

# Basic Income: The International Response to COVID-19

*Jamie Cooke answers audience questions post-webinar – 05/20/2020*

**Q: Given the double to seven times the rates of poverty of Indigenous Peoples, peoples of colour, persons with (dis)abilities and other Canadian equity seeking groups and historically disadvantaged communities - how do we best complement an UBI with the needed and targeted programs that work to redress those long-existing and very real inequities and disparities in life chances, life opportunities and life outcomes ?**

A: I am not familiar enough with the context of indigenous and minority communities in Canada to comment on specific policies, however I think the critical element here is that basic income isn't a panacea, and won't solve every issue. Rather, it is a foundation to build other policies on top of, in order to maximise their impact and to ensure a universal floor for everyone. Specific issues, such as disability, are individual rather than universal, and so will always require additional support on top of the Basic Income.

**Q: How do you respond to concerns that UBI becomes a subsidy to for-profit enterprises whose business model is built upon low wages?**

A: As with other aspects, Basic Income is not a panacea or stand-alone policy, it is a foundation to a new social contract. So, it requires a living wage to ensure it isn't merely a wage subsidy for businesses; and rent controls to ensure it doesn't just disappear into the pockets of private landlords.

**Q: Some see the concept of a “Basic Income” as essentially referring to a delivery mechanism or process for direct financial transfers to individuals and families. As the public discourse around Universal Basic Income proposals proceeds, how do we ensure that the issue of *adequacy* remains (or becomes?) a foundational part of any UBI program?**

A: Adequacy is a key aspect, and requires a society-wide discussion and debate (potentially through approaches such as a Citizens Assembly) to determine what is considered adequate for real people. However, I think it is also important to recognise and remember that even low levels of Basic Income can have transformative impacts – e.g. our proposal for Scotland was only at £4,800 per adult per year, but economic modelling showed it eliminating destitution completely at that level

**Q: What is your response to the criticism about a Universal Basic Income that it gives money to people who don't need it? The CERB targeted measure in Canada has been praised by its proponents as being a quick and effective measure to get money out to people who need the cash, while costing less than a Universal Basic Income, which could end up giving money to people who don't need it.**

A: I think there are a few critical aspects to this. Universality changes the definition of worth in society from how much money you earn/wealth you have to one of your intrinsic value as a resident or citizen. Generally speaking, targeted benefits are the first to be attacked in elections, as they have fewer people defending them. Giving the money to everyone makes the process immensely easier to

administer and deliver; and also recognises that economic insecurity stretches far further up the income scale than it perhaps used to, with many people living with very little financial resilience. Finally, the highest earners would not make gains overall, as they would be paying back in taxation to help fund the policy.

**Q: Is anyone measuring what difference it would have made to everyone if we had UBI implemented prior to this pandemic?**

A: The measurements haven't been carried out (yet), but there has been some thinking on the subject – for example (shameless self-plug) an article I co-authored <https://www.greeneuropeanjournal.eu/basic-income-and-pandemic-preparedness/>

**Q: "In the road to a full UBI, which road is better:**

- **Start with a small universal amount, like Alaska, and then increase it gradually**
- **Start with a full amount, not universal, and then wide it gradually to everybody"**

A: I would suggest smaller and universal is better than larger and targeted – but ideally we will aim for larger and universal, and completely unconditional.