da Silva in 2004. The law states: "A monthly benefit sufficient to meet the basic needs of a person is to be paid equally to all. Since then, the government has worked on introducing basic income gradually with a focus on needy persons.

In 2003, the Brazilian president Luiz Inácio Lula da Silva combined several income transfer programs into one Guaranteed Minimum Income (GMI) for poor families under "Bolsa Família" program. All families with per capita income below a certain given level have the right to benefit from income supplements. The amount of benefit varies according to the level of income of the family and the number of children. The requirements for the recipients of "Bolsa Família" are women who are pregnant or nursing babies provided that they visit public health care centers regularly and children up to 6 years who must receive vaccinations. In addition, students aged 7 to 16 must attend at least 85 percent of the classes, while adolescents from 16 to 18 years must attend at least 75 percent of the classes [20].

The "Bolsa Família program" has expanded from covering 3.5 million families in December 2003 to 13.52 million families in August 2012, which means that more than one quarter of the Brazilians benefit from this program. The program has resulted in a significant reduction in extreme poverty. Along with other economic policy instruments, it has contributed to Lowering Gini coefficient[21].

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[19] Johanna P (2014); "Universal Basic Income – A New Tool for Development Policy?", International Solidarity Work.

[20] Suplicy 2007 and 2012.

[21] Despite the current reduction in inequality, Brazil is still one of the most countries that have income disparities in the world (Suplicy 2012, 3–4).

Finland is currently adopting a pilot UBI project to assess the usefulness of this mechanism to increase the efficiency of social transfer programs and reduce the bureaucracy associated with the current scheme. Within this project, 2000 unemployed people were randomly selected to receive 560 euros tax-free allocation from the government. The project has been launched during the period (2017-2018). The results of this project will guide the government's decision on the widespread implementation of the UBI.

On the other hand, India is considering adopting UBI after successful pilot projects that have been undertaken to eradicate poverty in some towns and villages amid widespread views about the inefficiency of the current social welfare schemes. Pilot projects achieved very significant results, including better nutrition, a decrease in serious health problems, higher rates of school attendance, lower debt, and greater job opportunities, especially for women[22].

## Can the UBI be a policy option for the Arab Countries?

Through the last four decades, many Arab countries especially those with high poverty rates, have concentrated their efforts on eradicating poverty and reducing income inequality. Income inequality has decreased in eleven Arab countries. Among which, seven countries achieved a notable reduction in income inequality reflected in Gini Coefficient which has decreased by 2.7 to 12.6 percentage point, while the reduction was limited in four countries as the decrease in Gini Coefficient doesn't exceed one percentage points, (annex (1)).

On poverty reduction, some countries faced challenges in reducing poverty rates due to the irrelevant growth and development models and the internal conditions witnessed by a number of these countries since 2010. Twenty percent of the Arab population lives below the international poverty line (USD 1.9 per day) in 2018. The Arab region is the only region where extreme poverty (the number of people living

[22] Institute for Human Development (IHD), (2017), Discussion session on UBI.

on less than USD 1.9 a day has increased (reflecting the challenges facing the Arab countries to meet the target of extreme poverty eradication that was included in the Millennium Development Goals by 2015.

Despite the exerted efforts in the region to reduce poverty and income inequality, more focused, efficient, and targeted policies are needed to reach the desirable levels in this area within the Sustainable Development Goals: Goal 1: No Poverty, "End poverty in all its forms everywhere”, Goal 2: “Zero Hunger”, Goal 5: “Gender Equality”, Goal 10: “Reduced Inequalities” by 2030.

The need to boost spending on social safety nets came at a time when public budgets in the Arab countries faced challenges due to the downward trend in oil prices and the slowdown in economic activities. The public budget balance of Arab countries turned from achieving a surplus of 5.2 percent of GDP in 2012 to recording a deficit reached 10 percent of GDP in 2016 before succeeding in reducing the deficit level to around 4.3 percent of the GDP in 2018. Thanks to the comprehensive and accelerated fiscal reforms implemented by the Arab governments starting from 2015, (annex (2)).

Fiscal reform efforts in the Arab countries adopted since 2015 focused on achieving fiscal consolidation and ensuring fiscal sustainability. Within this context, the emphasis was placed on reforming energy subsidy systems and civil service sector as a mechanism to avail financial resources required to strengthening the social safety nets to reduce poverty and income inequality.

Similar to other countries, full-fledged UBI hasn’t been adopted in any Arab country. The cost of this program will be significant, especially for Arab countries with a high population density such as Egypt, Algeria, Iraq, and Sudan. For instance, the cost of the UBI program set at 25 percent of income per capita could cost Egypt and Iraq around USD 76 and 56 billion annually, while in resource-rich countries like Saudi Arabia and the United Arab Emirates, the cost could reach USD 195 and 101 billion per year respectively, (annex (3)). On the other hand, the annual amount allocated to each person according to the full UBI in some Arab countries would be lower than the level required to fulfill basic necessities. Therefore, it wouldn't be efficient to reduce the relative and extreme poverty.

On the contrary, it could be more efficient for the Arab governments to adopt partial UBI that targeting only poor people as it would be more efficient in eradicating poverty. In this case, the cost would be less compared to the full UBI. Partial UBI programs that provide each person under the poverty line of 3.2 USD in Egypt and Iraq, for instance, an annual amount of USD 1168 (3.2 USD*365 days) will cost the two countries around USD 17.6 and 6.9 billion annually (around 6 and 3 percent of their GDP) which is far below the cost of the full UBI. While if Partial UBI programs targeted only people under the extreme poverty line (1.9 USD per day), the cost would be less than one billion dollars annually, which is around (0.3 percent of the GDP) in both countries, (annex (4) and (5)). Therefore, these programs could help Arab countries reduce the poverty levels faster than the traditional social transfer schemes.

Accordingly, many Basic Income (BI or partial UBI) projects are being implemented and tested with very promising result in reducing poverty and income inequality in some Arab countries targeting needy households, children, unemployed persons, and women (ex. Egypt, Morocco, Tunisia, Jordan, and KSA).

Currently, the priority is to increase the progressivity of the taxation system to support spending on health, education, and infrastructure to enhance growth, social, and economic development. Any additional increase in taxes could have an adverse impact on private investments, thus reflecting on economic growth. Also, it may not be acceptable to the taxpayers. Accordingly, it could be more appropriate in the current stage to concentrate more on fiscal reforms that could greatly enhance the fiscal space. This fiscal space is required to finance the diversification plans and adopting countercyclical economic policies in Arab oil-exporting countries and to move towards inclusive and sustainable growth in Arab oil-importing countries.

Also, it is very important in the case of Arab countries to focus more on strengthening and increasing the efficiency of the current social safety nets (Partial UBI programs) through:

- Increasing the allocated resources devoted to these programs benefiting from the financial saving resulted from the reform of energy subsidy systems. For example, the cost of social safety nets in Egypt has increased to reach EGP 72 billion in the 2017/2018 budget and increased to around EGP 118 billion in 2019/2020 budget. This increase is financed by fiscal saving resulted from the reform of energy subsidy schemes. Within these reforms, spending on ration card subsidies has also increased by 90 percent per person in the last two years, while spending on cash transfers programs directed to the needy household/persons increased 11 times in the last seven years.
- Enhancing targeting mechanisms through setting reliable targeting criteria, building accurate databases for targeted people, cooperating with the NGOs, and local community associations to update and refine these databases and set an efficient framework for channeling cash transfers to the poor. One of the promising projects in this area is the cooperation between the Egyptian government and the UNDP to target the poorest 100 villages.
- Widening the coverage of social safety nets either through extending their geographical coverage or targeted groups. Recently, Morocco has extended the coverage of “RAMED”, a program implemented in cooperation with the European

Union devoted to providing the vulnerable groups with health services to cover around 10.4 million beneficiaries in 2016 compared to 103 thousand only in 2009. In 2020, the African Development Bank has provided a loan totaled USD 204 million to morocco to support financing the Social Protection Improvement Support Program (PAAPS). The aim is to extend the coverage of the social security to cover 80 percent of the population in Morocco by 2023, through construction of hospital centers in two cities, as well as the upgrading of some 100 hospital units in rural areas and 31 social protection facilities in three main regions[23].

- Focusing on conditional cash transfer schemes based on the ability of these programs to enhance social development. One of these examples is the “Taeseer conditional cash transfer program” launched in Morocco to encourage the enrolment of the children of the needy households in schools and decrease school drop-out. Within this program, cash transfers to the needy households are linked to the enrolment of their children in schools. The program succeeded in its first phase in increasing the enrolment ratio in primary education by 25 percent and reduced school dropout by around 60 percent.
- Linking the implementation of current partial UBI schemes with achieving the Sustainable Development Goals, particularly goals related to reducing poverty, and income inequality, and empowering women.
- Assessing the efficiency of the current social safety nets schemes and using the resulted feedback to build on the successful models.

The partnership between international and regional organizations could strengthen the Arab government's efforts to contribute to reducing income disparities, strengthening social cohesion, and

[23] China.org.cn, available at: http://www.china.org.cn/index.htm.

advancing human development. Financial support and capacity building are required to guide the governments, especially in the following area:

- Implementing a comprehensive social protection policy;
- Improving the targeting mechanisms;
- Rationalization of social transfers schemes in favor of poor and vulnerable groups;
- Developing social services;
- Civil services sector legislative and regulatory reforms.

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- Suplicy 2007; Suplicy 2012.

## Annex (1)

## Gini coefficient in Arab countries

## According to the latest data

| Countries | Gini coefficient (points) | Reduction in Gini coefficient (points) |
|---|---|---|
| Jordan (1985) | 36.06 | **0.66** |
| Jordan (2013) | 35.40 | |
| Tunisia (1985) | 43.43 | **7.33** |
| Tunisia (2015) | 36.10 | |
| Algeria (1988) | 40.19 | **12.59** |
| Algeria (2012) | 27.60 | |
| Sudan (2009) | 35.39 | **0.09** |
| Sudan (2013) | 35.30 | |
| Iraq (1993) | 37.00 | **6.10** |
| Iraq (2013) | 30.90 | |
| Comoros (2004) | 55.93 | **10.93** |
| Comoros (2014) | 45.00 | |
| Lebanon (2004) | 36.00 | **4.2** |
| Lebanon (2012) | 31.80 | |
| Egypt (1990) | 32.00 | **0.20** |
| Egypt (2016) | 31.80 | |
| Morocco (1985) | 39.19 | **0.39** |
| Morocco (2014) | 38.80 | |
| Mauritania (1987) | 43.94 | **11.52** |
| Mauritania (2014) | 32.42 | |
| Yemen (1992) | 39.45 | **2.75** |
| Yemen (2014) | 36.70 | |

Source: World Bank database on Poverty and UN Country Reports on Millennium Development Goals, Joint Arab Economic Report (2016), and various official national and international sources.

## Annex (2)
## Public Budget Balance in Arab Countries

| | Overall Fiscal Deficit/ Surplus (Million US $) | | | | | | |
|---|---|---|---|---|---|---|---|
| | **2012** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** |
| Total Arab Countries | 139917 | 67188 | -73000 | -25000 | -240000 | 168300 | 113700 |
| Arab Oil Exporters | 182240 | 118989 | -27600 | -200200 | -187300 | -132100 | -80100 |
| Arab Countries with diversified economies * | -42323 | -51801 | -47600 | -50200 | -52800 | -36200 | -33600 |

| | As percentage of GDP (%) | | | | | | |
|---|---|---|---|---|---|---|---|
| | **2012** | **2013** | **2014** | **2015** | **2016** | **2017** | **2018** |
| Total Arab Countries | 5.3 | 2.5 | -2.7 | -10.1 | -9.8 | -6.7 | -4.3 |
| Arab Oil Exporters | 8.5 | 5.4 | -1.2 | -10.6 | -10.1 | -6.6 | -3.8 |
| Arab Countries with diversified economies * | -8.4 | -9.8 | -8.6 | -8.8 | -9.1 | -7.5 | -6.5 |

Source: Annex (6/10), Joint Arab Economic Report (2019).

(*) Including countries that do not depend on a single sector for generating the value added.

## Annex (3)

## Cost of UBI set at 25 and 10 percent of the GDP per capita (2019)

| Country | Population (Million) (2019) | GDP (Billions of US Dollars) (2019) | GDP per capita (USD) | First option: UBI allocation of 25 percent of GDP per capita (USD/YEAR) | Second option: UBI allocation of 10 percent of GDP per capita (USD/YEAR) | Annual Cost of the **first option** (Billion USD) | Annual Cost of the **second option** (Billion USD) |
|---|---|---|---|---|---|---|---|
| Jordan | 10.1 | 44.2 | 4,386 | 1,097 | 439 | 11 | 4 |
| United Arab Emirates | 10.7 | 405.8 | 37,750 | 9,437 | 3,775 | 101 | 41 |
| Bahrain | 1.5 | 38.2 | 25,271 | 6,318 | 2,527 | 10 | 4 |
| Tunisia | 11.8 | 38.7 | 3,287 | 822 | 329 | 10 | 4 |
| Algeria | 43.4 | 172.8 | 3,980 | 995 | 398 | 43 | 17 |
| Djibouti | 1.1 | 3.2 | 2,937 | 734 | 294 | 1 | 0 |
| Saudi Arabia | 34.1 | 779.3 | 22,865 | 5,716 | 2,287 | 195 | 78 |
| Sudan | 43.2 | 30.9 | 714 | 179 | 71 | 8 | 3 |
| Iraq | 39.1 | 224.5 | 5,739 | 1,435 | 574 | 56 | 22 |
| Oman | 4.3 | 76.6 | 17,791 | 4,448 | 1,779 | 19 | 8 |
| Qatar | 2.8 | 191.8 | 69,687 | 17,422 | 6,969 | 48 | 19 |
| Kuwait | 4.7 | 137.6 | 29,268 | 7,317 | 2,927 | 34 | 14 |
| Lebanon | 6.1 | 58.6 | 9,655 | 2,414 | 965 | 15 | 6 |
| Libya | 6.6 | 33.0 | 5,019 | 1,255 | 502 | 8 | 3 |
| Egypt | 99.2 | 302.3 | 3,047 | 762 | 305 | 76 | 30 |
| Mauritania | 4.1 | 5.7 | 1,393 | 348 | 139 | 1 | 1 |
| Morocco | 35.6 | 119.0 | 3,345 | 836 | 335 | 30 | 12 |
| Yemen | 31.6 | 29.9 | 943 | 236 | 94 | 7 | 3 |

Source: Calculated using World Bank Data for 2019.

## Annex (4)

## Cost of UBI allocations required to alleviate poverty based on poverty line 2.3 USD/Day (2019)

| Country | Population (Million) | Population under poverty line 2.3 USD/day (Million) | GDP (current Millions of US$) | UBI annual allocation = (3.2 *365) (USD) | UBI annual cost (USD Million) | UBI annual cost as a percentage of GDP (%) |
|---|---|---|---|---|---|---|
| Jordan | 10.1 | 0.100 | 44,172.0 | 1,168 | 117 | 0.3 |
| Tunisia | 11.8 | 0.400 | 30,873.0 | 1,168 | 467 | 1.5 |
| Algeria | 43.4 | 1.4 | 172,781.0 | 1,168 | 1,635 | 0.9 |
| Djibouti | 1.1 | 0.400 | 3,166.0 | 1,168 | 467 | 14.8 |
| Sudan | 43.2 | 10.7 | 191,849.0 | 1,168 | 12,498 | 6.5 |
| Iraq | 39.1 | 5.9 | 224,462.0 | 1,168 | 6,891 | 3.1 |
| Lebanon | 6.1 | 0.100 | 58,565.0 | 1,168 | 117 | 0.2 |
| Egypt | 99.2 | 15.1 | 302,256.0 | 1,168 | 17,637 | 5.8 |
| Mauritania | 4.1 | 1.0 | 5,651.0 | 1,168 | 1,168 | 20.7 |
| Morocco | 35.6 | 13.6 | 119,040.0 | 1,168 | 15,885 | 13.3 |
| Yemen, Rep. | 31.6 | 13.7 | 38,732.0 | 1,168 | 16,002 | 41.3 |

Source: Calculated using the World Bank Data for 2019.

## Annex (5)

## Cost of UBI allocations required to alleviate poverty based on poverty line 2.3 USD/Day (2019)

| Country | Population (Million) | Population under poverty line 1.9 USD/day (Million) | GDP (current Millions of US$) | UBI annual allocation (1.9 *365) (USD) | UBI annual cost (USD Million) | UBI annual cost as a percentage of GDP (%) |
|---|---|---|---|---|---|---|
| Jordan | 10.1 | 0.010 | 44,172.0 | 693.5 | 7 | 0.0 |
| Algeria | 43.4 | 0.217 | 172,781.0 | 693.5 | 151 | 0.1 |
| Djibouti | 1.1 | 0.184 | 3,166.0 | 693.5 | 128 | 4.0 |
| Tunisia | 11.8 | 0.136 | 30,873.0 | 693.5 | 94 | 0.3 |
| Sudan | 43.2 | 6.440 | 191,849.0 | 693.5 | 4,466 | 2.3 |
| Iraq | 39.1 | 0.978 | 224,462.0 | 693.5 | 678 | 0.3 |
| Lebanon | 6.1 | 0.021 | 58,565.0 | 693.5 | 14 | 0.0 |
| Egypt | 99.2 | 1.290 | 302,256.0 | 693.5 | 894 | 0.3 |
| Mauritania | 4.1 | 0.243 | 5,651.0 | 693.5 | 169 | 3.0 |
| Morocco | 35.6 | 0.356 | 119,040.0 | 693.5 | 247 | 0.2 |
| Yemen, Rep. | 31.6 | 5.950 | 38,732.0 | 693.5 | 4,126 | 10.7 |

Source: Calculated using the World Bank Data for 2019.

## صندوق النقد العربي
شبكة المعرفة

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| 2007 | تحرير التجارة الخارجية والتشغيل في الدول العربية | جمال الدين زروق | 1 |
| 2007 | التنسيق الضريبي في إطار التجمعات الإقليمية : تجربة الدول العربية | جمال الدين زروق وعادل التيجاني | 2 |
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