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Jack Dorsey Donates \$3 Million To U.S. Mayors For Universal Basic Income Pilot Programs In 15 Cities



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Billionaires



Jack Dorsey. AFP VIA GETTY IMAGES

The gift, part of Dorsey’s promise earlier this year to give away \$1 billion, will go to a new coalition of 15 mayors founded by Michael Tubbs, the 29 year-old mayor of Stockton, California.

Jack Dorsey, the billionaire CEO of Twitter and Square, is donating \$3 million to help fund [Mayors for a Guaranteed Income](#) (MGI), a new coalition of 15 mayors across the country who want to explore the idea of universal basic income — a recurring payment to residents — in their cities. The coalition was created on June 29 by Michael Tubbs, the 29 year-old mayor of Stockton, California, who has been running a guaranteed income pilot program in his city since the winter of 2018.

“Mayors are the moral leaders of the country,” Tubbs says in an interview with *Forbes*. “They’re on the frontlines dealing with, responding to and working for constituents each and every day. Given Covid-19 and the need for regular ongoing cash assistance, and also

the protests on not just police violence but structural violence in the city, I knew it was time to leverage what we've learned in Stockton and create a network of mayors and advocate with a collective voice for guaranteed cash payments.”

The majority of the gift will help the mayors create pilot programs for universal basic income (UBI) in their cities, which include Newark, Atlanta, Seattle, Los Angeles, Compton, Long Beach, Pittsburgh, Oakland and more. The rest of the money will go to a new pilot program in Stockton, which Tubbs will announce in the fall.

For now, the roster of mayors in MGI are moderate to liberal-leaning, but that will soon change. “Economic insecurity is something that’s bipartisan,” says Tubbs. “Some of the most red states have the highest rates of economic insecurity and poverty... In the next couple of months, you’ll see some of the more ‘conservative’ mayors (in MGI).”

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Michael Tubbs, the 29 year-old mayor of Stockton, California, has been experimenting with universal ... [+] AFP VIA GETTY IMAGES

Dorsey is making the donation from #startsmall, his philanthropic limited liability company, which he launched on April 7 by transferring \$1 billion worth of Square shares — then 28% of his net worth — to the LLC. Dorsey said he would primarily focus his

charitable efforts on Covid-19 relief, and also fund efforts to improve girl's health and education, as well as UBI experimentation.

Since its inception, the value of #startsmall has grown to \$2.26 billion, as a result of a 165% surge in the price of Square's stock. In the past three months, the billionaire executive has given \$160 million to charities. He tracks all gifts in a [public Google spreadsheet](#).

To help further experimentation with UBI, Dorsey has given \$11.2 million to GiveDirectly, a nonprofit that has become a favorite of Silicon Valley's tech elite due to its promising work with UBI in Kenya and Uganda. The idea of a guaranteed basic income resonates with some tech executives because of the expectation that companies and technologies they have created will lead to massive automation, wiping out manual jobs for millions of people, and thus leading to massive unemployment. It turns out that a global pandemic like the one we're living through also leads to very high unemployment. GiveDirectly's past donors include Facebook cofounder Chris Hughes and Google's philanthropic arm, Google.org.

"Every single field is going to be touched by automation, and UBI to me represents a floor," Dorsey said in a May podcast conversation with former presidential candidate Andrew Yang, who ran with a keystone policy of UBI. "A floor that people can stand on, and have the knowledge and peace of mind that they could survive and eat and feed their children while they are learning how to transition into this new world."

Dorsey's gifts to GiveDirectly are earmarked for cash disbursements to low-income families that have been affected by Covid-19. He gave another \$5 million to Humanity Forward, Yang's nonprofit, that will also give cash disbursements to low-income families affected by the pandemic.

Tubbs hopes that with more successful experiments of guaranteed income around the country, the federal government will follow with a national guaranteed income program that will extend beyond the pandemic. "If you think about Franklin D. Roosevelt in 1935, in the time of the Great Depression and on the heels of the 1918 Flu Pandemic, he came out with the New Deal. It included social security and unemployment benefits, things that we now hold as sacrosanct," says Tubbs. "I think in 2020, the American response to a pandemic of historic proportions will have to be a New Deal kind of response. We will have to update our social safety net to meet 2020 standards, and guaranteed income has to be part of that."

How to fund UBI is a point that critics often bring up, but Tubbs believes there are many ways to solve this. "Raising taxes on individuals like Mr. Dorsey could pay for this. Repealing the 2017 Trump tax cuts could provide \$500 for every American family that makes \$125,000 or less. Appropriating some of the money from our bloated Pentagon or war budget could help pay for this," Tubbs suggests.

“There are a lot of scenarios to get us to a regular cash disbursement,” Tubbs says. “The issue is just marching the political will to do it.”

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