

Why universal basic income (UBI) is the right path out of the pandemic (21st Dec 2020)

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Worldwide interest in basic income has surged during the pandemic, which has laid bare the deficiencies of existing welfare systems and temporary income support measures. A [petition](#) to the UK parliament calling for introduction of a Covid-19 basic income gained over 114,000 signatures. The [Petitions Committee](#) took oral evidence in September 2020, and a [parliamentary debate](#) on UBI took place in October, initiated by a cross-party group of MPs. The issue is now being examined by the [Work and Pensions Committee](#). Meanwhile, **the Welsh parliament, the Scottish government and over 20 local authorities across the UK have backed UBI and called for pilot schemes to be introduced in their area.**

UBI is an old idea that has acquired new relevance as societies confront **an uncertain post-pandemic future**. It would provide people with basic economic security in the changing world of work. **And it would ensure that no one slips into destitution, eliminating the poverty traps and high exclusion errors that characterise the current welfare system.** UBI would introduce a regular modest payment to every adult, with a smaller amount for children, without conditions and regardless of income, household or employment status. All legal residents would be entitled to receive it, with a waiting period – say, two years – for newcomers. And while UBI would not be means-tested, it can be reclaimed from higher-income earners through the tax system, as is already the case for child benefit and the personal tax allowance. **This would be a simpler, more efficient and fairer way of getting money to those who need it than the existing system, which traps people in poverty and fails to reach many of the most vulnerable.**

UBI can start small and build up gradually. This means **it would co-exist with the main means-tested benefits for a while, replacing most of them in time.** Non-means-tested disability benefits would remain, as would means-tested housing benefits, given the crisis in affordable accommodation that only housing policies can resolve.

What the evidence shows

I have designed, conducted and advised on basic income pilots in the [UK](#), [Canada](#), [Finland](#), [Spain](#), [India](#), [Namibia](#) and the USA. All the various pilots and experiments that have been carried out paint a consistent picture:

- **Even a small basic income reduces insecurity, which in turn reduces stress and anxiety and improves mental and physical health. This reduces demands on the NHS and social services.**
- **UBI encourages *more* work (paid and unpaid), not less. People receiving a basic income are more likely to start their own business and more likely to take a paying job because they do not lose benefits by doing so. UBI also enables people to reduce working hours to spend more time with their children, or to care for elderly relatives, or undertake voluntary work.**
- **UBI raises the status and income of women and people with disabilities. By reducing financial stress, it helps curb domestic violence, and by giving women an individual income it enables them to escape abusive relationships.**

My most recent books on basic income of relevance to British policymakers are [Basic income: And how we can make it happen](#) (Pelican, 2017) and [Battling eight giants: Basic income now](#) (Bloomsbury, 2020). Relevant articles, videos and podcasts can be found on my personal website www.guystanding.com.

Visit our website for further briefings (<https://blogs.soas.ac.uk/cop/>). If you would like a personal briefing or clarification on any of the issues raised here, please contact the author at guystanding@standingnet.com. Do contact Professor Alison Scott-Baumann and her team for further briefings and access to other experts as150@soas.ac.uk

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