

## **“Red Wall” perceptions of a Universal Basic Income**

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The concept of a Universal Basic Income (UBI) is not new. Indeed, some would argue that the basic premise dates back to the 1500s or earlier. However, in spite of the significant attention in the academic literature that the idea has received, it remains outside the mainstream in most contemporary policy debates.

Although various conceptions of a UBI exist, the most common definition is that adopted by the Basic Income Earth Network (2020). In essence, a UBI is an *unconditional* payment made to all individuals in cash. It is not means tested, nor are there conditions attached.

Two factors have driven our own interest in the concept. Firstly, the increasing precariousness of employment and decline in the traditional long-term “employer-employee” relationship. This has been especially obvious in three main areas:

The dramatic growth in self-employment over the past 15 years, and especially the emergence of so-called “platform work” (e.g. Uber, Deliveroo etc.)(De Ruyter and Brown, 2019)

The large increase in zero-hours contracts and erratic work patterns since the financial crisis (8-hour contracts supplemented by variable overtime, for example, are also increasingly common).

A longer-term erosion in the permanence and stability of employment, with many on time-limited contracts, a decline in “steady” jobs with redundancy or (employer) bankruptcy being real risks for many. Even ostensibly “permanent” employees often lack all but the most rudimentary protections against dismissal (with many unaware of this).

The other major factor driving our interest has been COVID-19. Specifically, it has been painfully obvious that countries with relatively little protection against sudden falls in employment income (such as the US, UK, much of Southern Europe and almost all of Latin America) have suffered high mortality, often alongside poor economic outcomes.

When a large subset of people are not entitled to good sick pay, there is a big incentive to keep working even though you know you might be sick. In the UK’s case, this was reinforced by a very narrow definition of symptoms. Attendance is a valid selection criterion when redundancies need to be made, which further increases the incentive to attend work even if you might be unwell.

A UBI has the potential to substantially mitigate this by providing an income floor. Research suggests that a UBI might be beneficial in other areas, in terms of mitigating health inequalities(Ruckert, Huynh, & Labonté, 2017) and providing significant qualitative wellbeing improvements (lower stress, improved wellbeing and enhanced life satisfaction)(Kangas, Jauhiainen, Simanainen, & Ylikännö, 2019). However, notable challenges remain in implementation.

Our research seeks to investigate how individuals in the so-called “Red Wall” areas of the West Midlands – specifically those living in constituencies that historically voted Labour and recently swung Conservative perceive the concept. Although proponents of a UBI are more often found on the political left in academic circles(e.g., Standing, 2017), the idea shares a close cousin on the political right: the concept of a negative income tax(Friedman and Friedman, 1962).

Our preliminary findings chimed with concerns around the gig economy, *“I know as far as the gig economy is, that was one of the reasons I thought, well, maybe it would be good because my brother*

*and other people I know work in the gig economy and it is exploitative.”* However, political concerns over whether it would reduce the incentive for people to work also came to the fore, *“In principle, it’s a brilliant idea [...but...] There needs to be something there for people to work towards.”*

Interestingly, this was tempered for those who had previously interacted with (or seen) the existing benefits system, *“Yeah, I have a friend that was like that. Actually, she used to because she’d get offered jobs. She’d been on benefits for years, and she’d get offered jobs, but she’d say, it’s not worth me taking it because it’s only a temporary job. And yeah, I won’t get any benefits for the four weeks and I’ve got bills.”*

Nevertheless, it is clear that the pandemic has greatly heightened concerns over income insecurity for many, *“): [P]ersonally I’ve seen some really, like highly educated, clever people who’ve probably always thought you know what, I’m going to be okay. I’ve always got something to fall back on. And suddenly that’s not the case [because of Covid].”*

Another individual who was experiencing job loss first-hand for the first time (in over 30 years of work) commented that, *“I got told yesterday [and it makes me feel] [expletive] terrified [...] now all of a sudden this. I feel a bit abandoned if I’m honest.”*

As such, there is clearly a strong appetite for greater financial security, at least amongst some individuals in those “Red Wall” seats that we conducted focus groups in. What’s less clear is whether this translates into support for a basic income at present. Future research will want to investigate what specific policy options and their framing can command public support.

If you are interested in knowing more about this work then please join us at our next Webinar on Thursday 29<sup>th</sup> April, in partnership with the Basic Income Conversation, where we will discuss these findings in further detail. Details (and how to register to attend) can be found here:

<https://actionnetwork.org/forms/public-perceptions-of-basic-income-in-the-west-midlands-red-wall/>

## References

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