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Introduction: Emergency basic income: Distraction or opportunity?

Jurgen De Wispelaere and Troy Henderson***

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Abstract This themed issue, guest-edited by Jurgen De Wispelaere and Troy Henderson, is devoted to examining, first, whether the widespread use of immediate and unconditional cash transfers as a policy response to the socioeconomic impacts of the COVID-19 crisis has provided a boost to cash transfer programmes generally and to emergency basic income (EBI) policies more specifically. The set of articles then charts the reception of EBI-type policies as a pandemic response in specific country or regional contexts, and reflects on their relevance for the future development of universal social protection and, especially, universal basic income (UBI). While the contribution to be made by basic income to realizing resilient and agile social protection policy responses merits serious consideration, in particular in a context where existing social protection systems are patchy and fragmented, important questions remain as to how to evaluate the time-limited EBI crisis response in light of the more durable needs which a permanent UBI purports to address.

Keywords social policy, cash benefit, benefit administration, political aspect, COVID-19, international

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Introduction

On 11 March 2020, when the World Health Organization declared COVID-19 a public health emergency of pandemic proportions, it also marked the start of a period of global economic turmoil the likes of which the world economy had not witnessed since the 1930s. Analysis by the International Monetary Fund (IMF) showed that during the first half of 2020 "[g]lobal output declined about three times as much as during the global financial crisis in half the time" (IMF, 2021, p. 43). This macroeconomic shock triggered a "sharp and unprecedented fall in employment across G20 economies" with a "steep fall in the number of people working, which occurred as countries sought to contain the COVID-19 pandemic … 14 times the total decline experienced from peak to trough – over a much longer period – during the Global Financial Crisis" (ILO and OECD, 2020, p. 10). World Bank research found that "[b]y the end of 2020, the number of people subsisting on less than $2.15 per day (which defines extreme poverty) rose by nearly 70 million – the largest one-year increase since at least 1990, when monitoring began" (World Bank, 2022). Importantly, the vast economic and social impact was not primarily caused by the pandemic itself, but as the result of lockdowns and other related public health measures taken in an attempt to contain the spread of coronavirus infections that effectively shuttered several major industries while forcing many other key sectors of the economy to operate at far less than full capacity.

In response, governments around the world implemented one of the largest economic stimulus packages ever seen, including social protection measures unrivalled since the creation of the welfare state in the twentieth century. Globally, the fiscal stimulus was "the largest in peacetime", ranging from "5 to 24 per cent of 2019 GDP in advanced economies … to between 1 and 9 per cent of GDP" in emerging market economies (Hudson et al., 2021, p. 101). The World Bank estimated that governments directed "an additional 3 trillion US dollars on social protection and labour measures …, or an average 2 per cent of national GDP, with large inter-country, inter-regional and intra-regional variation" (Gentilini et al., 2022). Pandemic social protection measures exhibited important variation, from expanding the coverage or generosity of existing programmes, such as unemployment benefits, to introducing novel measures, including furlough schemes. But two key findings that emerge from analysis of the global policy response are the importance of cash transfers as a pandemic social protection tool and the increase in universal design principles to guide their implementation. While the long-term impact of COVID-19 policy interventions on social protection systems is a matter of ongoing debate, the contention that the pandemic has provided a boost to cash transfer programmes in both concrete and normative terms seems widely accepted.

The COVID-19 crisis did more than provide a boost to cash transfer schemes in general. It also appeared to briefly open up a policy window for one very specific type of cash transfer programme, and the focus for this set of papers: emergency basic income (EBI), which is the time-limited variant of the more familiar universal basic income (UBI). Against the backdrop of a rapidly evolving health and economic crisis requiring a swift and agile policy response, the idea of providing the vast majority of citizens with immediate unconditional cash support for a time-limited period gained considerable traction with decision makers as well as the general public (Nettle et al., 2021; Gentilini, 2022; Patulny and Spies-Butcher, 2023). The EBI proposal piggy-backed on a decade of increasing policy interest in (and even political support for) the basic income proposal, following a global series of pilots, experiments, referenda and political campaigns spearheaded by the two-year Finnish trial in 2017–2018 (Laenen, 2023; De Wispelaere, Halmetoja and Pulkka, 2023). However, where the original basic income proposal typically falters when faced with hard questions about financing, the pandemic effectively opened the floodgates to unprecendented levels of public spending. In the context of developing an urgent pandemic emergency response, policy makers were frantically searching for a policy tool that could effectively disburse the vast amounts of cash made available by decision makers who had, temporarily, abandoned the austerity mindset. Basic income presented itself as a ready-made model that can be adapted to specific local circumstances, and several countries proceeded to implement cash transfers that mimic EBI in key respects.

The EBI model opens up a series of interesting questions for policy analysts and social protection scholars alike. A first set of questions focus on how the EBI model interfaces with existing social protection systems. The experience of the COVID-19 pandemic suggests some superficial synergies between EBI and especially universal social protection measures, but the existence of more profound differences in design and implementation may hamper any facile integration of the two. The extent to which the EBI model might be able to build on existing social protection programmes, or perhaps even fuel a change towards designing and instituting less targeted and more generous social protection policies in the near future, remains contentious. This is not only a matter of fitting EBI into pre-existing institutional arrangements but, critically, about overcoming historical barriers related to the design principles of contributory and general revenue-financed targeted systems. An equally important set of question arises in relation to how EBI fits with the UBI proposal, considering the clear contrasts both in design (temporary versus permanent) and context (short-term emergency versus long-term steady state). The basic income community itself is divided on whether to regard EBI as an opportunity to further boost the public awareness and policy support for basic income or as a distraction that will only sidetrack productive social protection development.

This themed issue is devoted to examining these and related questions in an attempt to chart the reception of EBI-type policies in specific country or regional contexts, and to reflect on their relevance for the future development of universal social protection in general and UBI in particular. The articles that comprise this issue build on a plenary session of the 21st BIEN Congress, held on 26–28 September 2022 in Brisbane, Australia, in which policy experts, representatives of INGOs and basic income scholars debated the merits and impact of the EBI proposal during the COVID-19 pandemic.

Unpacking emergency basic income

The idea of an EBI has only recently featured prominently in the basic income debate and there is some confusion as to its defining features compared to the standard notion of a UBI. Following a widely established definition, a UBI is defined as a cash grant paid out on a regular basis to each individual member of a polity[1] without any means-test or work obligation (Van Parijs and Vanderborght, 2017). In addition, basic income advocates also insist that the policy is explicitly designed as a permanent scheme providing coverage to every individual over the whole life course. For many advocates, permanence is a critical dimension to ensure basic income produces the economic security they argue is lacking in targeted and categorical welfare state policies (Standing, 2002). One could argue that, from an economic security perspective, permanence is as much a critical design feature as individuality, universality and unconditionality.

One recent paper defines EBI as “a form of temporary cash transfer paid out during the pandemic, with the specific objective of mitigating the economic fallout of lock-downs and other restrictions that negatively impact on individuals’ income” (De Wispelaere and Morales, 2023, p. 2). But this definition collapses an important distinction between the duration of a basic income (permanent or temporary) and its objective (life-course economic security versus crisis mitigation). While often combined in recent policy discourse, they are conceptually distinct features and merit separate elaboration.

EBI explicitly deviates from the standard model by relinquishing permanence in favour of time-limited payments. We can usefully distinguish two very distinct types of time-limited basic income models. Earlier proposals had in mind a model that would grant each individual variable access to a time-limited basic income in the form of a “sabbatical grant” (Offe and De Deken, 2013). In one

1. This definition deliberately leaves open whether eligibility for a basic income requires one to be a citizen or merely a (long-term) resident of a given jurisdiction. In the context of widespread migration and displacement of populations, often in response to recent human-made conflicts as well as climate crisis-related extreme weather events, the conditions under which temporary or even itinerant residents may have a valid claim to access basic income will become more salient in the ongoing debate.

concrete proposal, each individual upon reaching adulthood would have access to a 5-year-long basic income stipend which they could decide to take up at any time, and for any purpose, on the understanding that the payment would cease once the 5-year period had expired (White, 2003).[2] One key feature of the sabbatical grant model is that we can expect considerable variation as regards exactly when individuals take up their basic income entitlement (early in life, later in life, etc.), or whether they elect to receive it in one contiguous period or spread it out in instalments across the life course. This means, at any given time, a share of the population will be enjoying their basic income, but the size of that share can vary considerably over time.

By contrast, what is sometimes referred to as a temporary basic income (TBI) refers to a time-limited basic income that is introduced for the relevant population *at the same time* (Gray Molina, Montoya-Aguirre and Ortiz-Juarez, 2022). This is the model typically envisaged when we talk about EBI and is intricately linked with a crisis event, notably the recent COVID-19 pandemic. An EBI programme is expected to be rolled out for the whole population as soon as a crisis hits and triggers a political response, but can encompass considerable variation in terms of the duration it is payable. De Wispelaere and Morales (2023) distinguish between three variants. A "minimal" EBI that is restricted to the actual emergency and will be terminated as soon as the crisis event ceases. A "maximal" variant that remains in place for as long as the economy is still in a recovery phase, which may take several years after the crisis event has taken place. Finally, an "intermediate" variant, which involves an EBI during at least part of the recovery phase but not necessarily until the economy has returned to the pre-crisis level of prosperity. In addition, we can mix these variants by allowing for a staggered phasing out of the EBI depending on levels of vulnerability and impact on different population groups. This means we could design EBI to correlate its time limits with income level, allowing lower-income recipients longer access to an EBI than higher-income recipients.[3] The main lesson here is that EBI is a policy that can be designed in different ways to accommodate different concerns or objectives.

EBI also differs from UBI in its core objective of mitigating a specific crisis or emergency. While UBI is likewise geared towards allowing its recipients to

2. The purpose of a time-limited sabbatical grant could vary widely and range from dealing with a personal or family crisis (e.g., caring for an ill child) to taking time off to enter an education programme or start a business. Or, indeed, to just take a sabbatical year to recharge one's batteries. Although time-limited, the proposal is otherwise similar to UBI and hence features no conditions on receipt of the grant.

3. While such a model might score well on the redistributive dimension, we should remain aware of complications in using pre- or even post-crisis income as a proxy for determining eligibility for an EBI programme.

mitigate the effects of personal (e.g., ill health) or even structural crisis events (e.g., unemployment), the types of crises that would trigger instituting an EBI are typically external shocks that combine a sudden onset with a very broad impact.[4] It concerns a crisis that is perceived by decision makers as warranting an immediate significant response targeting the bulk of the population. EBI made headway in the policy debate following the recent COVID-19 pandemic, but it is important to state at the outset that EBI is not a policy instrument only suited to pandemic emergencies. There are no compelling reasons why EBI would not be a useful policy response in relation to other types of crisis, especially with climate-related extreme weather events and population displacement emerging as areas of potential application of EBI as a crisis mitigation policy tool.[5] The specific design and implementation of EBI will have to accommodate the particular nature of distinct crisis events, but the general idea of an EBI as a time-limited variant of basic income nevertheless serves as a useful starting point.[6]

Emergency basic income: Regional and country-level experiences and debates

The content of this issue is organized as a series of regional and country-level analyses that feature reflections on the EBI-type of policies introduced or debated during the pandemic. Each of the cases was selected because it features a policy development that is closely related to – if not always directly informed by – the (emergency) basic income debate.[7] The contributions demonstrate the variety of political and practical considerations that inform the EBI policy discussion and show how different countries have negotiated these constraints in different ways. In addition, each contribution provides distinct reflections on the likely impact of EBI-type policy development in relation to the broader basic income debate.

Ian Orton, Kroum Markov and Maya Plaza-Stern discuss the potential of EBI to facilitate future crisis policy responses as well as the expansion of universal social protection systems worldwide. Arguing EBI did not succeed in terms of full implementation, Orton, Markov and Plaza-Stern explain it nevertheless had an

4. Broad impact implies that a large share of the population is impacted but does not mean that the impact is equally distributed across the population or that there are no individuals or groups that benefit from the crisis.
5. Most recently, we have even seen the United Nations Secretary General exploring the role of basic income as a conflict resolution device (United Nations, 2023; for general discussion, see Bashur, 2023).
6. A critical distinction in terms of EBI design may be the difference between short-term or cyclical emergencies and slow-burning long-term or quasi-permanent crises (Chrisp and De Wispelaere, 2023). The latter may end up requiring EBI effectively merging into a permanent UBI to ensure continued effectiveness.
7. As pointed out by several of the contributors to this issue, the empirical cases resemble the EBI in some respects but almost universally fall short of the ideal-type model discussed in the previous section.

important place in policy discussions during the pandemic and, moreover, is likely to feature even more prominently in future crisis situations. The authors acknowledge the potential of EBI to become a go-to emergency response in a future crisis. But the real promise of an EBI would be to contribute to a growing effort of building up universal social protection systems that are better able to moderate the negative effects of future crises by providing all individuals with a more effective and robust income floor capable of withstanding a variety of social, environmental and economic shocks. A key feature of such a system is its compatibility with international social security standards, which set out a legal international framework of standards and benchmarks for the expansion of rights-based social protection worldwide. In their contribution, Orton, Markov and Plaza-Stern argue that EBI is compatible with the international social security standards but also that adherence to the international social security standards would allow EBI proponents to be seen as ensuring that proposals develop in ways that affirm and prioritize a rights-based approach, an "important policy test".

In the next contribution, Claudia Robles, Bernardo Atuesta and Raquel Santos Garcia focus on the diverse pandemic policy responses in Latin America. Set against a context of an entrenched structural deficit of social protection systems, the authors outline how the continent was overrepresented in the global share of COVID-19 mortality and morbidity. In addition to boosting pre-existing policies, a significant pandemic policy response in most countries in the region involved a major effort to protect those in informal employment. A number of countries introduced emergency cash transfer programmes aimed at the protection of the most vulnerable amongst the population, typically poor people (often women or female-headed households) who are informally employed. But, as Robles, Atuesta and Santos Garcia contend, the effectiveness of these measures was seriously hampered by the structural deficits of the pre-existing social protection systems, which for instance prevented these pandemic programmes from reaching a high proportion of the intended target population. They make a firm case for future social protection systems in a crisis-prone region such as Latin America to become more resilient and adaptive, and for cash transfer programmes such as EBI to play a key role in boosting crisis preparedness in the region. The authors suggest the gradual, priority-sensitive and mutually supportive introduction of a universal cash transfer policy could be a useful ally to strenghtening rights-based social protection systems across the region in the contexts of new crises and towards the gradual/progressive universalization of social protection mechanisms.

Shifting the regional focus to the very different context of high-income East Asia, Young Jun Choi, Hye Sang Noh, Seon Hoe Han and Ugo Gentilini discuss how cash transfers came to be at the forefront of the pandemic policy response in Japan, the Republic of Korea, Taiwan (China), Singapore, and Hong Kong (China). As the title of their contribution suggests, the shared focus on quasi-universalism obscures important diversity across these programmes and the article succinctly outlines both common and distinctive characteristics of the policies adopted in each case. Interestingly, while many of these programmes exhibit some features of an EBI, with the notable exception of the Republic of Korea, none of these countries directly trace pandemic policy responses to the basic income discussion. Shedding light on the particular national contexts that help explain the policy variation, the authors argue that pandemic design and implementation choices are not merely technocratic but, on the contrary, should be regarded as political and institutional. Somewhat surprisingly, all five East Asian economies adopted broadly universal emergency responses (albeit with important variation in implementation), but the authors argue the political economy of these responses is very distinct in the case of democratic regimes (Japan, the Republic of Korea and Taiwan (China)) compared to more autocratic regimes (Singapore and Hong Kong (China)). In the former, the main political driver is political competition: the governing parties are using universal emergency cash policies as political instruments to compete for electoral success. In the latter case, the absence of political competition means universal emergency cash programmes serve the purpose of conferring legitimacy on the governing classes and reducing public opposition and protest following public health restrictions. These divergent polities effectively converging on a broadly universal cash transfer pandemic policy response offers intriguing insights into the political economy of basic income both within and beyond the crisis context.[8]

In their analysis of the suite of new income support policies implemented by the federal government in Canada during the COVID-19 pandemic, Evelyn Forget and Sid Frankel continue the focus on institutional and political factors hampering effective pandemic policy making. At the core of the Canadian policy response lies the Canada Emergency Response Benefit (CERB), a programme aimed at wage replacement for those impacted by federally mandated stay-at-home orders, later replaced by the Canada Recovery Benefit (CRB), which allowed recipients to supplement the benefit with limited market earnings. Both programmes focused on workers already employed and therefore failed to reach many Canadians in need of pandemic support. However, Forget and Frankel rightly suggest the use of the "trust but verify" model for determining initial eligibility on a hitherto unprecedented scale represents a significant and, in the context of a rapidly evolving pandemic, necessary policy development. The resulting implementation gains were partially undone due to the interaction of the federal CERB/CRB with a myriad of provincial support schemes – each with their own idiosyncratic set of rules – that inevitably failed to achieve a smooth integration, leaving many

8. For a rudimentary exploration of the political economy of basic income in the context of democratic versus autocratic regimes, see also De Wispelaere and Yemtsov (2020).

recipients struggling to negotiate the complex reality of layered income support. Forget and Frankel also convincingly show how even the simple and effective (for those who qualify) pandemic support programme ran headlong into the political and cultural foundations of the Canadian social welfare state. This system is built on keeping a distinction between deserving and undeserving individuals firmly in place, as well as maintaining a primary focus on the household (and not the individual) as regards income support. Finally, they argue that the CERB/CRB had to contend with spurious allegations of being both unaffordable and fuelling labour shortages and inflation, despite there being no evidence in support of such claims. There are key lessons here for basic income proponents if, as Forget and Frankel insist, even the critical juncture of a global pandemic appears unable to circumvent these entrenched barriers of the traditional welfare state. The implication being that achieving EBI or UBI in less extreme circumstances is guaranteed to be even more of an uphill struggle.

Marc Doussard shifts our focus to the United States of America, where the pandemic context led to some unexpected policy developments. The United States' pandemic policy response was unexpected in part because of a historical and institutional context of limited welfare state innovation. But it is also unexpected in its outcome: what started off as a federal policy rapidly transformed into state or municipal policy. In his contribution, Doussard directly links the availability of "unconditional" cash for municipal governments to the plethora of local basic income and universal cash pilots mushrooming across the United States in recent years. During the pandemic, the United States Congress authorized the 2020 Coronavirus Aid, Relief and Economic Security (CARES) Act, followed by President Biden's even more ambitious 2021 American Rescue Plan Act (ARPA), which included the pandemic response's flagship income support programme. Whereas most cash transfer scholars focus on the billions worth of cash transfer payments sent to United States' households through CARES and ARPA, Doussard suggests the aid to state and local government provided by CARES and continued through ARPA could be equally significant. According to Doussard, many local governments used this no-strings attached aid to provide their own cash transfers to local recipients, often in the form of so-called basic income or guaranteed income pilots. By way of a municipal detour, federal funding unwittingly boosted the notion of unconditional cash being a central policy tool in pandemic income support. Importantly, the plethora of pilot schemes rapidly took the form of "let a thousand flowers bloom", with no single trial being quite the same as the next. While this means that attempts at distilling a single unified basic income proposal out of the vast pool of local schemes may appear rather futile, the establishment of strong local networks and coalitions between key stakeholders and policy entrepreneurs looking to build on these pilots and build up income support in the United States from the ground up arguably counts as a key pandemic policy legacy. The main lesson of the United States' pandemic policy experience for basic income advocates can be summed up as "follow the networks not the policy".

In the penultimate contribution, Troy Henderson, Ben Spies-Butcher and Elise Klein offer important insights into the Australian experience with policy experimentation and policy learning during the pandemic. Australia continues the focus on liberal welfare regimes started earlier with Canada and the United States and, to some extent, the residual social protection systems in Latin America. Like these other countries, Australia employed temporary cash transfers as one of two primary pandemic policy tools, alongside wage subsidies. According to Henderson, Spies-Butcher and Klein, the individual, regular, flat-rate Coronavirus Supplement, one of Australia's leading pandemic income support schemes, comes very close to the EBI model as outlined in the previous section. While the benefit was not fully universal, the logic was that of "affluence testing" aimed at excluding the wealthy as opposed to the more familiar means-testing targeting the poor.[9] As the authors argue, the establishment of a quasi-EBI during the pandemic reflects the necessity of adopting "fast policy", taking insights from its own recent history and international experience to immediately paper over the cracks appearing in the limited and conditional Australian welfare system exposed by the COVID-19 crisis. The authors suggest the policy legacy of Australia's pandemic response is mixed: on the one hand, like elsewhere, temporary cash transfer schemes enjoyed broad support in policy circles and amongst the general public but, on the other hand, there was never an intention to build on this policy experience going forward and, instead, the federal government was committed to a "snap back" to the pre-pandemic policy settings as soon as the pandemic and political climate allowed for it.

The final contribution circles back to the Latin American continent. Jurgen De Wispelaere, Leticia Morales and Fabio Waltenberg examine the case of Maricá in Brazil. The municipality of Maricá is a unique case in that it has introduced an unconditional basic income type of income support, the *Renda Básica de Cidadania* (RBC), paid out in the form of a local digital currency (*mumbuca*) that, since 2019, has grown to cover the poorest 25 per cent of the population, totalling roughly 40,000 individuals. The programme is widely regarded as a success and in recent years has inspired around 14 other municipalities (mainly) in the State of Rio de Janeiro to adopt a similar policy. De Wispelaere, Morales and Waltenberg suggest the RBC is a natural experiment that offers insight into how having this policy in place allowed Maricá to respond much faster and more effectively to the economic fallout during the COVID-19 pandemic compared to neighbouring cities. The authors compare the pandemic experiences between Maricá and its larger neighbour, Niteroí, finding that an EBI policy has major implementation

9. On the logic of affluence-testing, see Spies-Butcher, Phillips and Henderson (2020).

advantages under the highly constrained pandemic policy environment. Importantly, the authors argue that the key to Maricá's successful COVID-19 response is the fact that the *Renda Básica de Cidadania* was already in place, allowing for agile "dialing up" of the policy during the pandemic. By contrast, attempts in Niteroí to set up a similar scheme in the midst of the pandemic were fraught with political and administration challenges. For De Wispelaere, Morales and Waltenberg, the key lesson here is that EBI policies are not alternatives to UBI schemes, but instead the former function most effectively when built upon – and fully integrated with – the latter.

Conclusion: Opportunity or distraction?

The COVID-19 pandemic provided an unprecedented boost to using temporary cash transfers as agile and effective crisis policy response tools. Due to the need to provide income support as fast as possible to a broad and heterogenous population at a time when bureaucratic capabilities were challenged, pandemic cash programmes largely dispensed with strict conditionality and narrow targeting. As a result, we can conceive of the pandemic as providing a natural experiment for EBI-type programmes. With many of these programmes proving effective in terms of alleviating extreme poverty amongst the most vulnerable while being broadly well-received amongst policy makers and the general public, the experience of the COVID-19 crisis response appears to provide some validation of EBI as a robust crisis policy instrument.

But this statement also requires important qualifications. First, as outlined in several contributions, the impact of the different EBI-type schemes in many cases was unequal and insufficient to adequately compensate for the loss of income due to pandemic restrictions. Of course, this may be attributed to specific design and implementation choices made in diverse contexts that meant EBI-like cash transfer schemes failed to achieve concordance with the EBI ideal-type. It is not inconceivable that doubling-down on the basic income model would have addressed some of the current limitations. At the same time, we need to appreciate the variety of concrete policy models that relate to the EBI idea and the advantages this offers in terms of grafting EBI-type policies onto – or adjacent to – existing social support structures in a particular context during a crisis. That said, as illustrated by several contributions in this special themed issue, the extensive variation in EBI-type policies actually implemented during the COVID-19 pandemic makes it more difficult to make generalizable claims about either the impact of EBI broadly speaking or its preferred design.

Second, EBI policies do not function in a vacuum and, as argued for by several contributors, we need to see EBI as part of a broader strategy of building a universal rights-based social protection system. It is an interesting ex post facto observation that all the cases presented here comprise welfare states that are highly fragmented, targeted or residual. Liberal and productivist welfare regimes are leading examples of social protection configurations already heavily reliant on flat-rate income support policies. The failure to include examples of more comprehensive social protection systems, as found in conservative and particularly social democratic welfare regimes, is not an oversight but reflects the pandemic policy reality when it comes to flat-rate cash transfers. Comparatively speaking, it would appear well-functioning social protection systems have little need to rely on EBI schemes, even when faced with a significant systemic challenge such as COVID-19.[10] But the flipside of this coin is precisely that when robust universal social protection systems are lacking or failing, EBI may become a "second best" policy with unpredictable effects on the future trajectory of underdeveloped social protection systems.[11]

Third, despite the clear effectiveness of – and concomitant support for – EBI-type measures in at least some countries or regions, the key question remains whether this could translate into opening a genuine policy window for basic income more broadly (Weisstanner, 2022; Chrisp and De Wispelaere, 2023). The Maricá case offers a pandemic-related argument for introducing a modest permanent basic income, which can be "dialed up" to a full EBI in crisis situations, but the argument merely assumes such a basic income is already in place.[12] Other contributors have pointed more directly to the political benefits of offering immediate broad cash support to individuals, be it in the form of competitive advantage in the electoral arena or broad political legitimacy in the policy sphere. But while EBI may offer a temporary political benefit, the long-term political calculus suggests it will soon run head-on into the many constraints emerging from the institutional welfare state context in which it is embedded. Several contributors point out how a temporary crisis solution fails to upset the firmly established historical patterns of targeting income support according to culturally entrenched understandings of deservingness. Furthermore, fully integrating a basic income into a complex policy environment is a challenge of a different order of magnitude, one that cannot be compared to temporarily suspending a small set of administrative rules during a crisis. None of this is to say that there are altogether no legacy effects of the EBI-type interventions during the COVID-19 crisis. One of the contributions observed how the pandemic caused a

10. The argument that support for basic income in general tracks welfare state types and the general functioning of social protection programmes is well-rehearsed (Parolin and Siöland, 2020; Laenen, 2023).

11. Whether EBI itself can contribute to building such universal social protection systems, as argued by several contributors, is a separate and more complex question.

12. Chrisp and De Wispelaere (2023) argue this type of functionalist argument should be replaced by a political economy account to provide a genuine window of opportunity.

shift in terms of the level of government driving policy experimentation, allowing numerous basic income pilots to bloom at local level even while policy development at national level remains stuck. Many of these EBI-like interventions have already fizzled out but some may survive into the post-pandemic era and have unintended or unexpected policy effects on local income support programmes. While the post-pandemic era may not have kept a major policy window open, time will tell if more subtle impact will have survived the return-to-normal.

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What role for emergency basic income in building and strengthening rights-based universal social protection systems?

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Abstract During the COVID-19 pandemic there were a great many social protection policy responses. There were also calls for emergency basic income (EBI) to be adopted as a mitigation response. However, it seems that only one country adopted an EBI. Nonetheless, EBI is likely to feature in future policy discussion and action, especially as a crisis-mitigation tool. This has implications for the future of rights-based social protection. Consequently, this article aims to examine whether EBI would comply with international social security standards and whether it could contribute to building and strengthening rights-based universal social protection systems.

Keywords universal benefit scheme, ILO standards, ILO Convention, social security planning, social protection, international

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Introduction

Interest in universal basic income (UBI) has grown exponentially over recent decades, breaking out of relative obscurity, to become a regularly touted policy option in popular discourse. However, interest in a temporary form of UBI, emergency basic income (EBI), is a far more recent phenomenon.

Before the COVID-19 pandemic, only a handful of notable proposals corresponded to an EBI, although these were never dubbed as such. These include the proposal for a temporary "freedom grant" for Iraq (ILO, 2004, p. 385), a "stability grant" in Sri Lanka after the 2004 Tsunami (see Standing and Orton, 2018), and as a response to the 2007–08 financial crisis (Standing, 2016, p. 313). However, none of these took root and such antecedent EBI proposals have remained exceptions in UBI debates. The proposal of a UBI has long held primacy as the dominant form of basic income advocated. Irrespective of this, during the pandemic it was EBI that was called for rather than a permanent UBI.[1] In spite of this, the only EBI that emerged was in Tuvalu where an EBI was paid for two months.[2]

Despite its no-show, EBI is likely to appear on the policy agenda again. Policy makers will contemplate it as a possible option when new crises strike that require an exceptional response. Thus, this article examines the implications of EBI for the future of rights-based social protection. The following section sets the scene by outlining why and how EBI was advanced as a policy option during the pandemic. In turn, we explore whether EBI complies with international social security standards and whether the COVID-19 pandemic has established a new legal precedent for EBI-type measures to be pursued. Consideration is then given to whether EBI can be an equitable policy response, especially in terms of financing. This is key, as equity lies at the core of international legal instruments such as the international social security standards. We then reflect upon whether EBI could contribute to building and strengthening rights-based universal social protection systems. For instance, depending on the type of EBI pursued, it may increase the quality of social protection people enjoy – or undermine it. As we conclude, this article represents a novel contribution to EBI discourse, as it is the first time the legal and rights-based credentials of EBI have been examined.

1. EBI shares all but one of the characteristic of UBI, and that is permenance. EBI is time bound and not proposed to cover the whole life cycle as is the case for UBI.
2. Further verifcation of the implementation of this policy has proven difficult and the evidence comes from two sources only; see Gentilini et al. (2022) and *RNZ* (2000).

Potential pandemic response and future crises-mitigation policy

The pandemic functioned as an important stress test for national social protection systems in gauging national crisis preparedness for dealing with large-scale, multifaceted and complex crises, whilst continuing to effectively protect health, income, and jobs and ensure business enterprise continuity. It revealed large gaps in coverage, adequacy and comprehensiveness in countries' social protection provision and underscored the troubling fact that half the world's population – some 4.1 billion people – enjoy no social protection at all (ILO, 2021b).

The pandemic saw the largest ever mobilization of social protection measures and expenditure in this policy area – in terms of the sheer number of temporary adjustments and population newly covered. For instance, between February 2020 and December 2022, 1,903 new social protection responses were announced or implemented in over 211 countries and territories (ILO, 2021b). Gentilini (2022, p. 2) estimates that coverage by cash transfers alone reached 1.36 billion people, or 17 per cent of the global population. There were enormous fiscal outlays on social protection amounting to about 3 trillion US dollars (USD) – dwarfing financial crisis spending by a factor of 4.5 (Gentilini, 2022, p. 28)

By necessitating an unprecedented policy response, the pandemic rendered previously unthinkable policy actions as something that governments were willing to entertain. Arguably, a new policy space was opened in instances where EBI was placed on the table. Consequently, calls for EBI – defined as a regular cash payment, paid individually to all residents irrespective of other circumstances for up to several years or for the duration of a crisis – began to grow from 2020 onwards.

There were certain discursive and paradigmatic shifts germane to the possible normalization of, and increased receptivity to, EBI. There was a renewed appreciation of universalism. The International Monetary Fund (IMF) recognized the logic of universal transfers, at least in the short term, as opposed to more targeted provision (IMF, 2020). Moreover, the United Nations (UN) made a significant renewed commitment to universalism too. At the 2021 International Labour Conference, which brings together delegates of the member States of the International Labour Organization (ILO), the representatives of governments, workers and employers' organizations agreed on a clear definition of Universal Social Protection (ILO, 2021a, para 3) and reiterated and reaffirmed earlier commitments[3] on the importance of universal protection.[4]

3. See ILO Recommendation No. 202.
4. Universal social protection does not necessarily require that everyone receives an equal benefit at every point in time (as per UBI) or that everyone receives this for a defined period (as per EBI); rather, it guarantees that all people receive an adequate benefit if and when it is needed (i.e., it provides income security and in-kind protection against predetermined, recognized risks across the life cycle).

Similar emphasis was seen at the highest levels of the UN, with the UN Secretary-General, having expressed commitment to “ushering in a new era of universal social protection and health coverage” as part of a drive to forge a new social contract (UN, 2021). The UN Secretary-General has also mentioned that, in a changing world, a new generation of social protection policies, such as UBI, may be needed (UN Secretary-General, 2020), and again, more recently, as a conflict and post-conflict policy (UN, 2023, p. 20). It was also possible to discern public appreciation of the need for collective protection to reduce disease transmission in the context of a global crisis (ILO, 2021b). Furthermore, a prominent debate about categorical universal benefits for certain population groups also occurred during the crisis, such as for universal child benefits, which included voices from the IMF (Hallaert, Vassileva and Chen, 2023; ILO, 2021b).

The unique nature of the COVID-19 crisis and policy response ruptured the usual weave of reality and undermined two classical objections to EBI/UBI: i) it is “too costly”, and ii) it violates the “norm of reciprocity”. The “too costly” objection to an EBI was tempered by the unprecedented fiscal response, which in some settings could have provided a modest EBI (Standing, 2020). Work cessation also rendered concerns about the violation of “reciprocity” less of a concern given that people were explicitly asked not to work.

Moreover, some countries’ policy responses imitated certain characteristics of EBI. For example, conditionality and eligibility criteria were relaxed (ILO, 2021b). Crucially, there were exceptional, society-wide generalized universal and quasi-universal payments disbursed in 12 countries/territories.[5] In some instances, these were one-off payments, while in others up to three disbursements were made. These quasi-EBIs were, however, the exception to the rule and accounted for just 4 per cent of all cash transfers disbursed worldwide, which were predominately targeted (Gentilini, 2022). Despite all the activity, it seems that Tuvalu in the South Pacific was the only country to adopt an EBI (Gentilini, 2022; ILO, 2021b). However, the details of this remain vague and should be treated with caution.

Arguably, the crisis normalized the idea of EBI and during the acute phase of the pandemic there were numerous calls for EBI to be implemented (Cooke and De Wispelaere, 2020; Henderson, Spies-Butcher and Phillips, 2021; Standing, 2020). For the first time, there was institutional backing from UN agencies, such as the Economic Commission for Latin America and the Caribbean (ECLAC), calling for versions of EBI (ECLAC, 2020). Similarly, the United Nations Development Programme (UNDP) argued for a “temporary” basic income for 132 developing

5. Guyana, Hong Kong (China), Israel, Jersey (dependency of the United Kingdom), Japan, the Republic of Korea, Serbia, Singapore, Taiwan, (China) Timor-Leste, Tuvalu and the United States of America (see Gentilini, 2022).

countries (Gray Molina and Ortiz-Juarez, 2020). It is important to clarify that neither proposal constituted full EBI.[6]

As Chrisp and De Wispelaere argue (2023), crises tend to only generate temporary opportunities for new policy reconfigurations. True to this observation, it seems the window of possibility provided by the pandemic has closed. In turn, the hyperbole of a social protection revolution has quickly evaporated too. Hardly any policy or legislative legacy remains, save that COVID-19 is recognized as an occupational illness in some settings. Of the approximately 2,000 response measures, virtually none became permanent fixtures in social protection systems. The expansionist policy has retracted, and widespread austerity is currently being applied to 6.6 billion people (Ortiz and Cummins, 2021).

It would seem that EBI's time has still not come. Nonetheless, it may be more conceivable that EBI proposals emerge in the near future. Whether these can contribute to building and strengthening rights-based universal social protection (USP) systems requires considering first whether EBI would comply with international social security standards and human rights law.

Compliance with international social security standards and human rights law

This section discusses what an EBI ought to look like regarding design and implementation details, to comply with international social security standards. For national policy makers considering pursuing EBI, it would be essential to consider under which conditions this would comply with the two most prominent and key international social security standards: the ILO Social Security (Minimum Standards) Convention, 1952 (No. 102)[7] and the ILO Social Protection Floors Recommendation, 2012 (No. 202).[8] The same holds even more true for other UN agencies active in the area of social protection – they are not only expected to consider these standards but to abide by them. These standards, the normative framework, adopted by the International Labour Conference, guide social protection interventions based on the principles and minimum benchmarks contained therein.

These standards are a set of legal instruments that give substantive meaning to the human right to social security proclaimed by Articles 22 and 25 of the 1948

6. Despite being referred to as a form of emergency/temporary basic income, both proposals if implemented would not have been fully universal. ECLAC's proposal was intended for the entire population living in poverty, equivalent to 34.7 per cent of the population (215 million people) in Latin America, while the UNDP proposal aimed for a coverage rate of 80 per cent in developing countries (ECLAC, 2020; Gray Molina and Ortiz-Juarez, 2020).
7. See ILO Social Security (Minimum Standards) Convention, 1952 (No. 102).
8. See ILO Social Protection Floors Recommendation, 2012 (No. 202).

Universal Declaration on Human Rights as well as in the 1966 International Covenant of Economic, Social and Cultural Rights. States have a legal obligation to protect, respect and fulfil human rights, including the "human right to social security",[9] now more commonly referred to as "social protection", and to ensure that people can access their rights without discrimination. International social security standards provide a critical reference for designing rights-based, comprehensive and sustainable social protection systems providing adequate levels of benefits (ILO, 2021b).

Convention No. 102 is the flagship ILO Convention in this subject area and, to date, the only international legal treaty that adopts a systemic approach considering the various mechanisms national policy makers can employ when designing and implementing their social protection system. This systemic approach aims to progressively provide comprehensive protection against the spectrum of the nine social risks, or so-called contingencies, that people face throughout the life course.[10]

Building on ILO Convention No. 102 and the subsequently adopted "international normative acquis", ILO Recommendation No. 202 was formulated to equip both the ILO and its member States with the strategic vision for the universal extension of social protection that takes into account the challenges proper to the contemporary context and contends with remaining protection gaps (ILO, 2021b). To do this, ILO Recommendation No. 202 innovates by being the first international instrument to consecrate a new concept which should constitute a "fundamental element" of national social protection systems – the national social protection floor (SPF). States should establish and maintain a "floor" as a nationally defined set of basic social security guarantees that protect everyone.[11] These guarantees should ensure, at a minimum, that over the life cycle all in need have effective access to at least essential health care and basic income security. These together ensure effective access to essential goods and services defined as necessary at the national level "to ensure life in health and dignity".

More specifically, national SPFs should comprise at least the following four social security guarantees: (a) access to essential health care, including maternity care; (b) basic income security for children; (c) basic income security for persons of working age who are unable to earn sufficient income, in particular in cases of sickness, unemployment, maternity and disability; and (d) basic income security for older persons.[12] However, while SPFs are an essential element of national

9. See Articles 22 and 25 of the Universal Declaration on Human Rights.
10. These comprise medical care and benefits provided in case of sickness, unemployment, old age, employment injury, family responsibilities, maternity, invalidity and death of the main income earner.
11. See ILO Social Protection Floors Recommendation, 2012 (No. 202).
12. See ILO Social Protection Floors Recommendation, 2012 (No. 202).

social protection systems, they need to be complemented by measures aimed at providing greater levels of protection, in line with ILO Convention No. 102, and need to be extended as soon as possible to as many persons as possible. In other words, SPFs need to be designed as a springboard to allow people to escape the vicious cycle of poverty and vulnerability and allow them to benefit from higher levels of protection, notably by securing their inclusion in contributory mechanisms, such as social insurance. Therefore, it can be understood that both ILO Convention No. 102 and ILO Recommendation No. 202 have as one of their core objectives the reduction of poverty, vulnerability and social exclusion (ILO, 2021b).

It appears EBI could be compatible with SPFs and a key means through which the State could assume its overall and primary responsibility to guarantee the right of all human beings to social security. However, this would be contingent on compliance with the principles and quantitative benchmarks established in the international social security standards. In accordance with these, an EBI would need to be, inter alia, established by law(s) and/or regulations which prescribe the range, qualifying conditions and minimum levels of the benefits; have effective and accessible complaint and appeal procedures put in place; be collectively and sustainably financed with due regard to social justice and equity to ensure social solidarity and redistribution, including by avoiding "hardship for persons of small means".[13] Moreover, the scheme would require that appropriate participatory and transparent governance and sustainable financing mechanisms be in place and that people can access their rights without discrimination. While many of these principles will be self-evident to EBI proponents and are ones they tend already to advocate (i.e., adequacy, predictability of benefits), others recognized by ILO Recommendation No. 202, such as the need for coherence with social, economic and employment policies and tripartite participation in the formulation (i.e., social dialogue) may be less obvious. This would necessitate some familiarization with and incorporation of such principles into any EBI scheme. However, it goes without saying that the potential introduction of an EBI would represent a major element in the design of any integrated social protection system and would therefore, almost by definition, have to be coordinated with the other major public policies mentioned above.

If EBI were grounded in these core financing, governance and administration principles as well as the established minimum quantitative benchmarks, then it could be considered as complying with ILO Convention No. 102 but also, potentially, with ILO Recommendation No. 202. Moreover, EBI could potentially provide all the SPF basic income security guarantees – see (b) and (c) detailed above – and may help with expenses related to health (d). In fact, it is possibly

13. See Article 71(1) of ILO Social Security (Minimum Standards) Convention, 1952 (No. 102).

the only singular social protection policy that could cover all three of the basic income guarantees – see (b), (c) and (d) – simultaneously (with the understanding that different benefit levels could be applied to children and people in active or old age).

Given the importance assigned to these standards regarding reducing poverty, vulnerability and social exclusion, how well EBI fares in addressing these would be an important policy test. To paraphrase the ILO's recent discussion, the impact of UBI – also applicable to EBI – on poverty and inequality will largely depend on its design, including the level of benefits, how it is financed, and how it relates to existing tax and social security systems. A modest EBI benefit may risk spreading resources too thinly across the population to make a meaningful dent. Also, there are concerns about the significant financing requirements of an EBI that is set at an adequate level in line with at least the levels set out in the international social security standards (ILO, 2021b). Of course, these same concerns can be (and often actually are, most notably in the current context of austerity measures) expressed about existing and commonly used social protection instruments too. EBI would therefore not be unique in having to fulfil expectations centring on reducing poverty, vulnerability and social exclusion. Moreover, few individual policy instruments can combat challenges such as poverty and inequality alone; rather, they require a full life-cycle social protection system and to work in unison with wider public policies including taxation, housing, etc.

A new precedent for state intervention as the guarantor of last resort

A primary consideration for the introduction of EBI is how it can be analysed from the perspective of international law and the role and responsibility assumed by the State in emergencies. As mentioned above, the international social security standards designate the State as having overall responsibility for setting up and implementing a social protection system that ensures the health and dignity of its members (ILO, 2021b). This means that it is the duty of the State not only to set the stage to avoid people facing situations of hardship and having access to neither essential health care nor basic income security but also to act as the ultimate guarantor of human well-being and survival. Thus, if a crisis of sufficiently significant magnitude hits and exceeds the coping capacity of the current social protection system to protect human well-being, it would be the State's duty to act and take whatever action required to protect the population. In short, given national circumstances and context (for example, in a situation of recrudescence of climatic disasters), if a State considers EBI as the appropriate instrument, it is within its remit to integrate this element into its national social protection system and secure the corresponding financing.

Despite this, the stress test applied by the COVID-19 pandemic showed that States are not powerless to act in the interest of all their members. Many wealthier states put themselves on a quasi-war footing, adopting a “whatever it takes” mentality to prevent poverty, deprivation and to guarantee survival, although only over the short term. States deployed massive amounts of resources to the emergency response – Japan, for example, committed an unprecedented 42 per cent of its GDP to fiscal stimuli in 2020 (Almenfi et al., 2020).

It seems that some States and/or financial institutions temporarily, albeit indirectly, put human needs first (as these coincided with the need to protect the economy). A substantial number authorized themselves to disregard usual monetary and fiscal orthodoxy by allowing “quantitative easing” measures, including through setting low-interest rates and creating new money, to sustain the economy. For example, even in advanced and comprehensive social protection systems additional measures were taken. Available reserves were simply insufficient to address human need. Moreover, the coping capacity of classical social security measures was surpassed. For instance, sickness benefits and unemployment support were not designed for mass sickness, mass quarantine, or mass work stoppage. At the same time, health systems, previously subjected to numerous and prolonged “rationalization” (savings) measures, almost everywhere were struggling to cope with the shock (ILO, 2021b). What is important from an EBI perspective is that the pandemic demonstrates that some States did recognize that they had a duty, or indeed assumed the general responsibility as per the international social security standards, to act and protect their populations through whatever legitimate means were available and necessary. Conversely, while some States made adjustments, many of these were marginal and most were of limited duration even from the perspective of providing an adequate shock response (ILO, 2021b).

Furthermore, in the context of an unprecedented crisis, such as the COVID-19 pandemic, that affects everything and everyone, States are faced with a situation of force majeure. This sometimes renders it necessary that exceptional measures are taken to navigate through the crisis, even though this implies a certain level of temporary retrogression of the acquired rights of certain better-off categories of the population. Examples of this can be seen in both the 2007–08 financial crisis and the pandemic, where some countries chose to temporarily lower the maximum amounts of benefits paid for old-age pensions or to reduce employers’ social security contributions to support business continuity (ILO, 2021b).

Such temporary retrogressive measures could be justified by the need to guarantee protection to all for as long as the crisis lasted. ILO supervisory bodies have admitted that exceptional circumstances may call for exceptional (temporary) measures but require that States should strive to safeguard the viability of the social security system (ILO, 2011). This means taking the necessary action to re-establishing financial equilibrium, contain or pay off public debt, and that there be a collective sharing of the cost of the savings made, and that the well-off members of society bear a proportionately higher burden than the poorer members of society in financing the savings being made (ILO, 2013). Such circumstances could allow States to temporarily depart from the regular rules that govern social protection entitlements. For example, the austerity measures pursued by Greece in 2010 included, inter alia, scaling back pensions for retired workers and increased general taxes. During the pandemic, States could have relaxed qualifying conditions and reduced the level of benefit paid for contributory sickness benefits to allow for more recipients to receive these benefits for longer periods. As a further policy option, States could have established an EBI. However, acceptance of these temporary adjustments would benefit from the undertaking of effective and substantive "social dialogue" whereby governments, workers and employers' organizations along with civil society agree on the legitimacy of such action. In many cases, recent austerity measures have been adopted hastily by governments, under pressure from financial markets, without effective consultation with the social partners to reach a consensus on the costs and benefits of reforms. The temporary reduction of the benefit levels of better-protected persons, which was meant to guarantee the overall financial sustainability of the pension systems, for example, and the potential allocation of additional resources newly made available from collective public finances to enable their fair distribution to those without any protection, presupposes such effective social dialogue. Otherwise, such policy action would not be understood and accepted and risks social discontent and tension. The international social security standards take on particular importance in ensuring effective recovery from crises by helping countries to bring their social security systems back to initial internationally agreed parameters.

In short, what transpired during the pandemic was evidence of both an implicit recognition by States that they assume responsibility for the protection of their people's survival and well-being accompanied by an explicit responsibility to take action to fulfil their right to social security. Arguably, while this did not result in EBI, it set a new precedent – in both law and practice – that might allow for EBI adoption in future crises. While there was a more expansionary policy response, some will argue that ultimately it did not reflect a more fundamental and fairer understanding of what it takes to provide adequate support to all, including more marginalized members of society. Nevertheless, a new precedent seems to have been set with respect to the remit and scope of State action, which might make future policy space more receptive to EBI.

Compliance with the equity dimensions of international legal instruments

The international social security standards provide that benefits should be financed sustainably "with due regard to social justice and equity",[14] which implies social solidarity and redistribution. For some, equity will be a potential issue with any EBI. An equitable EBI would require a progressive tax system with a large tax base, and a tax and benefit system capable of determining people's income accurately and adjusting benefit amounts in such a way that they distribute resources equitably. Alternatively, policy makers could keep benefit levels fixed but the tax side could be adjusted. This is often how proponents of UBI argue for redistribution and EBI could take the same approach. Without such basic conditions, it could be challenging for EBI to ensure equity and honour this principle of the international social security standards. For example, it would be hard to justify an EBI from an equity perspective in a country where most of the fiscal resources come from valued added tax, which is often regressive. In systems capable of accurate affluence testing and the tapering of benefit amounts as incomes rise, perhaps EBI could be considered an equitable option. The affluence-tested UBI proposal for Australia does attempt to do this, thus indicating that this is on the radar of UBI/EBI proponents (Spies-Butcher, Phillips and Henderson, 2020).

Providing a flat-rate EBI in a system lacking progressive taxation and the ability for clawback, or the inability to taper income, would mean EBI carries an equity risk. Having said this, some see this as a trade-off. Perfecting equity is difficult in most settings. Moreover, small equity trade-offs may be more ethically acceptable than the risk of problematic targeting. It is better to have the inclusion errors synonymous with universal or quasi-universal flat-rate benefits than the exclusion errors of targeted benefits, which can miss those most impoverished entirely (Razavi et al., 2022). This is not to suggest that EBI should not be concerned about equity; only that it is a challenge for many benefit types.

Returning to the very specific circumstances of the COVID-19 pandemic, EBI may have fared much better in terms of equity than some of the high-profile measures deployed, which, in some settings, were conditioned by people's existing income status. In other words, those already on a low income experienced a commensurately smaller income-support increase and for a more limited duration. Whereas those on higher incomes enjoyed considerably higher income support. Some of the worker retention programmes are a case in point and arguably illustrative of the "Matthew Effect", which posits that middle- and higher-income groups tend to benefit disproportionally from so-called

14. See Section I, Article 3(k) of ILO Social Protection Floors Recommendation, 2012 (No. 202).

progressive social policies, generating perverse regressive distribution effects (Rigney, 2010).

The equity discussion is not limited to how measures were financed during the pandemic but also thereafter concerning how the debt incurred is paid off. There are legitimate questions related to how and by whom the debt incurred during the pandemic is being repaid. For example, in France in 2020, 136 billion euros of new debt related to additional resources injected into the social protection system to address pandemic and post-pandemic related expenses were transferred to the social security system by an Act of Parliament. This was conducted by a special body created for the repayment of the "social debt", the resources for which are mostly collected from two taxes payable on earned and replacement income by all employees (Poullennec, 2022). Without a similar additional tax being levied from other sources, including corporations, some would question, first, the equitable nature of transferring the repayment of such debt exclusively onto insured persons covered by social security and, second, whether enterprises are shouldering their fair share of the costs. This latter point is salient given the principle established by ILO Convention No. 102 that employees should never (including post facto) bear more than 50 per cent of the total cost of the benefits availed for their protection.[15] Moreover, this example puts into question whether business enterprises are honouring the social contract when they also largely benefitted from social security measures (e.g., partial unemployment benefits), which supported business continuity.

Perhaps the risk of EBI being inequitable is contextually dependent and on how fair any given society is (i.e., is there a progressive tax system), and that all social protection instruments possess an element of imperfectability with respect to ensuring maximal equity. However, if EBI were to be introduced, the substantial resources required would mean that the financing during and ex-post would need to be equitable.

Building and strengthening rights-based universal social protection systems

That EBI is indeed compatible with the international social security standards, that States are legally empowered to utilize such a policy, and that EBI could be equitable are important questions answered and mark an important contribution to the legal and rights-based discourse on EBI. However, an equally important further set of questions arise. For instance, why would any country introduce an EBI rather than invest efforts in developing a comprehensive social protection system as envisioned by the international social security standards? What is the

15. See Article 71(2) of ILO Social Security (Minimum Standards) Convention, 1952 (No. 102).

scenario that would determine the trigger (i.e., an exceptional covariant risk or Black Swan event) of the mechanism that unleashes EBI? What would justify having an EBI instead of striving for a more classical universal social protection system? Equally, are there scenarios and versions of EBI that could be part of efforts to develop a comprehensive social protection system? Conversely, is it rational from a public finance perspective to have a super-responsive system – with EBI the flagship response mechanism in place – primed for very large but infrequent crises? Moreover, could EBI undermine the existing system and hard-won social protection gains already accomplished? If EBI were to be based on some of the neoliberal UBI proposals that advance a low-level "safety net" – as opposed to a comprehensive SPF – as Ortiz et al. suggest, this might imply the abolition of contributory social insurance systems and the loss of corresponding entitlements, such as public pensions, and it could be used for policy retrogression by crowding-out public investment in essential services, thereby reinforcing their unchecked privatization (Ortiz et al., 2018, p. 2). These are legitimate concerns, although some of the questions miss the fact that still more than half the world's population are not covered by any social protection whatsoever. As such, EBI-type measures could offer some States a first step towards closing their social protection coverage gaps (ILO, 2021b). Thus, perhaps the pivotal question is, if policy makers were to adopt an EBI, how can they ensure it leads towards comprehensive USP and social progress?

Some commentators have begun to articulate how EBI might contribute to longer-term social protection system strengthening. For example, De Wispelaere and Morales (2021) have outlined an EBI model that could be incorporated into existing (comprehensive and nascent) social protection systems to fulfil a crisis-mitigation function and help longer-term systems strengthening. They advance a "dial-up/dial-down" model that combines both EBI and UBI, where "a very modest permanent UBI is introduced that remains in place independent of any emergency arising" (De Wispelaere and Morales, 2021). While this model would require a larger more sustainable budget than other EBI options, it would function as an automatic stabilizer. It could be bolstered in a timely fashion when a crisis hits, to address an increase in demand, and then be dialled down when the crisis abates. This is how existing social protection schemes functioned in the pandemic; expanding to cover more people and provide higher benefits as demand increased and receding when demand diminished. However, by design, they only covered a limited population set and gaps persisted; hence, the argument for EBI provided to all.

There is much more thinking to be done on this. However, the thinking behind this dial-up/dial-down model clarifies how an EBI might function and contribute to a long-term system strengthening strategy. For example, it envisions that making use of existing social protection architecture will minimize duplication and gaps and can ensure a cost-effective approach. It seems, theoretically at least, that it provides basic income security for all the population at times of crisis as well as non-crisis. This version of EBI would be much closer to full UBI as it retains the important permanence characteristic. Whether it would prompt the development of USP systems that cover everyone comprehensively, protect living standards through adequate benefits, and ensure other life-cycle benefits are not adversely affected is unclear.

A more sceptical view might reason that EBI in whatever form, risks being a residual feature in a system rather than a catalyst for deeper system strengthening. For instance, UBI/EBI may be advanced to fulfil the guarantees of the SPF only. And while SPFs are critical, the non-contributory provision they deliver cannot provide the same level of protection as contributory social insurance systems. Nor do they provide the same policy space as contributory systems to combat inequality. Thus, some argue there is a risk that EBI is utilized to undermine workers' rights and hard-won contributory social security systems (Ortiz, et al., 2018). However, if EBI/UBI are used as a proxy social protection floor, this could leave untouched the need for higher levels, which are typically catered for by contributory mechanisms, including social insurance, regardless of whether they currently cover a significant percentage of the current labour force. The introduction of UBI/EBI does not exclude the possibility of the development of contributory measures which aim to be more generous.

Equally, a more sympathetic interpretation could see EBI being introduced into countries with advanced USP systems as an additional layer of comprehensive protection to deal with more complex societal-wide shocks to the classical life-cycle risks. Furthermore, in lower-income settings, where most of the population lacks protection, EBI may be a first step to the progressive realization of USP. Nonetheless, there may be a "demand-capacity paradox" at play here (Parolin and Siöland, 2020): countries with USP have no or little demand for EBI/UBI whereas countries without USP do, but the latter face other types of challenges of a funding or more practical nature preventing them from moving forward with EBI or USP.

Furthermore, it has been argued EBI might have a role in humanitarian settings where large inflows of external financial support occur (Standing and Orton, 2018). However, unless sufficiently institutionalized as guided per the international social security standards, an EBI in humanitarian contexts risks creating parallel systems. Development and humanitarian actors have long been conscious of this risk. Consequently, they have recommended that humanitarian cash transfers must address humanitarian needs but should also be used "to maintain and enhance existing social protection systems and to trigger investments in the development of nascent safety nets or social assistance structures" (European Commission et al., 2017, p. 2).

Evaluating EBI in terms of its ability to catalyse the building and strengthening of rights-based USP systems is both critical and also a little disingenuous, given that the EBI model is not purporting to be capable of building permanent USP systems alone. Nevertheless, the EBI proposal will have to address the USP systems-building question.

Ultimately, achieving USP with or without EBI will require wider policy efforts: the need to transition more workers from the informal to the formal economy; the need to address insufficient investment in social protection; the need to challenge the promotion by international financial institutions of social safety nets and the delinking of social protection from employment; and reverse the tendency to promote social protection as a crisis-mitigation tool only, to the detriment of protecting people against ordinary life-cycle risks.

A key lesson from the COVID-19 pandemic was that those countries that already had strong social protection systems were able to quickly guarantee access to much needed health care, ensure income security, and protect jobs. In contrast, countries without sufficiently strong systems in place had to adopt measures under pressure and adopt many emergency measures (ILO, 2021b). Thus, building USP systems would reduce the need for exceptional emergency measures. Ultimately, preparedness means having in place robust systems ex-ante, as well as other administrative measures built in explicitly as part of a more agile/resilient system, therefore reducing the need for exceptional discretionary measures. It is conceivable that a dial-up/dial-down EBI model could be compatible with the international social security standards and feature in a national system.

Conclusion

EBI has gained prominence because of the policy window prised open by the COVID-19 pandemic, which momentarily reconfigured mindsets and widened that which was considered plausible in social policy praxis. Ultimately it cultivated a policy space more conducive to EBI contemplation. Given the increasing frequency of crises, EBI will continue to feature in policy debates. However, it will likely feature differently in different contexts: as a "big solution", a go-to fixer or a gap plugger, etc.

Paying attention to the international social security standards would help ensure that a rights-based EBI could be formulated, drawing from the essential guidance these provide in setting minimum standards, minimum adequacy levels, accessibility, grievance mechanisms, sustainable and equitable financing, and other considerations. This will ensure that EBI can adequately address poverty, social exclusion and inequality whilst increasing civic trust in public institutions.

Finally, an important evolution in the EBI debate should be one of moving from crisis mitigation to one of how to support the long-term system strengthening that leads to a policy legacy that closes social protection gaps and supports the goal of USP. EBIs should reinforce existing health and social protection systems. As recognized by the international social security standards, there is no one-size-fits-all approach in the quest towards reaching and maintaining USP during times of acute crises. However, and indisputably, EBIs could represent an important element of USP systems through which States could organize rapid and well thought-through response measures. EBI would benefit from a predictable legal framework adopted in conditions of social dialogue. This would enable the anticipation of exceptional covariant risk events which, in an increasingly uncertain world, are expected to become more intense, commonplace and recurrent. While difficult to foresee, this may also leave States in a stronger position to respond to Black Swan events. This, therefore, better guarantees the human right to social security regardless of the context.

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The role of an emergency basic income: Lessons from the Latin American experience to confront the COVID-19 pandemic

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Abstract The article provides a brief overview of the social impacts of the COVID-19 crisis in Latin America and the Caribbean, presenting how these are intertwined with a structural deficit of social protection systems. It also describes the main features of the emergency social protection responses adopted by Latin American countries that are relevant to the ongoing debate on an emergency basic income. Finally, it discusses the role, implications, and challenges in implementing an emergency basic income as a sustainable entitlement, embedded in the social protection system, to be activated in times of crisis.

Keywords social protection, COVID-19, informal economy, Latin America

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Introduction

Latin American and Caribbean countries carried out an unprecedented response of emergency non-contributory social protection measures to confront the social impacts due to the COVID-19 crisis. These measures, primarily consisting of cash and in-kind transfers, were mainly directed to the most vulnerable groups affected by the public health, economic, and social crises. One such group was informal workers previously marginalized as a recipient population of non-contributory measures (ECLAC, 2021a). Some of these measures were extended in duration, coverage, and sufficiency levels. These provided key relief in a context where, despite the improvement of social protection systems over the past two decades, the coverage of instruments designed to secure income during severe and disruptive shocks is limited. Even when complemented with a series of other measures aimed at protecting formal employment, these were insufficient to prevent the significant increase in both poverty and extreme poverty rates in 2020 (ECLAC, 2022a). The region is overrepresented in the total COVID-19 death toll rate, and its excess deaths during the peak of the pandemic were double that of the excess mortality rate in Europe. Furthermore, mortality attributed to COVID-19 is higher among countries with higher informality rates (Cid and Marinho, 2022), showing a strong correlation between the lack of access to social protection and the vulnerability to crises such as those unleashed by the pandemic.

The initial section of this article provides an overview of the pandemic's impacts in Latin America and the Caribbean (LAC), highlighting key figures that underscore the region's disproportionate vulnerability to crises. The subsequent section delves into intricate details surrounding the diverse measures and policies implemented to safeguard household incomes. Moreover, it elucidates the specific policies and measures implemented in various Latin American countries, shedding light on their immediate effects. Given the increasing frequency of disasters and the salient social protection gaps highlighted by the pandemic, the third and final section asserts the relevance of an emergency basic income (EBI) within a larger repertoire of social protection policies in the region. Based on the immediate response to the pandemic, it discusses key considerations for the design of an instrument to be activated in future crises. The article argues that while the pandemic has made it clear that previous social protection schemes in most LAC countries have limitations to respond to major shocks, it has demonstrated that EBI schemes are useful, when embedded in the larger social protection system to assure their effectiveness.

A prolonged social crisis: The impacts of the pandemic in Latin America and the Caribbean illustrates the weakness of social protection systems

According to the Economic Commission for Latin America and the Caribbean (ECLAC), the LAC region has been one of the hardest hit by the COVID-19 pandemic. While representing only 8.4 per cent of the world population (UNDESA, 2019), as of September 2022, the region had 26.7 per cent of the total reported deaths from COVID-19.[1] Yet, there is a notable disparity among countries in Latin America. While the COVID-19 death toll of most countries in the region surpassed the global average – standing at 871 deaths per million by mid-2023 – Costa Rica reports a figure of 1,811 deaths per million people, whereas Peru reports 6,484 deaths per million people (WHO, 2023).

Beyond its direct consequences, the health crisis has triggered social and economic crises that have deepened the already existing inequality, poverty, and vulnerability gaps, with profound and long-term impacts on the region (ECLAC, 2022a). During 2020 alone, regional GDP fell by 6.8 per cent (ECLAC, 2022b). Despite the concerted efforts to reactivate the economy, unprecedented setbacks are seen in unemployment rates, poverty, and extreme poverty levels. Projected figures for 2022 showed a slight reduction in poverty compared to 2021, reaching 32.1 per cent. In contrast, extreme poverty is expected to increase, enveloping 13.1 per cent of the population in Latin America. The crisis dramatically impacted the labour market, which led to an equally unprecedented drop in occupation, labour participation, and informal employment in 2020. These impacts have not been homogeneous; youth, women, informal workers, and those in the lower-income strata have been the most affected in their employment or working conditions (ECLAC, 2022c).

These adverse effects are strongly connected to the structural deficit in social protection systems prevalent in the region. Despite variations among countries and improvements over the past two decades, the region's welfare regimes are characterized by what has been defined as a segmented and dual model that separates those with access to social protection through formal employment from the rest of the population, who rely on non-contributory instruments (Arza et al., 2022; Martínez Franzoni and Sánchez-Ancochea, 2021). For instance, access to health systems was conditioned by the historical weaknesses of the sector, with chronic underfunding, very low public spending, and a high proportion of private and out-of-pocket spending. Health systems have also

1. ECLAC (2022a), as of 2 September 2022, based on data on confirmed COVID-19 deaths (WHO, 2022).

proven to be fragmented and segmented, leading to a lack of coordination, solidarity, and efficiency that reproduce inequalities (ECLAC, 2022a).

In spite of progress in recent years and prior to the pandemic, there were already important gaps in access to non-contributory social protection policies offering adequate coverage and sufficiency of their entitlements. According to the International Labour Organization (ILO), the percentage of people in situations of vulnerability who received cash transfers (social assistance) in 2020 (or the latest available year) was only 36.7 per cent in Latin America and the Caribbean, significantly below Europe and Central Asia's figure (64.4 per cent) (ILO, 2021). Additionally, contributory coverage (such as unemployment insurance programmes) is limited, because of their reduced presence in countries and the region's high rates of labour informality. In 2020, the effective coverage of the pension system among the economically active population was 44.7 per cent, returning to rates of 2009 and 2010 (ECLAC, 2022a). In 2018, it was estimated that a third of households with children or adolescents lacked access to social protection through either contributory or non-contributory entitlements (ECLAC and UNICEF, 2020), even despite the relevant expansion of conditional cash transfers and related policy instruments in the region.

In this context, when the COVID-19 pandemic hit, emergency non-contributory social protection measures gained a fundamental role in protecting households' income, consumption, and overall well-being. Albeit most of these were new, short-term, and of limited sufficiency to fully contain poverty increases, these measures were widely implemented.

The recent experience illustrates the relevance of emergency mechanisms to secure income when severe crises hit. This, in turn, bolsters the narrative on the establishment of an emergency basic income that could provide robust social protection in times of crisis. The following sections further expand on some dimensions pertinent to this debate.

Emergency social protection measures to confront the social impacts of the pandemic: Lessons on crisis preparedness

The protection of a household's income is a fundamental dimension of social protection systems, especially in times of crisis such as the COVID-19 pandemic. Consequently, governments in countries across LAC expeditiously announced non-contributory emergency measures from the beginning of 2020 (ECLAC, 2021a). These measures aimed to contain the negative effects of the economic and social crisis caused by the restraining measures and health regulations, such as quarantine and physical distancing, imposed in response to the pandemic. Between March and May 2020, 33 countries in the region announced 306 non-contributory social protection measures. The announcements continued for more than two years, but at a decreasing rate, reaching a total of 506 measures by August 2022.[2]

The non-contributory social protection emergency measures announced by LAC countries were heterogeneous in several dimensions. Of all the measures announced until August 2022, more than half were split between cash transfers (43 per cent) and in-kind transfers (28 per cent) with governments also overseeing the continuity of basic services (10 per cent) and the provision of other support (19 per cent), such as tax relief, payment facilities and price fixing.

As part of the measures' design, governments took advantage of the existing infrastructure and institutional framework of conditional cash transfer programmes (CCTs) and non-contributory pension programmes (NCPs) and also designed completely new measures. Of all the non-contributory emergency cash and in-kind transfers announced, 65 per cent were new measures, and only the 35 per cent remaining were modifications to pre-existing continuous programmes. This evidenced, on the one hand, the potential of existing measures to be partially adapted by, for example, increasing payment levels. On the other hand, it also evidences their limitations to cover all the dimensions involved in the policy response to crises, thus necessitating the massive expansion of new measures designed on an ad-hoc basis to respond to the pandemic.

Cash and in-kind transfer measures during the COVID-19 emergency differed in terms of transfer amounts, population coverage, number of instalments, and duration. Some of the measures tied to existing programmes consisted of the delivery of transfers in advance, as well as an increase in coverage and/or transfer amounts. In some cases, pre-existing non-contributory programmes developed new protocols for the delivery of services provided, and some CCTs suspended the conditionalities on school assistance to receive the transfers. Additionally, some of the new cash and in-kind transfer measures developed during the pandemic used the institutional framework of existing CCTs and NCPs to streamline their operation and reach the most affected households.

As for the target population of the emergency measures, most were directed towards poor and vulnerable households who experienced a particularly strong

2. The non-contributory social protection emergency measures described in this section were targeted to poor and vulnerable people and households and were announced by national governments between 1 March 2020 and 31 August 2022. They do not include measures announced by subnational governments, or those targeted at enterprises or other entities that have an indirect effect on households and individuals. For more detailed information on the non-contributory social protection measures announced by the countries of the region amidst the COVID-19 pandemic, see Economic Commission for Latin America and the Caribbean (ECLAC), COVID-19 Observatory in Latin America and the Caribbean [online database]; and "Social protection measures to confront COVID-19", Social Development and COVID-19 in Latin America and the Caribbean [online database].

decrease in income and consumption. However, some measures were aimed at particular groups due to their specific vulnerabilities in that context, such as people with disabilities, indigenous peoples, people of African descent and migrants. An innovative element of the responses was the identification of informal workers as a population of special attention (ECLAC, 2021a). Reaching this population presented important challenges due to the lack of information in social registries.

The absence of information in social registries and administrative records of some of the targeted groups generally led to a rapid adoption of strategies and innovations to actively search for and reach them. For example, the incorporation of information and communication technologies (ICTs) to identify recipients; the combination of social registries and other information sources; the improvement of social information systems and registries; the creation of new registries of potential participants; the adoption of new approaches, protocols, or instruments to identify potential recipients of emergency programmes; and the use of mapping and local organizations to supplement information. Likewise, countries in LAC developed innovative methods to supply the goods and services delivered by social programmes, such as flexibility in the delivery location and adaptation of payment methods. These innovations managed to reach a large sector of the targeted populations, expanding, and strengthening social information systems (Atuesta and Hemelryck, 2022; Berner and Van Hemelryck, 2021; OECD et al., 2021). This process, though successful, presented different challenges in all countries. Thus, the opportunities for improvement should be considered when designing and implementing an emergency basic income.

Despite the relevance of these measures, their amounts were not always sufficient to cover people's basic needs during the entire crisis. The measures varied in terms of population coverage, the number of instalments or deliveries, and the duration (in months). However, when solely considering the cash transfers with the highest coverage in Latin American countries in the period from March 2020 to August 2022, only Chile offered monthly cash transfers above the value of the poverty line.[3] When compared to the value of the extreme poverty line, only Panama is included in the list, followed by Argentina,

3. Using the approach defined at ECLAC (2021a), the monthly amount for each measure for the period March 2020–August 2022 (30 months) is calculated as the product of the monthly dollar amount and the duration in months of the measure (between 1 March 2020 and 31 August 2022) divided by 30, as reported by countries as of 31 August 2022. Only Latin-American countries with available information of the individual monthly value of urban poverty and extreme poverty lines from CEPALSTAT are considered. The cash transfers considered are those with the highest coverage in each country. The countries considered are Argentina, Brazil, Chile, Colombia, Costa Rica, the Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Mexico, Panama, Paraguay, Peru, the Plurinational State of Bolivia, and Uruguay.

Colombia, and Brazil, with average monthly cash transfers around 0.9 times the value of their extreme poverty line. The remaining countries delivered cash transfers with lower values (ECLAC, 2021a), reflecting the insufficient levels of cash transfers delivered to recipients and the need to implement emergency non-contributory programmes with adequate monetary transfers that guarantee a decent subsistence level.

It is important to note that this estimation accounts for the limited duration of the measures announced. Although a few measures stand out because of their long duration, more than half had a duration shorter than 6 months in the period from March 2020 to August 2022. Among those with the longest durations and deliveries is the Solidarity Income (*Ingreso Solidario*) in Colombia, a monthly cash transfer from March 2020 to December 2022, covering more than 4 million households. Other examples are the *Auxílio Brasil* in Brazil, the Emergency Family Income (*Ingreso Familiar de Emergencia*) in Chile, and the Solidarity Plan (*Plan Panamá Solidario*) in Panama, as well as the modifications in terms of population coverage and transfer amounts to continuous programmes such as the Food Card (*Tarjeta Alimentar*) in Argentina and the Emergency Food Basket (*Canasta de Emergencia Alimentaria*) in Uruguay. These observations reveal the importance of setting the right duration in the design of an EBI, so that it guarantees cash support from the onset of the emergency and throughout recovery periods.

The efforts to reach a large percentage of the population were evident at the beginning of the pandemic, but coverage diminished noticeably over time despite the continued vulnerability of the most affected during the crisis. The emergency measures of monetary and in-kind transfers had an estimated cost of 6,194 million US dollars (USD) between January and August 2022. This is around 13 per cent of what was committed in 2021, which in turn was close to 50 per cent of the estimated cost of these measures in 2020. Coverage was estimated to have reached 50.2 per cent of the regional population (325.9 million people) in 2020, falling to 47.2 per cent (309.3 million) in 2021 and dropping further to 15.6 per cent (102.0 million) in 2022 (ECLAC, 2022c). Although mobility restrictions were reduced in 2022, in most of the countries of the region the households most economically affected by the pandemic continued to be in need of support, and even more so after the general increase in food prices during 2022.

As will be discussed in the next section, part of the lessons learned from the social protection response to the pandemic indicate the necessary ex-ante design of strategies when a crisis hits. This relates to debates on the resiliency and adaptive potential of social protection systems and their institutional strength (Bastagli and Lowe, 2021; ECLAC, 2021b).

What can one learn from the experience of the social protection responses to the pandemic from the perspective of emergency basic income?

An emergency basic income can be considered as an important instrument for providing financial security to citizens during crises with impacts devastating enough to interrupt the normal functioning of employment and social services. This could be an unconditional cash transfer to confront the negative impacts related to losses of employment and livelihoods that prioritizes the population living in poverty, extreme poverty, and in the most vulnerable situations such as those demographic groups located at the extremes of the life cycle. Its sufficiency level should sustain consumption and the fulfilment of basic needs during the crisis. At least three considerations should be addressed in the debate for a design based on the social impacts of the pandemic in Latin America and the Caribbean.

First, emergency cash transfers implemented during the pandemic (including the vertical and horizontal expansion of pre-existing cash transfers) have been relevant in mitigating increases in poverty and extreme poverty rates (ECLAC, 2022a). However, the extent of the social impacts of the pandemic illustrates the magnitude of social protection gaps and the limitations of current instruments to secure well-being in times of crisis. Second, income protection is a crucial function of social protection systems and must be strengthened ex-ante in a context marked by recurrent crises. The analysis of the emergency measures implemented during the pandemic reinforces the need for an emergency instrument to secure income. An emergency basic income could be inserted as an integral part of the social protection system's institutional framework. Third, there are lessons learned from the pandemic that can contribute to identifying opportunities and addressing challenges in the design of an emergency basic income (or a related policy instrument) to be activated when a shock hits. These might be part of a broader strategy of strengthening social protection systems, which remains an urgent and longstanding task in the region.

The pandemic revealed the structural deficiencies within the prevailing social protection systems

There is comprehensive evidence of the role that emergency social protection measures played in mitigating further increases in poverty and extreme poverty in Latin America and the Caribbean. In 2020, income poverty affected 33 per cent of the regional population (204 million people), with extreme poverty reaching 13 per cent of the population (81 million people). This estimation considers emergency social protection measures taken; if not considered, extreme poverty and poverty in 2020 would have risen by about 1.8 and 2.9 percentage points, respectively (ECLAC, 2022a).[4]

It must be considered that, as the pandemic evolved, countries introduced several adjustments to the emergency measures announced. This included new strategies, such as their increase in coverage or amounts, introducing new components (i.e., labour inclusion), or improving the methods for reaching potential recipients and the delivery of transfers (Atuesta and Van Hemelryck, 2022). This trend illustrates the adaptability of social protection systems, as well as the opportunity to install a renewed appreciation for wide-coverage instruments. The current debate in countries such as Brazil, Chile, and Colombia to expand the coverage and sufficiency levels of existing conditional and unconditional cash transfers also attest to the amplifying effect of this experience. Nevertheless, the measures' low sufficiency and limited duration explain their potentially reduced impact, considering the magnitude of the crisis and the large proportion of the population affected.

Based on a joint analysis of the Stringency Index and the Index of Economic Policies,[5] and considering the period between the first COVID case identified on 1 March 2020 and 31 August 2020, Filgueira et al. (2020) found that most governments in the 16 Latin American countries under analysis quickly implemented health containment strategies. However, economic and social measures were almost always introduced after epidemiological containment measures were in place. This differs widely from the situation in countries with more developed social protection systems, where unemployment and illness insurance were implemented simultaneously with epidemiological containment measures, thus acting as automatic stabilizers. These results illustrate the important gaps in the timeliness and effectiveness of the social protection responses implemented, as well as the important gaps in the existent contributory and non-contributory social protection instruments.

In sum, the experience during the pandemic sheds light on the limitations of both continuous and emergency measures implemented to confront the impacts of a crisis. This paves the way for a renewed regional debate on this matter, nurturing reflection on the value an institutionalized emergency basic income could have for future disruptive crises.

4. These figures consider information for Chile, Costa Rica, the Dominican Republic, Ecuador, Peru, Paraguay and the Plurinational State of Bolivia (ECLAC, 2022a).

5. The Stringency index is a composite measure including the policies of contention and closures implemented by governments in response to the pandemic, and the Index of economic policies. The former includes metrics on school, workplace and public transport closures, cancellation of public events, restrictions on public gatherings and internal movements, confinement requirements, international travel controls, plus public information campaigns. The latter includes information on cash transfers to unemployed people; household debt relief by freezing financial obligations, announced economic stimulus spending, and announced international support to other countries. See the COVID-19-government-response-tracker and Hale et al. (2020).

The context presented an opportunity to design an emergency basic income within the larger social protection system

The evidence presented favours the idea of establishing a policy instrument that can be rapidly activated in an emergency to secure and protect household incomes. Given the rising frequency of disasters, this instrument should become more prominent. Between 1960 and 2020, around 3,570 disasters hit Latin America and the Caribbean (Cecchini, Holz and Robles, 2022). The region is highly exposed to disasters and their unequal consequences among the population (ECLAC, 2021b). There are some examples of cash transfer programmes in a few countries of the region, particularly in the Caribbean, that are ready to be activated when disasters hit. However, these instruments are not widely present across the region. Fostering a more integrative response to disasters is a pending issue to be addressed as part of strengthening social protection systems (ECLAC, 2021b). Recent evidence from measures adopted to mitigate the effects of rising inflation on vulnerable households shows a very heterogeneous response: while some countries have deployed pre-existing programmes and measures created during the pandemic, there are indications that others have once again started introducing new programmes (ECLAC, 2022c). Having an institutionalized instrument that is rapidly activated in such situations could provide income protection when needed, saving time and further costs, as well as protecting more people, more effectively.

While conditional cash transfers have been insufficient to provide adequate support for income protection (even more so in times of crisis) they could be expanded vertically (amounts) or horizontally (coverage) as a first step in the path of an emergency basic income. Their infrastructure – including information systems – could also be used to implement other emergency responses beyond income protection. This should consider the possibility of expanding their coverage based on information that should already be available from strengthened social registries, as well as operating procedures during emergencies, based on pre-defined options aimed at increasing the levels of income protection.

Income protection is a fundamental dimension of social protection systems. This holds particular relevance in the case of people situated in the extremes of the life cycle, who confront greater challenges in terms of securing sources of income beyond social security coverage. In the case of children, a lack of adequate income protection is critical for their integrated development and might have devastating impacts on their life trajectories (Barrientos and Nino-Zarazua, 2011; Robles and Santos Garcia, 2023). In 2020, ECLAC and UNICEF estimated that 51.3 per cent of children were in poverty (ECLAC and UNICEF, 2020). Securing an emergency basic income that protects at least the living conditions of families with children during emergencies must be a priority of social protection systems in the region. There is also evidence of the effectiveness of rapid interventions in the framework of existing social protection programmes to prevent humanitarian emergencies, reduce impacts and costs (Hallegatte et al., 2017; Del Ninno, Coll-Black and Fallavier, 2016), and boost local economies and consumption (in the case of cash transfers) (Development Pathways, 2021; ECLAC, 2021b). Hence, designing an emergency basic income embedded in the larger social protection system, to be activated in the case of disasters and crises, could be cost effective and contribute to preventing irrecuperable well-being losses.

Lessons for the design of an emergency basic income in the region

There are various lessons learned from emergency policy responses during the pandemic. The following are related to these measures' design elements, institutional challenges, and their later trajectory.

First, one should acknowledge the magnitude of the responses that were mobilized on the part of the LAC countries to respond to the emergency generated by the pandemic. Accordingly, advancing towards a policy that can secure income during crises could be guided by the institutionalization of some of the measures implemented during the pandemic. For instance, Chile announced in 2022 working on a project of law for an automatic Emergency Family Income in cases of confinement, following from the experience of the policy that was implemented during the pandemic, and debate has increased over the past two years in several countries on a similar measure (Robles and Santos Garcia, 2023).

An income protection policy in times of disruptive shocks should be fully aligned with the social protection system and disaster risk management policies. It is crucial to avoid fragmentation and duplication of efforts. This involves learning from the experiences of countries that already have emergency cash transfers and/or conditional cash transfers in place, understanding the challenges faced in expanding its coverage, amount, and duration, and assessing whether to continue leaning on the structure of these existing instruments or to create a new one to address such challenges.

Second, aspects such as the institutional and legal framework, financing, and technological-related issues related to the implementation of an emergency basic income are equally critical (Robles and Holz, 2023). Thus, an emergency basic income will require robust, updated, and expanded social information systems for the rapid identification of the population requiring priority access to this entitlement. Evidence shows that countries with more fortified social registries could implement emergency measures quicker and more effectively (Atuesta and Van Hemelryck, 2022). This will also require legislation and protection standards to support data exchange and interoperability between government agencies. Further development of digital methods for registration and payment of transfers is necessary for the quick activation of responses. Adequate and sustainable financing is fundamental, so institutional adjustments regarding regulations, planning, and budgeting would be crucial. Furthermore, it is imperative to increase intersectoral coordination for efficient response and strengthen social institutional frameworks. This is also strongly connected with the institutional robustness of their national social protection systems.

Concerning coverage, it is important to recognize that the population in low-income strata, comprising not only those in poverty and extreme poverty, but also people with low-income who are not in a situation of poverty, accounted for 58.3 per cent of the population in 2022 (ECLAC, 2022c). Hence, the fact that emergency measures are designed considering wide coverage becomes fundamental. This is particularly relevant when considering the large magnitude of informality, and therefore the important proportion of the population that lacks access to either contributory or non-contributory social protection. The pandemic showed that there are large groups whose incomes are highly sensitive to shocks and whose living conditions would rapidly deteriorate in such scenarios. Preventing these losses is crucial for a development strategy in the region. The fact that emergency social protection measures covered over half of the population is remarkable. It reveals that degrees of universalism can be progressively achieved by centring attention on combinations of coverage, generosity, and equity (Martínez Franzoni and Sánchez-Ancochea, 2016).

The sufficiency and coverage of the measures adopted should be regarded as equally important during an emergency. Having a pre-defined benchmark for living standards is fundamental. Of course, matters of financial sustainability are crucial for such a measure to be introduced, which requires securing sources of funding in an anticipated way. This is an ongoing challenge for the region, particularly considering its complex economic context (ECLAC, 2022c).

The feasibility of a measure such as an emergency basic income would require a degree of prioritization in its scope, as well as a pre-defined estimation of its costs. In May 2020, ECLAC recommended governments guarantee a six-month temporary cash transfer to enable households living in poverty to meet basic needs and sustain their consumption. Given the persistence of the crisis, in July 2020, a call was made to consider alternatives for one year (ECLAC, 2021a).

Given the higher incidence of poverty and extreme poverty among children in the region, this emergency income could be prioritized for families. According to 2020 estimations (discounting what Latin American countries already invest in CCTs) a cash transfer equivalent to the extreme poverty line directed to children and adolescents living in poverty would represent 0.29 per cent of GDP for three months and 0.57 per cent for six months. If the transfer were to reach the poverty line, it would represent up to 0.71 per cent of GDP for three months and 1.41 per cent for six months (ECLAC and UNICEF, 2020).

However, an emergency basic income (or other sorts of income guarantees that can be legally defined and activated during crises) is insufficient on its own to contain the full impacts of a crisis such as that caused by the COVID-19 pandemic. As part of the necessary debate concerning policies that can enact a regular income guarantee in a country's social protection system, this measure needs to be considered in a strategic framework to fully strengthen universal, integrative, sustainable and resilient social protection systems in the context of a welfare state based on social rights. Such policies can adopt the form of a specific cash transfer, a basic income, or minimum income guarantee, among different kinds of universal or quasi-universal entitlements for income protection (Robles and Santos Garcia, 2023).

It is fundamental to stress the articulated expansion between an emergency basic income and the social protection system, including universal access to social services of quality, particularly in a context marked by deep transformations in the labour market, demographic characteristics, and the climate crisis. This must also take part in a process of greater articulation between contributory and non-contributory instruments. This will inevitably lead to a balance between the speed at which an income guarantee can be implemented, and the multiple priorities and key policies geared towards strengthening social services to secure universality and well-being with integrative social protection throughout the life cycle.

Final considerations

The experience of income protection responses to the COVID-19 pandemic has provided valuable insights for shaping future policies and strengthening social protection systems in Latin America and the Caribbean, particularly in the context of emergencies. The pandemic underscored the crucial role of emergency cash transfers in mitigating increases in poverty and extreme poverty, demonstrating their potential during crises. However, it also exposed the structural gaps within existing social protection frameworks, revealing the need for more comprehensive and adaptable instruments to safeguard well-being during times of multiple crises.

The establishment of an emergency basic income could serve as a stable policy tool for confronting both recurring crises and unforeseen disasters. The region's vulnerability to various shocks highlights the need to integrate disaster risk management policies with social protection strategies to ensure timely and effective responses. By institutionalizing emergency measures and incorporating them into robust social information systems, countries can enhance their ability to provide rapid and efficient support to vulnerable populations, preventing irreparable well-being losses. Efforts should also be made for better articulation with existing non-contributory social policies, such as cash transfers.

While an emergency basic income is a promising avenue, its design and implementation require careful consideration. It should be seen as part of a broader strategy aimed at strengthening universal and resilient social protection systems. Balancing the speed of implementation with the need for comprehensive coverage and sustainability is essential. Prioritizing the most vulnerable, such as families with children, and aligning emergency measures with ongoing efforts to improve social services and address broader societal challenges will be vital in creating a holistic approach to securing well-being throughout the life cycle. Ultimately, the lessons drawn from the pandemic should inform a regional dialogue on designing effective emergency policies that can adapt to a rapidly changing world and ensure a more equitable and secure future for all.

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Diversity within universality: Explaining pandemic universal cash transfers in East Asia

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Abstract The response to the global COVID-19 pandemic has prompted a surge in short-term universal cash transfer programmes around the world. Notably, East Asian high-income economies have been at the forefront of these initiatives. While the innovative nature of these universal cash injections has been emphasized, there is limited documentation regarding their characteristics, prospects, and underlying motivations. This article sheds light on the domestic political and institutional processes that led to the implementation and design of universal cash transfers in Hong Kong (China), Japan, Republic of Korea, Singapore and Taiwan (China). Overall, the analysis reveals that, within the framework of universality, a nuanced, diverse and dynamic set of operational choices emerge. A range of factors shaped the adoption and evolution of these programmes, including, for example, political pressures stemming from political party competition and efforts to maintain political legitimacy. In general, design parameters are not only defined in technocratic terms, but are negotiated politically.

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Keywords social policy, cash benefit, universal benefit scheme, political aspect, COVID-19, East Asia

Introduction

The term "universality" may immediately evoke the "universal versus targeting" debate. This is the focus of a huge literature and intense policy discussions (Slater, 2023). This article does not discuss whether universality is desirable, but instead zooms into the practical experience with one particular universal programme, i.e., universal basic income (UBI). Such UBI schemes have been widely examined (e.g., Gentilini et al., 2020; Hanna and Olken, 2018; Widerquist et al., 2013), including recent work to situate UBI within various types of crises (Chrisp and De Wispelaere, 2023).

While "classic" UBI proposals include regular cash payments, crisis-related macroeconomic perspectives have introduced a further concept, that is, the idea to bolster demand by directly providing money to individuals via "helicopter money" (HM) (Blyth and Lonergan, 2014). Part of a wider family of unconventional monetary policy measures in times of low interest rates, the primary goals of HM programmes include injecting liquidity and generating economic multipliers through increased consumer demand (Romer, 2021).[1]

The COVID-19 pandemic generated a dozen experiences of time-bound, HM-type payments (Gentilini, 2022). East Asian high-income economies have been at the forefront of these initiatives. While the innovative nature of these universal cash injections has been emphasized, there is limited documentation regarding their characteristics, prospects, and underlying motivations. This article sheds light on the domestic processes that led to the implementation of universal cash transfers and outlines their design parameters. These initiatives are particularly interesting also considering the developmentalist or productivist welfare regimes of social protection in those contexts (Choi, 2012; Nam, 2020).

In this article, we discuss how these political factors, combined with other ingredients, influenced the direction, definition and implementation of specific forms of universal cash transfers in five East Asian economies during the pandemic. Our rapid review of experiences, presented in the following order, for Japan, Republic of Korea (hereafter, Korea), Taiwan (China), Singapore and Hong Kong (China), sheds light on a variety of factors that led to their adoption.

1. Such multipliers are also observed for a wider range of cash transfer designs (Gassmann et al., 2023).

While similar in principle, a closer examination of design choices revels significant diversity in implementation details and programme configurations.

The article is organized as follows: the next section codifies the evolving universal measures in the five economies. We then provide a comparative exploration of how political and institutional processes have influenced such choices, before presenting concluding remarks.

Unpacking COVID-19 universal cash transfers in East Asia

In this section, we briefly describe the different forms of universal cash payments introduced in the five East Asian economies in response to the COVID-19 pandemic. Main parameters differed in terms of timing of introduction, benefit level, eligibility, and form of payment (Table 1).

The Japanese government provided a one-off universal special cash payment in May 2020. On 3 April 2020, the late Prime Minister Abe Shinzo announced an initial plan to provide 300,000 Japanese yen (JPY) (approx. 2,246 US dollars (USD)) to targeted households (Nishimura, 2020). Facing political opposition, the Cabinet opted for a universal cash transfer (Harding, 2020). The revised supplementary budget was approved in parliament on 30 April 2020. Japan's special cash payment was provided to residents registered with the Basic Resident System, including registered foreigners (Ministry of Internal Affairs and Communications, 2020). Each person received JPY 100,000 (approx. USD 749), which amounts to 18.35 per cent of the median monthly salary of a Japanese worker. Claimants could register for the programme through post offices or an online application.

Korea provided two universal cash payments in 2020 and 2021. On 3 April 2020, through a joint government briefing, the government announced that the programme was to target the bottom 70 per cent of the income distribution (Joint Ministries, 2020). However, after the general election on 15 April 2020, the government announced providing a cash payment to all citizens. The first disaster relief payment, which amounted to a million South Korean won (KRW) (approx. USD 767) based on a four-person household, was delivered in May 2020, irrespective of income or asset holdings. The second universal pay-out in 2021 also generated debate within the government on whether it should be universal or targeted. After several shifts, the supplementary budget bill was agreed to be paid to the bottom 88 per cent of the income bracket. While the size of the transfer remained the same (approx. 767 USD for a four-person household), this time it was delivered to individuals at the value of KRW 250,000 (approx. USD 192) instead of to the head of the household (Lee, 2021).

The Taiwanese government launched quasi-cash payments twice. The "triple stimulus voucher" was first announced on 2 June 2020, despite calls for a cash

Table 1. *Descriptive statistics of universal cash transfers*

	Japan	Republic of Korea		Taiwan (China)		Singapore		Hong Kong (China)		
Year	2020	2020	2021	2020	2021	2020	2021	2020	2021	2022
Programme	Special cash payment	First disaster subsidy	Fifth disaster subsidy	Triple stimulus voucher	Quintuple stimulus voucher	One-off cash pay-out	CDC vouchers scheme 2021	Cash pay-out scheme	Consumption voucher scheme	Consumption voucher scheme
Benefit(% of median salary per month)	JPY 100,000 per person (USD 749)	KRW 400,000 (USD 307) for single-person households KRW 600,000 (USD 460) for two-person households KRW 800,000 (USD 614) for three-person households KRW 1,000,000 (USD 767 for households with four people or more	KRW 250,000 per person (USD 192) The low-income class received an additional KRW 400,000 (USD 307) for a four-person household	TWD 3,000 (USD 100) voucher purchasing for the price of NTD 1,000 (USD 33)	TWD 5,000 voucher for free of charge (USD 168)	SGD 600–1,200 per person depending on income (USD 437–875)	SGD 100 voucher per household (USD 73)	HKD 10,000 per person (USD 1,276)	HKD 5,000 voucher per person (USD 638)	HKD 10,000 voucher per person (USD 1,276)
	18.35%	10.10% (single-person households)	6.31%	2.32%	3.88%	6.83-13.65%	1.14%	26.25%	13.12%	26.25%

(Continued)

Table 1. *Descriptive statistics of universal cash transfers* - Continued

	Japan	Republic of Korea		Taiwan (China)		Singapore		Hong Kong (China)		
Year	2020	2020	2021	2020	2021	2020	2021	2020	2021	2022
Programme	Special cash payment	First disaster subsidy	Fifth disaster subsidy	Triple stimulus voucher	Quintuple stimulus voucher	One-off cash pay-out	CDC vouchers scheme 2021	Cash pay-out scheme	Consumption voucher scheme	Consumption voucher scheme
Eligibility (% of designated population groups)	All residents in Japan including registered foreigners	All citizens	People in the bottom 88% of the income bracket	Taiwanese citizens, foreign spouses of Taiwanese citizens, APRC holders, and diplomats		All permanent residents in Singapore, spouses, parents, or children of Singaporeans who hold long-term visit passes aged 21+ depending on their income	Household with at least one Singaporean	Hong Kong permanent residents, low-income immigrants aged 18+	Hong Kong permanent residents and their dependents, new arrivals from mainland China who have been in Hong Kong the past two years and aged 18+	Hong Kong permanent residents and new arrivals (non-permanent residents who may become permanent residents and foreign students in phase 2) aged 18+
	100%	100%	88%	100%	100%	100%	100%	100%	100%	100%
Delivery	Cash transferred to the bank account	Electronic money or local gift certificates		Printed or digital voucher		2 cash installments were disbursed through bank account, check, and PayNow	Digital voucher	Cash transfer through individual account or cheque	2–3 voucher installments were disbursed through e-wallet or smart card	2 installments were disbursed through e-wallet or smart card
Cost (% of GDP)	JPY 12.9 trillion (USD 97 billion)	KRW 14.3 trillion (USD 10 billion)	KRW 11 trillion (USD 8 billion)	TWD 51.1 billion (USD 1.7 billion)	TWD 127.3 billion (USD 4.6 billion)	SGD 3.43 billion (USD 2.5 billion)	SGD 130 million (USD 95 million)	HKD 71 billion (USD 9 billion)	HKD 36 billion(USD 4.6 billion)	HKD 66.4 billion (USD 8.5 billion)
	2.35%	0.73%	0.56%	0.24%	0.55%	0.72%	0.02%	2.63%	1.25%	2.30%

(Continued)

Table 1. *Descriptive statistics of universal cash transfers* - Continued

	Japan	Republic of Korea		Taiwan (China)		Singapore		Hong Kong (China)		
Year	2020	2020	2021	2020	2021	2020	2021	2020	2021	2022
Programme	Special cash payment	First disaster subsidy	Fifth disaster subsidy	Triple stimulus voucher	Quintuple stimulus voucher	One-off cash pay-out	CDC vouchers scheme 2021	Cash pay-out scheme	Consumption voucher scheme	Consumption voucher scheme
Financing	Deficit-financing bonds	Spending restructuring and bond issuance	Additional tax revenues, budget surpluses, and public fund reserves	Government debt		Accumulated fiscal surplus and partly drawn from past reserves		Fiscal reserves		

Sources: Elaborated by authors using the following sources: For Japan: Ministry of Finance (2020); Ministry of Internal Affairs and Communications (2020). For Republic of Korea: Ministry of Economy and Finance (2020, 2021); National Assembly Budget office (2021); Lee (2021). For Taiwan (China): Executive Yuan (2020); Executive Yuan (2021a, 2021c); KPMG (2020); Sun (2022); Taiwan immigrants' global news network (2021). For Singapore: Ministry of Finance (2020a; 2020b; 2020c; 2020d; 2020e; 2021); Kamil (2021); Tan (2020). For Hong Kong (China): Government of Hong Kong Special Administrative Region (2020a; 2020b; 2021a; 2021b; 2022); Gu (2020); *The Standard* (2022a); Leung, Magramo and Heung (2021); Chau (2022); Yau (2021). Other: World Bank (2022); *Salaryexplorer* (2022).

programme from the opposition parties. Triple stimulus vouchers were provided to all Taiwanese citizens as well as foreigners (i.e., Alien Permanent Resident Certificate (hereafter APRC holders) and foreign spouses of Taiwanese citizens), regardless of income or age (Executive Yuan, 2020). The term "triple" derives from the fact that people had to exchange 1,000 New Taiwan dollars (TWD) (approx. USD 33) for a voucher of triple value (TWD 3,000). Vouchers were offered for free to low-income people (Kuo, 2021). The second payment, a quintuple stimulus voucher, was announced in August 2021, following "Relief Package 4.0" in June (Executive Yuan, 2021a). Emphasizing the positive effect of the previous year's voucher on vitalizing the economy, Premier Su said, "this year's new vouchers are anticipated to generate TWD 200 billion (approx. USD 7.2 billion) in economic stimulus" (Executive Yuan, 2021b). It was dubbed the "quintuple" voucher because people were to purchase a voucher worth TWD 5,000 for the cost of TWD 1,000. However, the Democratic Progressive Party (hereafter, DPP) urged for a free voucher. After the political discussion, the Executive Yuan later changed their plan to distribute the quintuple stimulus voucher for free to everyone (Liao, 2021).

The Singaporean government also provided two cash pay-outs during the pandemic. Deputy Prime Minister Heng Swee Keat announced the Care and Support Package for Households on 18 February 2020 (Ministry of Finance, 2020a; 2020b; 2020c). The first cash pay-out, which was disbursed in April and July 2020 (Ministry of Finance, 2020d), was originally planned to provide 300 Singapore dollars (SGD), SGD 200, or SGD 100 (approx. USD 219, USD 146, or USD 73) to all residents aged 21+ depending on their income with the Unity Budget. Later, the amount tripled with the Resilience Budget, while an additional SGD 300 was included with the Solidarity Budget. In the end, each person was able to receive from SGD 600 to SGD 1,200 (Ang, 2020). The second pay-out scheme in 2021, the Community Development Council Vouchers Scheme, was announced on 16 February 2021 (Ministry of Finance, 2021). It was introduced as a part of the "Short-Term Relief" measure for household support. It aimed at supporting families in uncertain economic situations and showing appreciation to Singaporeans for their "sense of solidarity" and to help business enterprises (Ministry of Finance, 2021). As in the preceding payment, it was implemented without major political contestation. In December 2021, a voucher worth SGD 100 was provided to each household with at least one Singaporean without differentiating the amount by income (Kamil, 2021).

The Hong Kong government implemented universal pandemic transfers three times. The first cash pay-out was announced in the 2020–21 budget speech delivered on February 2020. Under the scheme, Hong Kong permanent residents aged 18+ would receive 10,000 Hong Kong dollars (HKD) (approx. USD 1,276) (Government of Hong Kong Special Administrative Region, 2020a). Later, according to the Secretary for Labour and Welfare Law, eligibility for this cash pay-out was broadened to low-income immigrants (Gu, 2020). In the following year's budget, vouchers were announced as a measure to boost local consumption. The government provided HKD 5,000 consumption vouchers to Hong Kong permanent residents and their dependants (Leung, Magramo and Heung, 2021). With this experience, the Hong Kong government announced a new consumption voucher of HKD 10,000 on 23 February 2022 (Government of Hong Kong Special Administrative Region, 2022). Eligibility was extended to non-permanent residents who may become permanent residents and foreign students (Chau, 2022; *The Standard*, 2022a). Evaluations suggest that vouchers seemed to have helped to boost the economy relatively effectively (Yau, 2021).

In summary, in the early stages of the pandemic programmes, universal cash payments were implemented in all five economies, although with notable differences. Japan's transfer size was significantly higher (and equated to 2.3 per cent of GDP), but it was limited to one payment episode. The other four economies offered multiple payments. Total cash payments in Hong Kong (China) equated to 6.2 per cent of GDP. Elsewhere costs were more contained, i.e., Korea, 1.29 per cent of GDP; Taiwan (China), 0.79 per cent of GDP; and Singapore, 0.74 per cent of GDP.

Political economy choices

At the onset of the pandemic, East Asian economies experienced an immediate socioeconomic shock. Hong Kong (China) recorded a -6.5 per cent economic growth rate in 2020 with increasing unemployment, while Singapore and Japan experienced a -4 per cent growth rate (IMF, 2021). In Taiwan (China) and Korea, economic growth losses were less dramatic, although shocks on income and employment were significant (Choi, Kühner and Shi, 2022). In this context, political economy factors played an important role in shaping the introduction and the evolving design of universal cash transfers.

In countries such as Japan, political competition and public support played an important role in adopting universal cash pay-out policies. The coalition government and public opinion toward the late Prime Minister Abe seemed to significantly affect the decision about whether to provide a universal programme or a targeted programme. Japan, like Taiwan (China), had implemented a universal cash pay-out programme to help manage the 2007-08 global financial crisis; but the programme was criticized by some experts since the recipients saved a large percentage of the subsidy rather than consuming it (*Kyodo News*, 2020). Japan's experience led to initiate a targeted cash transfer programme during the COVID-19 pandemic. Although some Liberal Democratic Party (LDP) politicians advocated for a universal programme as well, the coalition government's junior partner, the Komeito Party, has been one of the most vocal advocates. Pressure mounted on the incumbent government to adopt a universal approach (Kihara, 2020). As a result, the government embraced the Komeito Party's stance.

Public support also mattered. In Japan, the government faced a number of challenges in the early stages of the pandemic, including slightly dwindling public approval rates (*The Asahi Shimbun*, 2020). As such, the choice to opt for a universal programme may have not been entirely disconnected from enhancing the government's political outlook.

In Korea and Taiwan (China), the two-party political system generated debates around policy design, i.e., universal versus targeted, voucher versus cash, and contributory versus free transfers. Competing ideas and approaches were on display in the political realm as well as in the bureaucratic apparatus.

In Korea, there was intense political debate over targeted versus universal programmes between government officials and the ruling party. The Ministry of Strategy and Finance (MSF), a highly influential actor in the Korean policy-making process, insisted on a targeted policy throughout the COVID-19 period due to fiscal soundness and sustainability. The conservative opposition party (People Power Party) also generally agreed on the selective pay-out design. However, the ruling party (Democratic Party of Korea) strongly argued that disaster relief payments should be paid to all citizens. Under these circumstances, the ruling party won the parliamentary election on 15 April 2020. Public support toward universal payment was also high, weighing in on the ruling party's proposal; support for the universal design was reported to be 54 per cent between 10–14 April. In this context, the MSF and opposing political parties found it difficult to argue for a targeted programme and, as a result of political agreement, the first payment was extended to all citizens.

During the process of deciding the design of the second universal payment in Korea, a similar debate over universal versus targeted policy design ensued. The MSF and the conservative People Power Party still insisted on a selective payment. This time, however, opinions within the ruling party were also divided between providing a selective or universal payment. During this period, the ruling party was in the process of selecting the next presidential candidate. Against the insistence of the strong presidential candidate, Lee Jae-myung, for universal payments, other candidates argued for selective payments to be made to those who were more vulnerable to COVID-19 infection. Finally, in July 2021, it was agreed that the second payment be paid to the bottom 88 per cent of the income bracket.

In Taiwan (China), the debate was more focused on whether to provide a pay-out as a voucher or cash – and whether to provide it for free. Although the topic of debate was different from Korea, political competition played an important role in deciding policy design. During discussions concerning the first voucher in 2020, President Tsai, who supported the voucher, clashed with the opposition party, the Kuomintang, who supported cash (Hsiao, 2020). Eventually, the Tsai administration and ruling party (Democratic Progressive Party – DPP) implemented a voucher (with partial purchase required).

For the second Taiwanese voucher, the Cabinet insisted that the quintuple stimulus voucher be exchanged for NTD 1,000, only waiving the fee for the vulnerable. In contrast, the DPP called for free vouchers for all citizens. A tentative agreement was reached between the DPP and the Premier on 12 August 2021 to extend the payment waiver to 9 million recipients of the COVID-19 relief programme (Chien and Chung, 2021). Eventually, the quintuple stimulus voucher would be distributed free of charge to everyone on 16 August 2021 (Liao, 2021). Such experience revealed that political competition played an important role in deciding how to implement the universal cash pay-out programmes.

As we now discuss, in other institutional contexts, the mechanism of adopting a universal cash pay-out programme was different, highlighting a diverse set of political legitimization processes (Lee and Qian, 2017).

Singapore's institutional and political configuration implied that, throughout the process of implementing a one-off cash pay-out scheme during COVID-19, there were limited political conflicts or veto points. On 10 July 2020, near the end of the first round of cash pay-out, an early general election was held. The People's Action Party won 83 out of 93 seats, attracting 61.24 per cent of the votes cast (Lee and Keong, 2020, Loh, 2020). After the election, the Singapore government implemented another voucher pay-out scheme in 2021, although on a much smaller scale.

Hong Kong (China) was passing through an even more fluctuating political period. During the COVID-19 pandemic, universal pay-out programmes were implemented on a much grander scale than in other economies. As such, there may have been fewer veto points in Congress, and it was easier for the Government to push through policy ideas (Griffiths, Cheung and Mok, 2019; Regan, 2020; Marsh, 2022; BBC, 2020). When the Government decided to provide a HKD 5,000 e-voucher in the 2021–2022 budget year, there were calls for a HKD 10,000 cash handout (Chau, 2021). However, after the resignation of the pro-democracy lawmakers supporting the HKD 10,000 e-voucher, the budget passed without effective opposition in the legislature, and the Government retained the original policy (Cheng, 2021). In addition, after the delivery of the 2022–2023 budget speech, which included an announcement to give HKD 10,000 in vouchers to eligible Hong Kong permanent residents and new arrivals aged 18+, some critics pointed out that the Government should provide an adequate amount of cash (Lee, 2022). According to polls, 72 per cent of respondents answered that the financial support was "inadequate," and about 70–80 per cent of respondents answered it "should be distributed in cash"

(HKFP Fast News, 2022). Officials maintained that providing e-vouchers was the best option because it could reach people faster, as shown by the previous year's experience (*The Standard*, 2022b). These decisions showed that the Government's original policy had hardly changed in a situation where there were fewer political challenges.

Another reason for implementing multiple universal cash programmes can be related to political legitimacy. It is plausible that the Government may have intended to stabilize economic and political turmoil through a visible act of support (Cheung, 2019). Furthermore, Hong Kong's universal cash transfers were influenced by past experiences in 2011 and 2018. In those previous instances, transfers were targeted to residents who did not own property and did not receive support from other social protection programmes (Cheong, 2018). However, both programmes were criticized for only benefiting certain population groups and for their ineffectiveness in dealing with inflation, leading the Government to change plans and provide a one-off cash pay-out to all adult permanent residents (Kwong, 2013). The payment implemented in 2018 was also criticized by many lawmakers due to its complexity and time requirements. Politicians argued that, in future, it should be provided to all adult residents (Cheung, 2019). These past experiences may have formed the backdrop for a universalist approach to the provision of COVID-19 lump-sum payments.

The role of financial space was also key. For example, Hong Kong (China) had strong fiscal capacity due to its significant national reserves and low government gross debt, usually under 1 per cent (IMF, 2022). Singapore had national reserves, defined as "excess of assets over liabilities of the Government, statutory board or Government company" (Singapore Statutes Online, 2022). Some pointed out that with such accumulated reserves, Singapore could have implemented several rounds of payments without affecting the national debt significantly (Chow and Ho, 2021; Woo, 2021; Ho, 2020).

Concluding remarks

This article has sketched out experiences with universal cash transfers in five high-income East Asian economies. It has shown that the concept of universality offers a degree of diversity in coverage, duration, adequacy of transfers, and even on the types of transfer modalities. A key point emerging from the brief analysis is that those parameters are not only defined in technocratic terms but are negotiated politically. In explaining the compilation of East Asian practices, the article highlights the key role played by political considerations. In Japan, Korea, and Taiwan (China), political competition played a pivotal role in driving the choice for universality. In very different political regimes such as Singapore and

Hong Kong (China), the primary motivation seemed to be one of securing political legitimacy.

Korea stands apart as the one economy where the introduction and execution of universal cash transfers have been closely intertwined with discussions about "classic" UBI schemes. At the beginning of the pandemic, on 29 February 2020, an entrepreneur, Jaewoong Lee, initiated a proposal for the introduction of a "Disaster Basic Income". The programme aimed to provide KWN 500,000 to all citizens and was introduced through a petition at the presidential office. Subsequently, a pivotal debate emerged regarding whether disaster relief allowances should be provided universally or selectively, essentially extending the ongoing UBI debate. The influence of this discourse led to UBI becoming an election pledge in the 2022 presidential election. Such experience may suggest that crises can intertwine with longer-term universal provisions. Better exploring how time-bound "helicopter money" can inform conversations on more permanent UBI programmes might be an important area for future research.

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Flirting with a basic income in Canada: Were the lessons worth the risk of popular backlash?

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Abstract Canada responded to the COVID-19 pandemic with a series of supports, including direct payments to workers displaced by public health measures. While not a true basic income, the experience highlighted a number of issues including challenges with implementation and intergovernmental relations that affected public opinion and must be dealt with by basic income advocates. The operation of the Canadian social-liberal welfare state informed pandemic policy making and exhibited the path dependence of a deserving/undeserving binary that resulted in conditionality. The income supports associated with the pandemic represent a pragmatic response to an exogenous shock that highlights the inadequacies of existing policy and offers the possibility of change.

Keywords social policy, cash benefit, benefit administration, COVID-19, Canada

Introduction

Like most States, Canada was ill prepared for the economic shock of the global COVID-19 pandemic. Nevertheless, the situation spurred innovation and the federal government quickly developed a suite of pandemic-related income support programmes alongside the application and delivery systems necessary to

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implement them. This proliferation of new programmes provided evidence of the inadequacy of existing Canadian income support programmes and a possible policy window for adoption of a basic income.

However, implementation difficulties, principally related to perverse interactions of the pandemic programmes with pre-existing programmes, institutional factors and public perceptions proved challenging. The public response focused on high costs, work disincentives, and lack of deservedness of some recipients, sometimes in the face of countervailing evidence, and this response was used by critics to discredit basic income even though the pandemic supports had many characteristics that distinguished them from basic income. Pandemic income supports continued to distinguish between the deserving and undeserving poor, while monitoring and controlling the undeserving, showing the persistence of institutional factors that have long governed Canadian income support programmes.

This article begins by describing the suite of pandemic programmes and moves on to assess implementation problems. We then outline lessons for basic income advocates and state policy makers and discuss the challenges associated with public perceptions.

Pandemic income supports in Canada

As Canadians began to lose employment in response to the pandemic and public health orders designed to slow its spread, the federal government rolled out a series of newly created income support programmes and topped up several existing programmes.[1] At its core, this response included the following: the Canada Emergency Response Benefit (CERB), which replaced wage income lost by those ordered to stay at home because of the pandemic; the Canada Recovery Sickness Benefit (CRSB), which provided support for people unable to work because they had tested positive; the Canada Emergency Student Benefit (CESB), which provided support for students who did not qualify for the CERB; and the Canada Recovery and Caregiving Benefit (CRCB), which provided support for those unable to work because they were caring for children home from school or other dependants unable to access their usual supports. These benefits were taxable at the federal and provincial levels.

The CERB was introduced, in the first instance, as a flat payment of 2,000 Canadian dollars (CAD) per four-week period, for a maximum of 16 weeks, and required re-application every four weeks. The programme was extended, first, to 24 weeks, then to 28 weeks, and then transitioned to the Canada Recovery Benefit (CRB). The

1. A description of the Canadian government plan and expenditures can be found online at Overview of Canada’s COVID-19 Economic Response Plan.

CRB had a slightly more complicated design and allowed recipients to work and earn some income before losing the entire benefit. However, there were no work, job search or training conditions while receiving the benefit. In September 2020, as the CERB ended, the existing Employment Insurance (EI) programme was enhanced to increase the number of weeks of benefits and the minimum benefit beneficiaries might receive, while the number of weeks required to qualify for support was reduced.

Canadians benefiting from many existing programmes, including the Canada Child Benefit (CCB), the Old Age Security Pension (OAS), the Guaranteed Income Supplement (GIS) for low-income seniors, the Disability Benefit and the GST/HST[2] rebate aimed at low-income families, received small supplements. These top-ups were not taxable.

Some, but not all, provinces and territories also introduced various benefits and top-ups, some of which were taxable and some of which were not. Existing means-tested provincial supports treated income received through the new federal benefits in a variety of ways. Some fully exempted these payments, some reduced provincial benefits on a dollar-for-dollar basis, and others partially exempted federal payments.

The federal government also offered a variety of supports to Canadian employers, including the Canada Emergency Wage Subsidy (CEWS), which subsidized eligible employers with CAD 847 per week per employee to keep Canadians attached to their existing jobs, even if they were not working.

The CERB and CRB shared some characteristics of a basic income, but also differed in some important ways. These programmes were neither unconditional nor universal. The intention of the programme was to encourage Canadians to stay at home, particularly if they were unwell. These programmes were aimed at Canadians who had been employed and a pre-condition for support was receipt of at least CAD 5,000 of earned income in the previous year, which disqualified many Canadians. The focus on the previous year is the result of Canada's income tax system, which collects data on earnings on an annual basis. Recipients of the CERB were also required to have been out of work because of COVID-19. Those who left employment voluntarily, or for any other reason, did not qualify. Those whose earnings fell because of the pandemic, but who were still employed, also did not qualify. People with disabilities who were unable to work, seniors, and people out of the workforce for a variety of reasons did not qualify. However, the benefit received from the CERB was not dependent on the amount earned; it was a flat payment available to anyone who qualified and was not working. By contrast, the CRB did allow recipients to receive full benefits if they had no earnings, and half the benefit if they had weekly earnings up to CAD 1,000; no benefit was payable to applicants with weekly earnings greater than CAD 1,000.

2. This commonly used acronym refers to the goods and services tax/harmonized sales tax.

Table 1 describes eligibility for, and the cash value and duration as well as the total cost of benefits provided by Canada's major federal pandemic income support programmes.

Implementation challenges

The federal government recognized very quickly that pre-pandemic programmes and, more importantly, pre-pandemic systems and portals for accessing these programmes, could not handle the massive response they expected from workers displaced by public health orders. As a consequence, pandemic income supports

Table 1. *Canada's major pandemic income support programmes*

Programme	Eligibility	Benefit amount	Eligibility period	Total cost (CAD billion)
Canada Emergency Response Benefit (CERB)	Residents (with a Social Insurance Number [SIN]) who lost or had reduced employment due to COVID-19 and had at least CAD 5,000 employment income in the past year	CAD 500 per week	March–October 2020	74.8
Canada Recovery Benefit (CRB)	Residents (with a SIN) who had lost or had reduced employment due to COVID-19 and had at least CAD 5,000 employment income in the past year	Up to CAD 500 per week (CAD 300 per week after 42 weeks or July 18, 2021)	October 2020–October 2021	25.6
Canada Recovery Caregiving Benefit (CRCB)	Residents (with a SIN) who could not work because they had to care for a child or family member who was sick, self-isolating or whose school or facility was closed, and had at least CAD 5,000 income in the past year	CAD 500 per week	September 2020–May 2022	3.82
Canada Emergency Student Benefit (CESB)	Citizens and permanent residents of Canada who were students or recent graduates, could not find work, and were not eligible for CERB or Employment Insurance	CAD 1,250 per four weeks (CAD 2,000 per four weeks for those with children or a disability)	May–August 2020	2.94
Canada Recovery Sickness Benefit (CRSB)	Residents (with a Social Insurance Number) who could not work because they were sick, self-isolating or immuno-compromised, and had at least CAD 5,000 income in any of the past 3 years	CAD 500 per week (maximum 6 weeks)	September 2020–May 2022	1.22

Source: Campaign 2000 (2022).

and access systems were designed and implemented in a matter of weeks. Workers who had lost their jobs could apply directly for the CERB through a short on-line form that required no immediate documentation to demonstrate eligibility. This allowed administrators to deliver payments within ten days and defer eligibility checks. Those who received payments for which they were not eligible would be required to pay back the money they had received after their eligibility had been verified but would not be charged interest or a penalty.

The Office of the Auditor General of Canada (OAG) subsequently found that CAD 4.6 billion of overpayments had been made to ineligible individual recipients of benefits (OAG, 2022). This constituted 4.5 per cent of actual or planned spending for new emergency and recovery benefits for individual claimants. In addition, the OAG estimated that at least CAD 27.4 billion of payments to individual claimants and employers should be investigated further. This constituted 26.8 per cent of actual or planned spending. The CERB paid CAD 2,000 for each four-week period up to a maximum of 16 weeks (initially) for applicants who had earned at least CAD 5,000 in the previous year. The applicant was required to reapply every four weeks. The maximum payment under the CERB was CAD 8,000. (The programme was later extended to 24 weeks, then to 28 weeks, and then transitioned to the Canada Recovery Benefit.) The CERB was a taxable benefit, but income tax was not deducted at source. Any tax owing would depend on annual taxable income, which would only be calculated when tax returns were filed. Deferred income tax caused considerable hardship, particularly among those with the lowest incomes who earned enough to be liable to pay income tax but were least likely to have money set aside for such a contingency.

The CERB had a relatively simple design and eligibility was straightforward: either you had earned CAD 5,000 in the previous year or you had not, and you were either unemployed due to the pandemic or you were not. The payment did not depend on the absolute level of prior earnings or other income, nor were current earnings relevant since an applicant was eligible (at the outset) only if they were not working. Applicants should have been able to determine whether or not they were eligible. Whether applying for the benefit made sense for an applicant was a different matter. Neither the various levels of government nor the applicants themselves seemed to have foreseen the difficulties caused by interaction with other social programmes.

The core programmes that address poverty among working-age Canadians are means-tested provincial income assistance programmes, and some CERB applicants were also recipients of provincial income assistance. Each province made its own decision about whether and how to treat CERB payments when calculating need. Half the country did not exempt CERB benefits when calculating need, so income assistance recipients in Saskatchewan, Prince Edward Island, Newfoundland, Nova Scotia and New Brunswick saw their income assistance payments disappear when they received CERB. In Alberta, Manitoba, Ontario and Quebec, CERB payments were partially exempted. In British Columbia, Yukon and the Northwest Territories, CERB income was exempt (Tweddle and Stapleton, 2020; Petit and Tedds, 2020).

Many seniors were eligible for CERB support so long as they had earned CAD 5,000 from employment in the previous year, had been working when the pandemic closures commenced, and were involuntarily unemployed due to the pandemic. Some of those seniors, even though they were working, were also eligible for the means-tested Guaranteed Income Supplement (GIS) which did not exempt CERB payments. The GIS is calculated based on income from the previous year, so this caused considerable hardship when income taxes were filed, because the CERB payment might result in a GIS disqualification for the subsequent year, even though the CERB itself was no longer being received. The hardship caused to low-income seniors led the federal government to rectify the system through an automatic one-time payment to those affected, but this adjustment did not occur until two years later.[3] Recipients who found the CERB reduced their eligibility for the Canada Child Benefit were not so lucky. Overall, the interaction of various programmes was very badly managed and created difficulty for some of the most vulnerable.

The most audacious aspect of the pandemic income supports was the broad use of "trust but verify" to determine initial eligibility. When CERB was introduced, Canada already had a few smaller programmes that operated by trusting applicants and paying the benefit on the basis of information provided by the applicant (subject to later verification) but this was the first large-scale experiment with the method (Robson, 2020). In this particular case, the simplicity of the design meant that applicants should have known whether or not they were eligible. Payments did not depend on total income, other income or current earnings, so either they did or did not qualify. Moreover, it was clear in public messaging that CERB payments would be treated as taxable income. The government, however, had a greater challenge trying to verify eligibility in the context of data that is only collected annually by Canadian tax and transfer systems (Robson, 2020). If the design of the payment were to vary with either earnings or annual income, or both, this challenge would be exacerbated. These lessons from pandemic supports will influence calls for a basic income going forward.

The legacy

In 2020, Canada spent 12.3 per cent of its GDP on pandemic income supports – lower than Japan and the United States, but higher than France, Germany, Italy

3. See new release on legislation to support low-income seniors.

and the United Kingdom. Of the CAD 270 billion actual or planned spending, CAD 102.3 billion went directly to individual claimants through new emergency and recovery benefits and top-ups to existing programmes, CAD 105.2 billion went to workers through the Canadian Emergency Wage Subsidy programme, CAD 33.2 billion to workers through the recovery benefits and the enhanced Employment Insurance programme, and CAD 29.2 billion went to Canadian business enterprises (Scott and Hennessy, 2023; Statistics Canada, 2022a).

Among Canadians aged 15+, 68.4 per cent received support from at least one pandemic support programme (Statistics Canada, 2022a). In 2020, 6.4 per cent of Canadians lived in poverty, compared with 10.3 per cent in 2019. Pandemic spending was remarkably successful at addressing poverty (Statistics Canada, 2023a).

To put this in perspective, Canada's official poverty line, the Market Basket Measure (MBM), is priced in more than 53 geographical locations throughout Canada to reflect variations in prices (Statistic Canada, 2021). In 2020, the threshold for a single person household in Toronto, Canada's largest city was CAD 24,864 annually or CAD 478.15 weekly (Statistics Canada, 2022b). Therefore, the CERB benefit, was more than sufficient to move a single-person Toronto household out of poverty. This is the highest threshold in Canada, so that the poverty reduction effect of CERB would have been even larger in other jurisdictions. However, this is an imperfect comparison because the MBM basket does not include some important costs, which are instead subtracted from income in calculating the poverty rate.[4]

There were also lessons learned about how to design and deliver a basic income-type programme consistent with Canadian values in the context of the Canadian tax and transfer system. Nevertheless, these gains came at a cost and, as the economy recovered to something resembling a normal state, public debate began to focus on the perceived negative consequences of pandemic supports.

This suite of programmes allowed 68.4 per cent of Canadians to avoid the devastation that public health orders would otherwise have imposed. However, because these programmes were funded through deficit finance, one consequence was a temporary but substantial increase in the federal deficit and debt load. As supply chain issues and the war in Ukraine exacerbated inflation, many critics blamed both the CERB and federal government spending more broadly for price increases. Given that the benefit reached so many people, the private-sector savings rate increased dramatically throughout the pandemic and supported increased

4. These include out-of-pocket expenses on child care and medically-prescribed non-insured health goods and services, personal income taxes, the personal portion of all payroll taxes such as the Canada/Quebec Pension Plan, Employment Insurance contributions, alimony and child support payments made to another household, all mandatory payroll deductions for employer-sponsored pension plans, trade union dues, and employer-sponsored supplementary health plans (Hatfield, 2002).

demand for goods and services as public health measures receded.[5] This caused some to argue that the CERB was responsible for inflation in Canada and any kind of basic income programme would simply fuel inflation (Hughes, 2022; Peace-Cariboo-Skeena, 2021; Chand, 2022). Slightly more sophisticated critics blamed federal government spending generally, although it was clear enough to readers that the target was the pandemic spending programmes and, especially, those such as the CERB that paid benefits directly to workers (Mintz, 2022; Goldstein, 2021).

There were, however, important criticisms to be made about the targeting of these benefits. They were not equally, or some might argue equitably, distributed but were intended to provide support to everyone who was out of work due to public health orders. The programmes were intended to encourage people to stay home. One consequence of this decision is that young people, who were disproportionately employed in retail trade and food service industries, received a large proportion of the benefits. In 2020, 88.1 per cent of those aged 20–24 received support through pandemic programmes, and the Fraser Institute reported that "Ottawa could transfer up to CAD 11.8 billion to young people (aged 15–24) who are dependants in households with at least CAD 100,000 in total income. In nearly every case, these almost one million young Canadians will earn more under CERB than they did in monthly income in 2019" (Hill and Fuss, 2021). Similarly, 600,000 spouses living in households with CAD 100,000 in total income were eligible for CERB at a total cost of CAD 7 billion.

This distribution is entirely consistent with programme design: household income, just as with other income or wealth, has no bearing on eligibility. However, there was then and continues to be a strong belief among many people in Canada that poverty is best defined at the family rather than the individual level, and that income supports should be narrowly targeted to those who can demonstrate need. For example, all three measures of poverty collected by the Canadian statistical agency are based on various definitions of the family or household rather than the individual, as are those presented by think tanks and civil society organizations (Raphael, 2020). Moreover, an online survey conducted in May and June of 2018 found that 52 per cent of respondents favoured more public support for groups likely to be in need, defined as the poor, the disadvantaged and those in economic trouble (Angus Reid Institute, 2018). The belief that low-income individuals who live in well-off families should not receive any government support has been firmly entrenched in Canada for decades (McQuaig, 1993). This deeply and broadly held value must be considered seriously by advocates for basic income in Canada.

5. See data on the Canada national saving rate.

There is also a widely held popular belief that labour shortages are the result of pandemic income support schemes. To a very large extent, this was the case when the CERB was introduced. Its purpose was to compensate people for time off work and, in some cases such as adolescent workers in the food industry, recipients were paid substantially more than they could expect to earn from part-time jobs. CERB was intended to encourage people to stay home to slow the spread of infection. That was one of the reasons for its simple design; instead of being designed as a guaranteed income, in which the benefit would be gradually reduced as earned income increased, recipients who did not earn anything received support, while those with any earned income received nothing. This sharp threshold discouraged low-waged, part-time workers from working at all as, indeed, it was designed to do. As the economy reopened, the CERB was replaced by the CRB which did allow recipients to earn some income without penalty to encourage work.

Nonetheless, some critics of pandemic support programmes attributed all labour shortages to pandemic supports, even after those supports were discontinued (Hinks, 2020; Kline and Rowe, 2022; Poshnjari, 2021; Hill and Fuss, 2021). Some explicitly generalized these claims to "basic income" and "guaranteed income". This claim is most likely to appear on Twitter or Facebook, in Op-eds or letters to the editor of newspapers. Most people thinking at all about the issue are unlikely to attribute labour shortages in 2023 to programmes that ended two years earlier (Raycraft, 2022; Seebruch, 2021; Uprichard, 2021). Nonetheless, this efflorescence of claims that "no one wants to work" demonstrates just how deeply the fear that a basic income will discourage work is rooted in public discourse.

These challenges to basic income-type programmes are substantial, but the pandemic also created an opportunity to recognize the limitations of Canada's tax-transfer machinery. The CERB and its replacement, the CRB, were introduced because officials believed, with good evidence, that the portals used by the Employment Insurance System would be overwhelmed by applicants displaced from work by public health measures. Moreover, officials adopted the trust-but-verify system because they simply did not have the capacity or data systems to check eligibility in a timely way (Robson, 2020). These limitations would be exacerbated were the design of the benefit more complex. If it depended on current earnings, as a guaranteed income scheme would, it would be essential to have timely reports from employers about individual earnings (De Wispelaere and Stirton, 2011). Such schemes are not unknown elsewhere; the United Kingdom reports such data far more frequently than the annual reporting common in Canada (Robson, 2020). Moreover, the CERB was paid out with no income tax withheld, largely because the amount of tax payable would depend on annual taxable income. One way to do that, in Canada, is to pay the full benefit and settle up when annual taxes are filed. This, of course, causes difficulty for those who do not set aside enough out of gross income to pay future taxes. The CRB was delivered with 10 per cent withheld, with adjustments to be made when annual taxes were filed, which was slightly better. But neither is a fully satisfactory answer to the challenge of paying a taxable benefit when employment data is collected, and taxes filed, annually. These are real challenges that Canadian basic income advocates must address.

Lessons learned

The complexity of intergovernmental relations in a federal state such as Canada should not be underestimated. Most provinces clawed back part or all of CERB benefits from social assistance recipients and sometimes from housing subsidies, while the federal government ineffectively expressed its opposition to these claw backs (Tweedle and Stapleton, 2020). This confirms for basic income advocates the importance of focusing both on the federal and provincial governments and the need for functional federal-provincial agreements.

The prevalence of sometimes perverse programme interactions, some of which were not anticipated by policy makers or those responsible for policy implementation, caused significant problems for recipients (Stapleton, Frankel and Serangi, 2022). The silver lining is that political decision makers and bureaucratic officials may be more open to basic income as a strategy for rationalization and simplification. This was one of the central rationales for the Finnish experiment (Lefebvre, 2019; Kangas et al., 2021).

Perhaps the most sobering lesson for basic income advocates relates to the stable path dependence of institutional arrangements and practices based on the distinction between deserving and undeserving recipients of aid from the State, which is at the base of conditionality in income support programmes (Crouch, 2005; Segal, 2012). This distinction is prominent in the media (Redden, 2011), public discourse (Watkins-Hayes and Kovalsky, 2016) and public opinion (Harell, Soroka and Ladner, 2014). This is deeply ingrained in Canada's status as a social-liberal welfare state in which most social programmes are selective, residual and conditional with the family and market constituting the prime institutions through which needs are met (Olsen, 2002). The Elizabethan Poor Law distinction between the deserving (aged, disabled, children, the sick) and undeserving (able-bodied adults expected to maintain labour market attachment) remains active and primary and is largely responsible for the continuing public concern related to work incentives (Manitoba Ombudsman, 2010; Finkel, 2019). This was the pattern maintained as Canadian governments shaped pandemic benefits (Aquanno and Bryant, 2021).

The CAD 5,000 earned income condition of the CERB eliminated some able-bodied unemployed Canadians from eligibility, and those who combined social assistance with work had CERB payments partially or fully clawed back in most provinces and territories as described above. The distinction between the deserving and undeserving was clearly operative. However, in this case, deservingness was constructed as having an attachment to the labour market, with all others considered undeserving by default. In announcing pandemic income and business support programmes, Prime Minister Trudeau (2020) said: “Our message to Canadians is clear: to every worker and business, in every province and territory, we have your back and we will get through this together”.

Ferdosi et al. (2021) pointed out that this created a two-tier income support system, with those attached to the labour market receiving higher benefits from the federal government and those who were jobless, for whatever reason, remaining on far less generous provincial and territorial social assistance programmes. In the latter case, no allowance was made for increased pandemic related costs.

This means that basic income advocates are not only proposing a new model of income security, but a challenge to the deserving/undeserving dichotomy, which has been a central distinction in public opinion and policy making for hundreds of years. So, how can this stable and enduring path be disrupted? Historical institutionalist theorists, who have developed the path dependency concept, have described several routes to path disruption and replacement. One route to path disruption is a critical juncture. Path dependency is maintained by the receipt of positive feedback that indicates that the institutional policy is functioning optimally or, at least, adequately. Critical junctures, or what Capoccia (2016. p. 89) refers to as temporary “crisis” or “turning points”, are implicated in establishing new institutions and, possibly, changing paths where path dependency already exists. Despite its name, a critical juncture is “not defined by the scale or the dramatics of a particular development, but rather by its capacity to trigger a process of negative feedback” (Elson, 2011, p. 11). Negative feedback may undermine the policy field and result in a path change (Weaver, 2010; Fernandez and Jaime-Castillo, 2013; Pierson and Skocpol, 2002).

The pandemic economic crisis clearly constituted a significant exogenous shock that could have constituted a critical juncture. Canada’s federal government realized that the Employment Insurance programme and its registration system were inadequate. However, policy makers responded with a temporary solution that reinforced path dependence thereby diffusing the critical juncture. Perhaps a sustained long-term attack on public opinion related to the deserving/undeserving dichotomy is required to soften the environment in order to convert future shocks to critical junctures. This could be based on a moral reframing strategy (Thomas et al., 2023; Feinberg and Willer, 2019).

Another route that has been identified is displacement (Streeck and Thelen, 2005; Mahoney and Thelen, 2010). Displacement can occur gradually when new policies based on different rules are introduced and compete with, rather than supplement, the rules involved in older policies. For example, the "Alternative Federal Budget 2023" prepared by the Canadian Centre for Policy Alternatives (2022) recommended that the employment-conditioned Canada Worker Benefit be replaced by an unconditional partial basic income for low-income working-age Canadians regardless of their source of income. This challenges the logic that the undeserving must be "incentivized" by means of a system based on surveillance and penalty.

Yet another route, layering, occurs when new rules are attached to existing ones, changing the way existing rules function. For example, the requirement to address client needs as identified by the client, through training, child care, or addictions treatment, might be layered onto an existing employment search condition, in such a way that meeting needs rather than punishing those who refuse to work is the primary outcome. Another possibility involves conversion, when the existing policy remains in place, but is interpreted in new ways. This might involve an ongoing series of legal challenges to conditions in various programmes based on the differential treatment of the deserving and undeserving, with the intention of gradually changing the administrative interpretation of these rules through judicial review.

This suggests that institutional path dependency should be a central strategic focus of basic income advocates. Disrupting the deserving/undeserving dichotomy might include attention to the emergence of critical junctures, and action to amplify negative feedback related to social assistance programmes, while arguing for basic income as a pragmatic and available alternative. For example, an incremental approach, using tactics of displacement, layering and conversion, might be a worthwhile strategy (Frankel and Mulvale, 2014).

Were pandemic income supports a step towards basic income or a distraction?

Pandemic income supports in Canada were not basic incomes; they were neither universal nor unconditional. However, they do offer lessons for basic income advocates.

Challenges to basic income-type programmes may fade as inflation is retrenched and the economy continues to recover, but this brief experimentation with pandemic supports reinforced what basic income advocates have always known: the real challenge to a basic income is ensuring public support among populations who believe, with or without evidence, that these programmes are immensely expensive, ineffective because they simply translate into higher prices leaving no one better off, and they discourage work (Laenen, 2023). A July 2016 online poll of a probability sample of 1,516 Canadians (Angus Reid Institute, 2016) found that 59 per cent agreed that a basic income is too expensive. A similar June 2020 poll of 1,510 Canadians (Angus Reid Institute, 2020) found that that a majority of Canadians (54 per cent) maintained this view in the midst of the pandemic. The 2016 poll found that 63 per cent of Canadians agreed that a basic income would discourage work. By 2020, this figure had dropped to 55 per cent.

Any basic income proposed in Canada must take seriously the fears and values that have been revealed. Canadians fear that the upfront costs of a basic income scheme are "unaffordable" and would require government borrowing that will fuel inflation. The upfront costs of guaranteed income schemes are lower, but do such schemes represent a form of basic income as many Canadians would argue? Whatever is presented, a detailed consideration of short- and long-term costs is an essential consideration. Canadians also worry that a basic income will discourage work, and they hold to this even though all the good-quality evidence presented suggests that well-designed basic income schemes would not discourage work. Is a guaranteed income that is explicitly designed to encourage work an easier sell?

Most importantly, most Canadians believe that income supports, including basic income and guaranteed income schemes, should be targeted to individuals living in families that are living below the poverty line. Low-income adolescent children and spouses, they believe, should not be entitled to support if they live in families with adequate means. One possibility is to calculate the guaranteed income on the basis of family, rather than individual, income (cf. Bidadanure, 2019). However, this will force basic income advocates to consider seriously concerns raised by feminist and queer communities that home is not a safe place for everyone, and that everyone deserves a basic income that gives them the power to make changes in their lives if they decide to do so. Would such schemes count as basic income? If not, are Canadians ready to accept a form of basic income solely based on individual resources?

These are serious challenges for basic income advocates, and it would be easy to conclude that the pandemic experimentation with income supports was, in fact, a setback because the government struggled to deliver pandemic benefits in ways that were perceived to be "just". Unsurprisingly, the benefits delivered in the midst of the pandemic were expensive and employment declined dramatically, both because of the pandemic itself and because the programmes were designed to allow and, indeed, encourage people not to work. For many Canadians, these outcomes provided evidence that basic income is too expensive and discourages work, even though pandemic supports were not true basic incomes. Nevertheless, this episode gave the Canadian government, the civil service and policy communities the opportunity to look carefully at the tax-transfer machinery that would be central to basic income delivery. It is essential that Canada increases the frequency of data collection from employers and moves from the current annual schedule; some small programmes in Canada already experiment with these measures. Similarly, more effort must be made to ensure that income tax forms for low-income Canadians can be automatically completed (Robson and Schwartz, 2020). Both characteristics are common outside Canada and should be adopted. And, as is always concluded when writing about policy in Canada, success will depend on a functional partnership between the provinces and the federal government.

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Seeding policy: Viral cash and the diverse trajectories of basic income in the United States

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Abstract During the COVID-19 pandemic, cities in the United States of America developed more that 100 basic income pilots. This article examines the heretofore hidden impact of the pandemic on the future extension of basic income programmes at the sub-national level. While the super-majoritarian requirements of United States federal policy making keep the possibility of national-level basic income remote, several features of basic income, including unconditional cash transfers and broad programme eligibility, have emerged as viable tools in state and local policy. Drawing on an inventory of basic income pilots and interviews with policy entrepreneurs, this article defines and then examines the phenomenon of "viral cash" and assesses the probability that the wave of basic income pilots will continue to grow after the pandemic. Conventional approaches to evaluating the diffusion of policies across jurisdictions focus squarely on policy. Appraising viral cash's future requires a shift to following the advocacy networks who move, adapt and combine basic income with other programmes.

Keywords social policy, cash benefit, benefit administration, COVID-19, United States of America

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Introduction

When the World Health Organization (WHO) declared the COVID-19 pandemic over in 2023, across the United States of America (hereafter, the United States), cities, counties and not-for-profit organizations were running at least 145 basic income pilot programmes covering tens of thousands of citizens. Envisioned as speculative tests of basic income as both policy and politics, these prolific trials mark two surprising developments: i) the emergence of a country known for its limited welfare state and aggressive workfare programmes as a surprising innovator in unconditional cash transfers (Esping-Andersen, 1990; Hacker and Pierson, 2002; Peck, 2001) and ii) the transformation of basic income from a national to a local policy tool.

Understanding this transformation has significant implications for basic income's future diffusion. Whereas national political institutions must negotiate broad political compromises to enact basic income, local pilots and implementing coalitions differ from both national-level programmes and each other. Thus, rather than simply being miniaturized national proposals for permanent, periodic and no-strings-attached cash payments to individuals, the development of local programmes entails both planned and unplanned adaptations, concessions and changes of focus. As a result, the hundreds of basic income trials underway in the United States diverge from one another in multiple, significant ways. Institutionally, they differ in terms of governance and funding sources. Furthermore, dispersing scarce pilot funding forces pilot administrators to make high-impact decisions about the amount, frequency and duration of payments, and about the specific populations cash transfers target. In short, routing basic income through sub-national government and not-for-profit bodies has converted basic income advocacy into a range of highly diverse policy experiments.

As a result, assessing basic income's future in the United States after the COVID-19 pandemic requires a thorough autopsy of the ways the pandemic changed basic income policies. Where prior analysis of basic income trials has focused on national-level politics (De Wispelaere and Haagh, 2019; De Wispelaere, 2016), early returns from the United States' sub-national path indicate that the drive to secure universal basic income per se has given way to immediately obtainable proposals to make existing welfare schemes simpler, less restrictive, and – in the memorable phrase of one city administrator – "cash-ier." The continued expansion of basic income pilots after the pandemic indicates that the COVID-19 crisis changed basic income in the United States permanently, rather than temporarily. Understanding the mechanisms of this transformation constitutes a crucial step in evaluating the future prospects of basic income.

This article takes up that task by accounting for the phenomenon of "viral cash" in United States' basic income trials. Basic income trial programmes can be understood as "viral" in two crucial senses. First, the 2019 novel coronavirus overwhelmed policy makers' resistance to experimental programmes and led to the federal government authorizing hundreds of billions of US dollars of unrestricted aid to cities. Second, basic income and related cash transfers behaved like a virus, spreading through space and – crucially – mutating as one jurisdiction after the next copied these responses (Peck and Theodore, 2015). As a result of these mutations, basic income trials initially conceptualized as a form of emergency basic income have progressively taken on unpredictable lives of their own. Collectively, this positions United States basic income trials as resources for seeding new policy responses to problems that had plagued cities long before the arrival of the pandemic.

Drawing on i) long-term fieldwork conducted with urban community organizations, trade unions and economic policy entrepreneurs in the United States, ii) a database of United States basic income trials and iii) interviews with more than 50 basic income programme administrators, designers and supporters, this article shows that viral cash spread through the well-coordinated actions of a national network of basic income and social policy activists. Centring the role of this network in the surprising diffusion of basic income policy in the United States explains the transformation of time-limited emergency basic income into ongoing basic income trials and related social policy changes. Additionally, the political popularity and multiplication of local basic income trials highlights the comparative ease of building consensus to experiment with basic income in cities, regions and smaller polities operating with simpler politics than national governing bodies. Crucially, following the ongoing work of these networks provides a way to trace basic income's growing influence on prior anti-poverty policy and programmes.

The argument is traced chronologically, by tracing the pathways from a proposed national basic income to institutionally diverse local pilots. The next section details the unstable and uneven political landscape over which basic income trials are distributed. Next, the article focuses on the role of emergency basic income in legitimizing cash transfers and then details the proliferation of diverse basic income programmes, many federally funded, over the course of the pandemic. Recent basic income pilot programmes in Chicago (Illinois), Denver (Colorado) and Louisville (Kentucky) are then used to trace the ongoing impact of basic income trials on other kinds of policy and practice.

Urban political transformation makes the United States fertile ground for basic income

The United States' national-level political institutions and norms create significant barriers to universal basic income (Woodward-Burns, 2021; Spicer, 2018). The

United States Senate represents a particularly stout obstacle. First, the Senate's equal-representation measures give the sparsely populated and politically conservative states of North Dakota and South Dakota (combined population: 1.7 million) representation equal to California and New York (combined population: 58 million). Second, the Senate's super-majoritarian voting conventions require 60 per cent support to enact new policies.[1] Given the limited support for basic income found in simple-majority political systems with a more equitable representation of urbanized electorates, this constitutes a currently insurmountable barrier to enacting a national-scale basic income.

Additionally, support for an expansive welfare state in the United States is extremely limited in a comparative international context. Workers in the United States receive just two weeks paid vacation per year and have no national right to paid family leave. Other gaps in benefits coverage are both commonplace and uncontroversial. For example, an estimated 9 per cent of the population lacks health insurance – a condition so politically taken for granted that several state governors were able to veto federal funding to expand coverage without immediate political consequence (Fording and Patton, 2019; Tolbert, Drake and Damico, 2022). Thus, while public opinion polls show growing support for the United States to enact the basic welfare protections found in other wealthy countries, national welfare programmes remain limited.

However, both popular support and political will to enact local social protections are strong in larger cities, whose populaces and overwhelmingly Democratic Party-elected officials lean far to the left of their national counterparts. The current mayors of most large cities in the United States champion public housing, trade union membership, universal free child care, free school lunches, reduced-cost transit and a host of redistributive economic measures roughly in line with those favoured by their peers in Europe (Doussard and Schrock, 2022b). As economic inequalities and housing prices continue to mount in large cities in the United States, they provide increasingly fertile grounds for interventions such as basic income.

Two other features of the country's current urban politics suggest the possible viability of local basic income. As the rural skew and super-majoritarian rules of the United States Senate have made federal action on economic inequality prohibitively difficult (for example, the United States Congress has not raised the national minimum wage of 7.25 US dollars (USD) since 2007), trade unions, community organizations and allied activists and interest groups have built robust networks for passing sub-national policy (Doussard and Schrock, 2022a). These networks

1. The senate can vote to change these rules to a simple majority at any time. However, support for the 60-vote threshold has remained intact, even when the Senate was run by a 60-vote Democrat majority.

combine coalitions of neighbourhood, community and advocacy organizations with national-level organizations that develop, advocate and tailor policy for states and cities to enact. Since 2007, these networks have successfully raised the minimum wage to USD 15 or higher in many populous jurisdictions, including the cities of Chicago and Los Angeles, and the states of California and Florida.

Second, cities and states enjoy high levels of autonomy over economic policy. Cities can usually set their own taxes, labour standards, housing standards, social assistance programmes and other basic economic policy measures (Judd and Hinze, 2018).[2] At the beginning of the COVID-19 pandemic, they used this power selectively, mainly on policies (i.e., the minimum wage) that cost local government little (Doussard and Schrock, 2022a). Policies that redistributed resources face de facto financing constraints, i.e., raising city tax rates to fund transfers risks flight by enterprises and wealthier citizens paying tax bills.

Thus, prior to the COVID-19 pandemic, cities faced significant barriers to converting interest in basic income into policy. A number of legislators, such as Chicago City Council Member, Ameya Pewar, had begun to propose basic income trial programmes. Yet no significant "push" factor had materialized to overcome the problem of financing either basic income trials or policy.

Emergency basic income in ten days: The COVID-19 crisis legitimizes cash transfer programmes

The onset of the COVID-19 pandemic and mandated home confinements in early 2020 created an acute economic loss that overwhelmed the constraints to cities enacting cash transfers and other forms of economic redistribution (Razavi et al., 2020). As state and local governments ordered business enterprises to close and citizens to stay home unless absolutely necessary, the major sources of work and earned income disappeared for massive numbers of low-wage workers, particularly those employed in the country's large food service, hospitality and recreation sectors (Bartik et al., 2020). The United States' meagre welfare system, which attached conditions and time limits to most forms of aid, magnified the problem (Hacker and Pierson, 2002).

COVID-19-induced business closures so obviously overwhelmed existing social programmes that politicians of all ideological leanings voted for emergency benefits. On 27 March 2020, the United States Congress passed the Coronavirus Aid, Relief and Economic Security (CARES) Act, a USD 2.2 trillion economic stimulus measure that financed extensive cash transfers. Most substantively, the CARES Act provided a one-off payment of USD 1,200 per adult (and

2. However, a growing number of state legislatures have acted to limit cities' control over their own economy. See Kim and Warner (2018).

USD 500 per child) to the 88 per cent of United States' households with individual taxable annual income less than USD 98,000; USD 198,000 for couples.

These cash payments totalled about USD 300 billion. The CARES Act also authorized USD 340 billion in aid to state and local governments (Ways and Means Committee, 2020). That aid came with few restrictions and a mandate for government to spend quickly. Many local governments obliged by financing direct cash transfers. For example, Cook County, the 5.2 million-resident jurisdiction dominated by the city of Chicago, used a portion of its CARES Act funds to make USD 600 payments to more than 13,500 households (Yin, 2022). The City of St. Paul, Minnesota, went further, developing its own one-time cash-payment programme ("Bridge Funds for Families") while Congress negotiated the CARES Act, then using CARES Act Funds to launch a large basic income trial programme ("The Peoples' Prosperity Pilot") in September 2020 (Doussard, 2023).

The CARES Act thus created extensive lived experience of cash transfers – as well as providing positive economic results. The unemployment rate, which rose to 14.7 per cent in April 2020, began to decline as the first CARES Act payments were distributed. As one basic income pilot administrator later reflected, "we learned the government can fund cash transfers just fine when it wants to". Still, the short-term situation for workers left vulnerable by the pandemic was dire. Even with the spate of government programmes devoted to remedying the pandemic's economic effects, poverty rose (Ronaghi and Scorsone, 2023). However, as the pandemic's negative economic consequences came into fuller view, cities found that the pandemic relaxed some of the common constraints on the policy making process. Unexpectedly, the rapid embrace of online "Zoom meetings" was a boon to experimental programmes. As professional routines were quickly rerouted online and non-essential decisions and programmes fell by the wayside, advocates for cash transfers found they could quickly and easily schedule online meetings with officials whose previously packed schedules extended even the simplest timeline for approving a new policy.

Additionally, the urgency to act as unemployment and infection rates soared replaced the conventionally slow pace of policy making, with fast decisions taken in favour of big changes. For example, the low-income city of Chelsea, Massachusetts, faced a budget crisis in April 2020 when costs for a city-run foodbank serving workers who had lost their jobs due to the pandemic reached hundreds of thousands of US dollars per week (Montlake, 2021). Observing the time and labour lost to staffing food pick-up sites, with queues that literally stretched around the block, Chelsea's government decided that month to replace the foodbank with gift cards for a large supermarket chain – and then to replace the gift cards with unrestricted debit cards – a programme called Chelsea Eats. The documentary film, *Raising the Floor,* memorably captures the city council meetings in which the pandemic realities of exploding social programme costs and rising infection rates overwhelmed commonplace objections to unconditional cash transfers (Aviles, 2023). Initially, dissenters on Chelsea's city council fretted that Chelsea Eats was too big an experiment, that recipients might misuse the funds. Yet, when confronted with the city's soaring foodbank costs and the threat that long queues for food would drive community members back to jobs with high risk of infection, the critics relented.

This emergency cash transformed into viral cash thanks to the concerted efforts of national and local-level policy entrepreneurs. As the pandemic flared, these policy entrepreneurs extended their networks and cash programmes in ways that would help them outlast the pandemic. In June 2020, Michael Tubbs, former Mayor of Stockton, California, established Mayors for a Guaranteed Income, a national working group of mayors committed to propagating the policy. National-level think tanks and policy organizations, including the Economic Security Project, Community Change and Income Movement, followed by setting up coalitions to advocate for extending or making permanent many CARES Act transfers. This careful institutionalization of advocacy played out against the horrific backdrop of the murders of George Floyd, Brianna Taylor and several other black citizens by armed police. As the United States lurched towards a high-stakes presidential election, the idea that the COVID-19 pandemic had laid bare the country's increasingly intolerable social and economic inequalities was widespread, with public figures as improbable as a former United States Secretary of Defence arguing that uneven demographic exposure to the coronavirus could not be separated from systemic racism (Doussard and Schrock, 2022a).

Basic income arrives: The American Rescue Plan and disenchanted funders bankroll 100+ programmes

In December 2020, the first COVID-19 vaccinations inaugurated the pandemic's eventual decline. Viral cash received two boosters of its own. The Consolidated Appropriations Act of 2021, which was signed into law on 27 December 2020, authorized more than USD 900 billion in stimulus payments, including USD 166 billion for additional stimulus payments and USD 120 billion to extend unemployment benefits. In March 2021, newly elected President Biden signed his signature bill, the USD 1.9 trillion American Rescue Plan Act (ARPA). ARPA continued cash assistance in many forms, including the provision of USD 1,400 tax credits for most adults and combined extensions and enlargements of many refundable tax credits first authorized by the CARES Act and the Consolidated Appropriations Act (U.S. Senate Democrats, 2021; Rocco and Kass, 2022). The bill also relaxed standard means-testing criteria, opening eligibility for those tax credits to many adult dependants and disabled people habitually excluded from means-tested programmes.

These diverse and extensive direct cash transfers provided the background to ARPA's most significant contribution to basic income, the dedication of USD 350 billion in minimally restricted aid to cities (as well as an additional USD 195 billion to states and USD 32 billion to indigenous tribal nations). In the 12 months prior to this, pandemic conditions, sustained community organizing, and ad hoc institution building had helped cities to build the infrastructure and expertise to run and evaluate a dizzying array of cash-transfer programmes. Now, ARPA flushed hundreds of billions of US dollars through this infrastructure, triggering a wave of basic income programmes, which were literally too numerous, varied and place-specific to count.

The largest basic income trials draw on ARPA's generous funding to enrol large numbers of recipients, often for monthly payments that push programme budgets to millions of US dollars. These trials eschew the term "universal basic income", which accentuates the high-tension welfare-state politics local programmes seek to avoid. Instead, policy entrepreneurs for basic income advocated for "guaranteed" basic income, emphasizing the no-strings-attached benefits of pilots while acknowledging those same pilots' selective enrolment.[3] In distinction to universal basic income, guaranteed income programmes are means-tested, both as a matter of necessity given limited funding and often as a policy preference for activists rooted in prior social policy advocacy. Thus, the goals of guaranteed basic income trials differ from the goal of universal basic income. Yet, guaranteed income trials nevertheless influence the future direction of advocacy for universal basic income by developing policy, driving attention to the issue and distributing no-strings-attached cash to tens of thousands of households.

While selective, many guaranteed basic income pilots are large. For example, the Chicago Resilient Families pilot paid USD 500 per month to 5,000 participants for a year (a budget of USD 30 million plus administrative costs). The basic income trial in Cook County, which encompasses Chicago, enrolled 3,250 households for the same USD 500 payment over a 2-year period, a total disbursement cost of USD 39 million. Apart from similarly large ARPA-funded basic income trials in Los Angeles and (separately) Los Angeles County, other basic income demonstration projects have been typically smaller. In these projects, cities as geographically and economically varied as Long Beach (California), Baltimore (Maryland), Santa Fe (New Mexico) and Minneapolis (Minnesota) each enrolled 100–200 participants, typically paying about USD 500 per month. As publicly

3. Significantly, the designers of local pilots in the Netherlands also jettisoned the term "Universal Basic Income," referring instead to "trust experiments" and "experiments in low regulation". See Roosma (2022).

funded programmes, ARPA-funded pilots generally have broad eligibility criteria. For example, applications to Chicago Resilient Families were open to any household earning 250 per cent or less of the federally defined poverty level.

A majority of ARPA-funded basic income trials affiliate with Mayors for a Guaranteed Income, which has to date identified more than 100 planned, in-process or completed basic income trial programmes (Mayors for a Guaranteed Income, 2022). Affiliates of Mayors for a Guaranteed Income draw their funding from a range of sources, often including foundations and the non-ARPA portion of local government budgets. Several, including recently completed trials in New Orleans (Louisiana), Louisville (Kentucky) and Tacoma (Washington State), were funded in part by Mayors for a Guaranteed Income.

Basic income trials that minimize public funding or rely solely on private funding generally serve a more targeted population or test basic income as the solution to an enduring public policy problem. For example, in the city of Gainesville, Florida's Just Income provides basic income to formerly incarcerated people re-entering society. The programme responds to the general problems re-entering citizens face; however, programme directors emphasize a basic income's value for solving specific problems that plague recently released ex-felons, which may push them towards recidivism: lack of transportation, unstable housing and pre-existing consumer debt (O'Neill, 2023).

By early 2023, the numbers of public and, especially, private basic income pilots were growing too quickly to track. The expanding advocacy infrastructure for basic income programmes and policy provides a more reliable measure of the policy's expansion. Just as recent city-based organizing campaigns or urban economic policy, such as the Fight for $15 minimum wage campaign, were joined by a national infrastructure of organizing and policy development institutions (Doussard and Schrock, 2022a), national advocacy for basic income draws on a well-developed infrastructure of organizations that fund, administer, evaluate and advocate for basic income.

Scaling up after the pandemic: Follow the networks, not the policy

By the time the WHO declared the pandemic's official end in May 2023, the acute conditions behind cities' expansion of basic income programmes were fading. The crisis no longer compelled swift action on deep inequalities, and ARPA cash was running out or approaching its legal spend-by date. Moreover, the booming economy had driven unemployment to a 50-year low. In the meantime, the political calculus behind pandemic cash and emergency basic income had also changed. The Republican Party's successful capture of the United States House of Representatives in the 2022 election ended political support for ARPA-like cash programmes.

Strategies for expanding basic income by persuading larger, higher-scale and better-financed bodies of government to adopt the programme, constitute a dead end in the short term. Yet, they remain the most obvious goal for elected officials currently involved in municipal basic income pilots. The mayor of a major city with a basic income pilot described the strategy for expanding his city's ARPA-funded programme as one of "making the case" to higher scales of government to fund basic income. Simply expanding pilots with city financing, he noted, would not work – because cities levy flat (i.e., regressive) taxes, the tax revenue to finance a means-tested basic income would come from the people receiving a means-tested basic income. In light of this, federal policy is the primary path forward.

An ostensibly more modest approach to scaling up would entail consolidating the mix of county and municipal social support programmes operating in each city and county into a simplified, basic income. This approach mobilizes one of basic income supporters' strongest critiques of the status quo, in which the United States spends substantially on social support, but does so in an inefficient, patchwork way. Indeed, cities and counties enjoy so much discretion over some forms of social assistance that simply itemizing programmes currently on the books takes significant effort. The developer of a small, private basic income trial in a small Illinois city discovered this when examining potential benefits interactions for programme enrolees – even the mid-income, low-population county where the trial ran featured more than a dozen small and heavily means-tested social support programmes. Potentially, scale-up could be achieved by using the results of basic income trials as an incentive to combine, simplify and universalize these inadequate programmes (Standing, 2017). However, each of these programmes has its own administrative structure, funding source and invested parties, realities that led many administrators of United States' basic income trials to conclude that programme combination is too complicated and politically contested to be feasible.

The mismatch between local, heterogeneous basic income trials and the national-level political bargain needed to install a permanent basic income is far too wide for even the most favourable trial results to bridge. However, this does not indicate that basic income programmes lack popularity. Mayors and city council members describe the laws and votes needed to authorize their trial programmes as wholly uncontroversial. Basic income and other cash programmes have also managed to collect other supporters along the way. For example, not-for-profit organizations enlisted to recruit and enrol participants have added basic income to their organizational goals. In interviews, city employees administering basic income trials stop without prompting to marvel at the ease and simplicity of the trials they oversee. Many point to the powerful, satisfying experience of being able to administer useful aid in dire times – a distinct improvement from the complicated and materially inadequate programmes cities relied on during the prior decade's austerity. Administrators in not-for-profit organizations with corporate representatives on their boards point to the stark turnaround in organized business interests' approach to basic income programmes, which they now embrace as a way of ensuring a continuous supply of capable workers.

Thus, moving past the aspiration of combining extant social programmes into a single basic income, opens the way for moving towards basic income by making individual programmes simpler and more generous. Many programme administrators interviewed by the author have drawn on their experience with basic income to add cash, simplify eligibility or broaden access to other public programmes. Furthermore, municipal equity offices and other personnel overseeing basic income programmes have used their position to install additional trials, establish spin-off programmes and unite community organizations with donors willing to support basic income (Doussard, 2023). More ambitiously, members of the national policy entrepreneurship network providing model policies and analysis for basic income trials have organized to win follow-up state-level legislation expanding means-tested cash transfers (Ahmad and Landry, 2023). In short, no direct pathway for converting basic income trials into universal basic income exists, but municipal basic income pilots lead some existing social programmes to look and act more like basic income (Doussard, 2023).

Previous studies of cash transfers and other mobile policies like basic income trace the semi-structured evolution of policy ideas by following the policy as it traverses jurisdictions and scales (Peck and Theodore, 2015). The rapid development of policy entrepreneurship networks in the United States, and the diffusion of basic income policy principles into other programmes suggests the need to follow policy making networks whose relationships position them to graft ideas from basic income onto other policies and programmes.

To illustrate the point, this article offers brief synopses of three varied basic income trials initiated during the pandemic. The first, Chicago Resilient Communities, was developed by a mayor's office appointee focused on inequality, with the specific goal of building support for permanent cash transfers. The second, the Denver Basic Income Project, combines private and public funding to test basic income's contributions to mitigating the challenges facing that city's homeless population. The third, Louisville, Kentucky's YALift, combines support from Mayors for a Guaranteed Income and local funders to finance a youth basic income administered by a community organization running multiple programmes on the city's black West Side. Following the networks, rather than the policies, reveals varied pathways from these programmes to changes in public policy and programme delivery.

Chicago Resilient Communities

Administered by the city's Department of Family and Support Services, the Chicago Resilient Communities basic income pilot plays a major role in the city's multiplying policy interventions focused on inequality. The pilot came about as the result of significant political change in the city, where political novice Lori Lightfoot, a black public prosecutor, was elected in 2019 as the first Mayor in decades not attached to Chicago's Democratic Party political machine. In her first year in office, Lightfoot founded a new Office of Equity and Racial Justice and hired a Chief of Policy directed to focus on economic inequality. The Chicago Resilient Communities trial operates alongside other economic interventions ranging from a USD 15 minimum wage to affordable housing investment and reform to the city's property tax spending. The pilot has already led to other pilots in Chicago, and beyond. For example, the City of Chicago also operates the Chicago Resiliency Fund 2.0, a USD 14 million programme making one-time USD 500 cash payments to workers who fell short of meeting the eligibility criteria for federal pandemic relief funds. Chicago Resilient Communities also provided the impetus for Cook County's basic income programme, for a private Chicago basic income programme for recently incarcerated people, and for two basic income pilots in the north suburb of Evanston.

In 2023, newly elected mayor Brandon Johnson, a former organizer with the Chicago Teachers Union, succeeded Lightfoot. He identified making Chicago Resilient Communities permanent as a principal policy goal. As ARPA funding nears its end, this goal is running into the familiar fiscal barriers that limited United States' urban policy before the pandemic. The forms of tax revenue Chicago controls directly, the sales and property tax, have already reached rates likely to induce some out-migration by wealthier citizens (and poorer citizens, who disproportionately bear the burden of consumption taxes). Thus, while Johnson and many members of his team remain vocal champions of basic income, near-term prospects for expanding the policy are poor. The most likely policy spill over from Chicago Resilient Communities is state-level legislation to institute a child tax credit for Illinois (the electorate of which votes overwhelmingly for the Democratic Party), a legislative proposal that faltered in the state's spring 2023 legislative session.

Denver Basic Income Project

Denver (Colorado) adopted a homeless-focused basic income trial in early 2022. Whereas Chicago Resilient Communities was publicly developed from the start, Denver's programme was developed by a private entrepreneur and not-for-profit organizations. The programme started as a response to pandemic-specific challenges of housing shortages, exposure to COVID-19 infection and turmoil in social service delivery. Quickly obtaining donor funding, the Denver Basic Income Project was set up as a not-for-profit organization with a board comprised of homeless advocacy organizations, homeless service organizations and general social services organizations. Where broader basic income programmes were authorized by a cross-section of politicians, Denver's programme was thus developed by a cohort of specialists focused on the specific challenges of homelessness and housing. By the time the Denver City Council agreed to dedicate USD 2 million in ARPA funding to the basic income programme, this close cohort of activists and service providers had developed a detailed plan for reaching out to and staying in touch with programme participants whose defining characteristic of housing instability makes continuous contact and cash payment difficult. Thus, public funding for Denver's basic income funds a far more targeted and labour-intensive programme than the less hands-on transfers of broader programmes developed through the political process.

Focusing on the problem of homelessness also gives the Denver Basic Income Project a different pathway to future expansion. First, running the project through a board of homeless advocates and homeless-serving organizations active in local politics has rooted basic income in a specific advocacy network. Second, the high visibility of Denver's homeless population, and the city's rampant housing affordability problems, has driven public attention to the issue. As a result, the problem of homelessness, rather than interest in basic income per se, elevates basic income in the local policy agenda. This, in turn, provides specific pathways to future expansion. Most notably, Colorado instituted a permanent, refundable tax credit for low-income families in the 2023 legislative session, establishing a permanent transfer that many of those involved attribute to the visibility of basic income (Doussard, 2023).

Louisville YALift

Publicly funded basic income programmes are centred in politically progressive cities, and in states whose legislatures have not curbed cities' economic policy making power. Thus, Louisville, Kentucky's YALift, a programme targeting young adults in three of the city's historically black neighbourhoods, stands out as a model for basic income amidst politically unfavourable circumstances. Not only does YALift receive no public funding, its administrators also dedicated significant time and resources to reminding a sceptical public that no city or state support was involved. Following its goal of supporting pilots outside large, politically progressive cities, Mayors for a Guaranteed Income provided the programme's principal funding. YALift's ties to the pandemic were comparatively limited. While the programme emphasizes COVID-19 in its framing of vulnerability, YALift functioned as a spill-over programme built on the general diffusion of basic income trials during the pandemic. The Metro Louisville United Way, the region's major charitable organization, administered and partially funded the programme. Major decisions about focus, eligibility and goals were made by the neighbourhood-focused, not-for-profit initiative Russell: A Place of Promise (RPOP). RPOP focused on alternative economic development for the low-income and historically black Russell neighbourhood on Louisville's West Side. Tying the pilot to RPOP, which had already established worker-owned cooperatives and run a job-training programme for neighbourhood residents, thus grounded basic income in an organization with dedicated working relationships with businesses, government and other community organizations.

Those organizations provide the principal conduits for building broader support for basic income. The United Way's diverse economic development activities, and its role as organizer of charity programmes supported by the city's business establishment, gave its personnel opportunities to sell business interests on basic income, with surprising success. A programme administrator recalled several significant reversals by business leaders who initially opposed YALift as an ill-advised handout to youth, then reversed course when confronted with evidence of participants' increased labour market activity. In addition to persuasion, the United Way provided a mechanism for less formal programming spill overs, including the decision to add cash stipends to job-training programmes as a way of ensuring trainees could participate without interruption or short-term economic disadvantage.

Diverse urban politics and varied experiments: From universal basic income to place-specific cash policy

The development of these unique programmes and hundreds more like them in other cities points to the stealth diffusion of basic income across the United States. In their 2017 assessment of basic income's prospects, Van Parijs and Vanderborght pointed to the possibility of implementing basic income via a figurative back door (Van Parijs and Vanderborght, 2017). The phenomenon of viral cash contributes to this back-door adoption. Thanks to local policy entrepreneurs emboldened by the success of COVID-era cash transfers, local-level basic income programmes continue to expand, even as the pandemic-era stimulus that funded them dries up.

Experimental, time-limited and means-tested, none of these programmes constitute anything close to the goal of universal basic income. Instead, these efforts extend many of basic income's core principles – unconditional cash, broad eligibility, limited programme registration requirements – to extant and new policies and programmes focused on the underlying challenge of social and economic inequality. Following the diffusion of policies labelled as basic income provides a limited picture of this change.

Following basic income implementers by contrast provides a fuller picture and enables us to see the influence of basic income on other social policies. At least three features of basic income programmes in cities and counties across the United States contribute to the diffusion of basic income principles beyond the pandemic conditions that ensured the policy's breakthrough.

- First, the local institutions implementing basic income trials expand the policy directly. Public officers, such as Chicago's Director of Policy, policy offices such as the city of St. Paul's Office of Financial Empowerment, and not-for-profits, such as the Denver Basic Income Project's governing board, follow one-time basic income trial programmes by pushing (successfully) to extend their trials, replicate the policy for new areas, or apply the principles of cash and broad eligibility to other programmes.
- Second, these same mechanisms attach basic income to specific, narrow policy problems to which local government bodies already dedicate substantial time, budget and organizational resources. Thus, while the national-level politics of universal basic income continues as something close to a dead end, basic income is now part of the politics of homelessness in Denver, the response to disinvestment and segregation in Louisville and policy addressing working poverty in Chicago. Similar localizations of basic income politics are evident in numerous other programmes that cannot be covered in this article.
- Third, basic income programmes appear to spill over regionally. Chicago Resilient Families, for example, provided the foundation for Cook County's large basic income programme, for privately funded spin-off programmes in Chicago, and for multiple basic income pilots in the suburb of Evanston. Similar local diffusions are visible elsewhere, with multiple programmes branching out from initial efforts in Minneapolis-St. Paul, Atlanta, San Francisco, Los Angeles and elsewhere. Crucially, some of the diffusions, such as the founding of state-level child tax credit programmes in Colorado, Minnesota, New Jersey and Oregon, constitute permanent changes to the social safety net (Ahmad and Landry, 2023). This surprising extension and hybridization of pandemic-era basic income

programmes means that evaluating basic income's growth requires scholars to focus on a much broader range of policies and programmes than basic income per se. Distant though the prospects of fully universal basic income in the United States remain, the ethic of basic income – no-strings-attached cash as both a better approach to social policy and a smarter fix to intractable problems such as homelessness – is flourishing. The spread of cash-based programmes began with emergency basic income and the specific conditions of pandemic confinements. Yet where vaccines halted the pandemic and eventually paved the way for the return of the status quo ante, viral cash continues to spread.

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Flash in the pan or eureka moment? What can be learned from Australia's natural experiment with basic income during COVID-19

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Abstract The COVID-19 pandemic led to widespread social and economic policy experimentation as governments sought to protect household finances while locking down economies. Cash transfers emerged as one of the most popular policy measures, leading many to reflect on new possibilities for enacting universal basic income through temporary or emergency interventions. We take Australia's pandemic response, and particularly its Coronavirus Supplement, as an example of this broader experimentation. We analyse the Supplement through the lens of an emergency basic income, arguing the measure reflected existing institutional structures and norms, forms of national and international policy learning, and vulnerabilities in Australia's liberalized housing and labour markets. While temporary, we consider how its apparent success might suggest ongoing policy relevance, either as a form of capitalist "crisis management" or as an alternative pathway for implementing forms of basic income.

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Introduction

Basic income has long been a policy proposal in search of institutional and social support. While various policy entrepreneurs have advocated for the idea, basic income has failed to win the sustained support of a national government or powerful political constituency. More recently, basic income researchers and advocates have increasingly looked to how a viable policy pathway might be built, focusing on the implementation and analysis of pilot schemes, entrenching and phasing up small-scale permanent programmes, and launching various political campaigns (see Widerquist, 2018; Gama, 2023).

The COVID-19 pandemic introduced a new potential implementation pathway in the form of the "emergency", "temporary" or "pandemic" basic income. The number and scale of cash transfer schemes initiated during the pandemic suggests some degree of openness to basic income-like payments amongst the international policy community. While these interventions proved temporary, the potential for financial, public health and ecological crises to increasingly require similar policy action suggests the experience is unlikely to be unique. Reflecting on the pandemic response thus offers a potentially fruitful new avenue for imagining a realistic pathway to a basic income future.

This article seeks to understand COVID-19 social policy responses through the analytic lens of emergency basic income (EBI) as a strategy for reflecting on the opportunities and limitations for mobilizing emergency policy responses as a pathway towards implementing basic income. It takes Australia's flat-rate Coronavirus Supplement benefit and related changes to its unemployment benefit, JobSeeker, as its focus. Australia provides a useful case study in two respects. First, its use of temporary cash payments can be more readily considered a reasonable approximation of an EBI, particularly when compared to its own social assistance traditions of targeting and conditionality, and against the many one-off as well as extremely short-lived payments implemented by other countries. Second, Australia's reliance on temporary cash payments reflects an evolving policy practice that prioritizes cash payments to households during economic crises, which has also informed broader international policy thinking, and provides insights into the dynamics driving the use of basic income-like payments during emergencies.

The article proceeds in four parts. The next section provides an overview of the international policy context by outlining the scale of cash transfer use during the COVID-19 pandemic and situating these measures in relation to the extant EBI literature. We then describe Australia's "natural" or "accidental" experiment with a quasi-basic income during the pandemic. We provide an overview of Australia's pandemic response, centring the Coronavirus Supplement and reforms to the non-contributory unemployment benefit and similar social payments, which we argue combined to approximate an EBI. Australia's pandemic response in then discussed in the context of the previous crisis experience of the global financial crisis of 2007–08, and the path dependence of Australia's distinctive non-contributory social security system. The payments not only reflect this policy legacy, but also respond to emerging policy challenges caused by financial instability and Australia's unusually high levels of household debt and insecure employment. The article concludes by considering the likelihood that EBI-type interventions will be incorporated into the "firefighting" response of capitalist states facing future crises and may potentially provide a new implementation pathway towards permanent basic income schemes.

The great COVID-19 cash splash and emergency basic income

The COVID-19 pandemic constituted a massive global health crisis that triggered a profound economic shock. In 2020, as in many countries, Australian politicians implemented strict measures, such as lockdowns, mask mandates and the shuttering of entire industries, to control the spread of the pandemic. These health measures reduced the volume and velocity of the capital flows that drive global, national and sub-national economic activity. Consequently, "Global output declined about three times as much as during the global financial crisis in half the time" during the first half of 2020 and it was only "swift action taken by policy makers" in response to the massive supply and demand shock that "cushioned household income and firms" cash flow, improved confidence, and prevented a rapid amplification of shocks through the financial sector and further demand channels (IMF, 2021, pp. 43–45). In short, policy makers were forced to use fiscal, monetary and labour market policy levers to offset "a sudden and far-reaching contraction of the private sector" through "an unprecedented, though temporary, expansion of the public sector" (Spies-Butcher and Bryant, 2023, p. 7).

A key part of this "swift action" took the form of the biggest cash transfer programme in human history. In 2020–2021, the World Bank's contemporaneous policy analysis identified an additional 3 trillion US dollars (USD) of expenditure on social protection and labour measures by national governments, or an average 2 per cent of national GDP, with large inter-country, inter-regional and intra-regional variation (Gentilini et al., 2022). The 962 conditional and unconditional cash transfer programmes in 203 countries implemented in this period accounted for around 25 per cent of the aggregate spending on social protection and labour measures (Gentilini et al., 2022, pp. 7–10). The coverage, duration, adequacy, targeting and structure of these cash transfers differed markedly between countries, although many, such as Australia, proved distinctive in substantially raising the incomes of many poor households during the crisis, rather than simply offsetting declines (Davidson, 2022). Gentilini et al. (2022, pp. 11–15) calculate that "Covid-related cash transfer responses increased average generosity by almost 70 per cent compared to pre-COVID levels and more than 1.2 billion people received at least some form of additional or novel cash transfer benefit during the pandemic" (Gentilini et al., 2022, pp. 11–15).

The scale and ubiquity of cash transfer programmes as pandemic policy response measures has impacted debate regarding basic income in several ways. First, these measures have been interpreted as contributing to a mounting body of evidence supporting cash transfers as efficient and effective poverty alleviation and human development tools (Gray Molina and Ortiz-Juarez, 2020; Banerjee et al., 2020; Klein et al., 2022a). Second, some basic income advocates have interpreted the COVID-19 experience as pointing to the necessity and inevitability of permanent basic income schemes (Standing, 2020). Third, a debate regarding emergency, temporary or pandemic basic incomes has developed that addresses both the utility of time-limited quasi-basic incomes to combat emergencies as well as their potential positive spill-over effects on campaigns to implement permanent basic income schemes (De Wispelaere and Morales, 2021; Klein et al., 2022b). We focus on this third debate.

De Wispelaere and Morales (2021, p. 249) have argued that "emergency basic incomes (EBI), paying each resident a monthly cash amount with no strings attached for the duration of the pandemic crisis, could play a critical and timely role in a robust ethical pandemic policy response". The authors differentiate EBI from other pandemic measures based on the nature of conditionality attached to the support (i.e., observing pandemic health directives being the sole condition for receiving EBI) and further distinguish EBI from universal basic income (UBI) in terms of duration and fiscal cost (De Wispelaere and Morales, 2021, pp. 249–250).

The authors set out three principal arguments for instituting an EBI in response to a global pandemic. First, it is an "immediate and agile" policy response. Second, by rejecting traditional bureaucratic screening, it "explicitly targets those most vulnerable to the economic fallout of pandemic lockdown measures". Third, it "expresses the core value of solidarity that underpins a sustained pandemic response" or "proportionate burden sharing" (De Wispelaere and Morales, 2021, pp. 250–252).

De Wispelaere and Morales also highlight the utility of an EBI as part of any future pandemic response package but point to the obvious demerit of having to renegotiate and re-implement the measure as circumstances dictate. A similar logic could be applied in other climate-related crisis contexts, whose timing is likely to become more frequent while remaining unpredictable. Having a "permanent, low-level basic income already in place that can be dialled up to the required payment level as the need arises" could be a more "robust option" than relying on a recurring ad hoc policy making process in emergency contexts (De Wispelaere and Morales 2021, pp. 252–253). This line of argument is buttressed by Prabhakar's (2022) Keynesian contention that permanent basic income schemes may function better in relation to demand and employment outcomes than EBIs (or vouchers) because they are better suited to function as automatic stabilizers during shocks and likely reduce leakages from the circular flow of income into savings by higher income earners.

Major international institutions, including the United Nations Development Programme (UNDP) and the Economic Commission for Latin America and the Caribbean (ECLAC), also put forward their own proposals for some form of temporary or emergency basic income (see Gray Molina and Ortiz-Juarez, 2020; and ECLAC, 2020). Other studies have found that support for basic income schemes may be linked to the conditions brought about by the pandemic. Nettle et al. (2021) found respondents were more supportive of a basic income during the pandemic than prior to it, arguing this could be "largely explained by the increased importance they attached, in the pandemic context, to a system that is simple and efficient to administer, and that reduces stress and anxiety in society" (2021, p. 1). There is evidence of a similar effect on public opinion in Australia (Patulny and Spies-Butcher, 2023, p. 11).

The emerging literature on the pandemic experience highlights the potential to advance forms of EBI, and potentially build these initiatives into a more permanent basic income framework (Klein et al., 2022b). While acknowledging none of the emergency cash transfer programmes initiated during COVID-19 fully satisfy the key criteria as defined by De Wispelaere and Morales (2021), we argue that analysing Australia's Coronavirus Supplement and other policy changes through the lens of an EBI remains useful. Understanding how specific emergency schemes reflected basic income principles, and the policy contexts that gave rise to EBI-like programmes can help identify more specific pathways for basic income to advance. While few programmes remained after the crisis conditions faded, and inflation instead came to dominate macroeconomic debate, the temporary nature of these measures aligns to the EBI model, suggesting the potential for longer-term implications. In the next section we focus on Australia, which implemented a raft of emergency cash payments, with at least one programme exhibiting key features of an EBI. We follow Klein et al. (2022b) and suggest this "natural experiment" with a quasi-basic income might offer insights into the ways forward for both EBI and basic income research and policy development.

Australia's natural experiment with basic income during the COVID-19 pandemic

Australia is a high income G20 country with relatively low social spending compared to many Member countries of the Organisation for Economic Co-operation and Development (OECD). It stands out internationally for its highly targeted and conditional social assistance system. Australia lacks social insurance schemes, instead providing non-contributory, categorical flat-rate and means-tested payments to those facing financial need, such as unemployed people, single parents and older people. Benefits are very low by OECD standards, means-testing for working-age payments is tight, and since the 1990s, working-age benefits are increasingly subject to strong forms of conditionality, such as jobs search, training and even work requirements (Marston and Zhang, 2019). Our analysis of pandemic cash support is made against this policy background, where emergency policy changes reworked existing social assistance towards key features of basic income.

The centrepiece of Australia's pandemic response comprised of two new schemes: i) JobKeeper, a wage subsidy paid at a flat rate close to the full-time minimum wage, and ii) the Coronavirus Supplement, also a flat-rate payment, disbursed to many on existing social assistance payments, including the JobSeeker unemployment benefit. Changes to JobSeeker simultaneously suspended conditionality and expanded eligibility (Klapdor, 2020a).[1]

The JobKeeper and Coronavirus Supplement (the Supplement) schemes were both flat rate, with payments made every 2 weeks. The Supplement, we argue, most closely resembled an EBI, although its lack of universality makes it closer to a guaranteed minimum income (GMI) version of basic income. It was received alongside the reformed JobSeeker unemployment benefit or Youth Allowance (which we call Supplement+JobSeeker). Between December 2019 and May 2020, the number of JobSeeker and Youth Allowance[2] recipients doubled and by "June 2020, 18.6 per cent of the total working-age population was receiving an income support payment" (Ferlitsch, 2022, p. 7), with 10 per cent of those aged 18–64 receiving the Supplement (Australian Bureau of Statistics, 2020). The economic crash caused by the pandemic was clearly the major driver of this spike in social assistance recipients but policy innovation, in the form of the Supplement, and policy tweaks to JobSeeker and other payments also played an important role.

1. A more targeted COVID-19 Disaster Payment and Pandemic Leave Disaster Payment was made available to regions where strict health restrictions remained after JobKeeper and the Supplement were withdrawn (Klapdor and Lotric, 2022).
2. The main youth unemployment and training benefit.

We evaluate the extent to which the Supplement+JobSeeker payment conforms to an EBI with reference to both a) commonly cited criteria of a basic income and b) the De Wispelaere-Morales EBI model. In relation to a), the key criteria for a basic income are that the payment must be made to individuals, be regular (rather than one-off), adequate to meet basic needs, universal (i.e., not means-tested or categorical), unconditional (i.e., not subject to activity-testing), simple to access and permanent (Martinelli, 2020). Under b), the De Wispelaere-Morales model, an EBI should largely satisfy these key criteria, except for permanence, as part of a "robust ethical pandemic policy response". The EBI is implemented for the duration of the pandemic at a minimum and the sole condition for receiving the payment is observing public health directives. The EBI is also underpinned by the principles of immediacy and agility, effective targeting of the most vulnerable, and solidarity (De Wispelaere and Morales, 2021). While the Australian experience does not fully meet these EBI criteria, we maintain that evaluating the scheme against the EBI model can inform our understanding of the potential for basic income to advance through emergency adaptation rather than planned experimentation.

The Supplement was initially provided for 6 months at 550 Australian dollars (AUD), paid every 2 weeks, and effectively doubled the payment rate for the JobSeeker unemployment benefit. The Supplement+JobSeeker payment roughly equalled the locally determined Henderson Poverty Line (Melbourne Institute, 2020, p. 1). The suspension of mutual obligation arrangements for JobSeeker, and other benefits, coupled with the relaxation of means-testing increased the real value of the payment, expanded access and lowered the opportunity cost of receiving it for a period of 3–6 months (Klapdor, 2020c). The Supplement +JobSeeker played a significant role working alongside other transfer payments and JobKeeper to provide an emergency income floor to millions of people during the acute phase of the crisis.

The Supplement, paid every 2 weeks, was reduced by AUD 300 to a rate of AUD 250 from 25 September to 31 December 2020, then reduced further to AUD 150 and ceased on 31 March 2021. On 1 April 2021, the Government instituted a small permanent increase to the 2-week payment of AUD 50 for JobSeeker while, at the same time, reinstating mutual obligations across most of the country (Klapdor and Lotric, 2022; Ferlitsch, 2022, p. 5), while separate changes were made in remote communities.

In relation to adequacy, immediacy, agility and effective targeting the Supplement+JobSeeker payment performed well for a relatively short duration. The policy change had very significant effects on the incidence of poverty and the lived experience of recipients. Early modelling showed that the cohort that had received the main unemployment benefits prior to the COVID-19 crisis experienced a poverty rate reduction from 67 per cent to 7 per cent as a result of the pandemic policy changes (Phillips, Gray and Biddle, 2020). A report by Davidson (2022, p. 11) corroborates the earlier modelling, finding that, "Poverty among people in households on JobSeeker Payment fell by four-fifths, from 76 per cent in 2019 to 15 per cent in June 2020" and 'Poverty among people in sole parent families (both adults and children) was reduced by almost half, from 34 per cent to 19 per cent". Qualitative research focused on the lived experience of Australians who received the higher payment while mutual obligation requirements were suspended found evidence of improved physical and mental well-being and highlighted the importance of a secure financial base to supporting diverse social contributions, including care work, advocacy and community building (Klein et al., 2022a).

The Supplement+JobSeeker payment did provide an individual, regular and (more) adequate transfer payment for part of the pandemic response. For at least 6 months, this combined payment paid every 2 weeks provided income above the most widely used poverty line and in June 2020, "2.2 million people on working-age income support payments (equal to 17 per cent of the labour force)" were receiving the Supplement (ACOSS and UNSW, 2023).

As for universality and unconditionality, the picture is mixed. Access was determined through eligibility for other payments. As mutual obligation for JobSeeker and Youth Allowance were suspended, there were effectively no activity requirements attached to the payment nor any requirement for past contributions. However, the payment remained categorical in that claimants were required to state they were unemployed (i.e., would be actively looking for work), and those on other categorical payments, such as people with disability, were excluded and risked their future access to more adequate payments by attempting to access JobSeeker (Klapdor, 2020a; Klapdor, 2020c).

Means-testing continued, although less strictly than before. For example, the income free area[3] for JobSeeker for a 2-week period was raised from AUD 106 to AUD 300 in September 2021. Liquid asset tests, applied to savings rather than income, were removed and various (although not all) waiting periods to access payments were waived. Access was simplified, including removing requirements to prove relationship status, and permitting ID verification over the phone and online. The Supplement itself was not means-tested, which meant all recipients received the full Supplement even if they were only eligible for a reduced rate of JobSeeker (even only AUD 1.00). In practice, this meant the Supplement was available to those earning up to AUD 28,250 per annum, which was slightly less than the full-time minimum wage. The household asset test was also relaxed so that a person with no income remained eligible until their partner earned over AUD 79,762 per annum, up from AUD 48,360 per annum prior to COVID-19,

3. The point at which benefit payments start being withdrawn.

well above the median full-time wage of about AUD 60,000 (Klapdor, 2020a; Klapdor, 2020c; Ferlitsch, 2022, pp. 8, 10, 13, 16, 14). Notably, citizenship and residency requirements remained, excluding most international students (Ramia et al., 2022).

Following the reinstatement of conditionality, and despite low unemployment, the numbers receiving JobSeeker remained well above pre-pandemic levels, suggesting the suspension of conditionality had encouraged many who were already eligible to apply (Whiteford and Bradbury, 2022). This reinforces the De Wispelaere-Morales (De Wispelaere and Morales, 2021) argument regarding the importance of removing, or in Australia's case reducing, traditional bureaucratic barriers to more effective targeting of the most vulnerable through an EBI or EBI-like policy intervention.

Taking these changes together, we characterize the Supplement+JobSeeker as a categorical EBI with much reduced conditionality. Unlike pandemic policy responses in most other countries, Australia's payment was regular and aligned with the Henderson Poverty Line, a widely used measure of adequacy as regards income poverty. Conditionality was nominal, with a presumption of compliance. The payment was reasonably simple to access. When considered alongside the JobKeeper wage subsidy and other existing income support schemes, the Supplement+JobSeeker was a key plank in a pandemic policy response package that covered most, though by no means all, of those at risk of destitution or economic exclusion. Means-testing allowed access to many middle-income households, and while taper rates and cut off points continued to create inequities, the payments broadly reflected a logic of "affluence testing", where those with significant means are excluded, rather than "means testing", where only the poor are targeted (see Spies-Butcher, Phillips and Henderson, 2020). We emphasize that this does not make the Australian payment an EBI in the De Wispelaere-Morales sense, rather pandemic policy changes moved Australian social security towards the key criteria and principles of an EBI. These changes had important consequences during the crisis, reducing poverty and promoting solidarity. Thus, understanding why policy moved in this direction, and its potential to inform more enduring reforms of this type, offers an important supplement to analysis of basic income policy trials.

Pandemic payments and crisis

Crises are often moments of policy innovation and learning (see Hulme and Hulme, 2012), providing "critical junctures" to adapt existing policy institutions (Ramia and Perrone, 2023). The 2007–08 global financial crisis saw novel monetary policy, initially introduced in the United States of America, diffuse internationally, and then expand during the COVID-19 pandemic. The framework of "fast" or "mobile" policies is a helpful lens for analysing Australia's embrace of an EBI-like payment during the pandemic. Australia's payment not only reflects global trends, but its own experience during the global financial crisis, which then also informed the international shift to cash payments. Unlike many other pandemic-era policies, Australia's model adjusted existing payment structures, moving them, at least temporarily, towards a basic income model, rather than creating stand-alone payments. Both the interplay of local and international experience, and the integration of that learning into existing welfare state institutions suggests a potential longer-term policy pathway to enduring change.

Fast policy "down under" – policy innovation and learning during the global financial crisis and the COVID-19 pandemic

Australia attracted international attention during the global financial crisis for avoiding recession, in part due to a large-scale and timely fiscal stimulus package focused on providing cash to households. As the scale of the financial crisis became clear, the centre-left Labour government gave up its efforts to balance the federal budget and instead introduced one of the largest fiscal stimulus packages by any national government (OECD, 2009). The change in approach reflected the strong advice of the Commonwealth Treasury, whose head, Ken Henry, famously argued to "go hard, go early and go households" (Walker, 2023; see also Buchan, 2020). Henry believed cash was the most effective fiscal tool because this could be delivered quickly (Walker, 2023). The cash transfer component of Australia's stimulus was the largest among OECD Member countries as a proportion of GDP (OECD, 2009, pp. 110–111). Both the International Monetary Fund and the OECD assessed Australia's response as amongst the best in the world due to the speed of implementation and the targeting of households.

While the centre-left Australian Labor Party had been in office during the global financial crisis, very similar policy thinking seems to have informed the centre-right Coalition Government during the COVID-19 pandemic. Australia's economic policy community, including the Treasury, saw the lack of speedy stimulus as a failing of policy in the recession of the 1990s, which Henry later commented on and then contrasted with the success of the global financial crisis response (Walker, 2023).

The Government's initial response, on 12 March 2020, directly mirrored the global financial crisis package, through one-off payments to most recipients of government benefits, which the Prime Minister compared directly to the global financial crisis payments (Klapdor, 2020b). As the scale of the pandemic deepened, the Government announced the more expansive JobKeeper and Coronavirus Supplement policies on 23 March 2020, suspending fiscal orthodoxy in favour of public spending measures that pushed the budget into a deficit equivalent to 6.5 per cent of GDP in 2020–2021, substantially higher than during the global financial crisis (Treasury, 2023a).

While the global financial crisis and the COVID-19 pandemic were different crises, the evolution of Australia's policy response suggests a process of policy learning. The responses were informed by both international and local policy trends, reflecting the kind of global policy learning processes identified by Peck and Theodore (2015) as "fast policy". The temporary suspension of orthodox fiscal norms (increasingly supported by unconventional monetary policy), a focus on cash transfers to quickly extend social support, and models of relatively simple, flat-rate and universal cash payments as a form of social assistance each reflect international policy trends across the two crises.

The application of these principles in Australia during the pandemic, however, also reflected vulnerabilities in Australia's policy model, as well as complementarities between Australia's minimalist social assistance model and global policy norms. The crisis exposed emerging challenges within Australia's traditional model of social protection, particularly risks associated with liberalized housing and labour markets. JobKeeper, we suggest, is an example of "fast policy" where the Australian government sought to emulate the pandemic wage subsidy programmes implemented by other governments around the world. To illustrate this point, the OECD reported in 2020 that: "28 of its 37 Member economies had used wage subsidies as the main support for workers facing reduced hours or the risk of being stood down because of COVID-19" (Reserve Bank of Australia, 2020). The Supplement+JobSeeker reflects similar principles to those underpinning Australia's global financial crisis response. Flat-rate cash payments inclusively targeted to lower-income households are now a key crisis policy tool. Despite their different origins, both COVID-19 response payments helped maintain liquidity to heavily indebted Australian households facing insecure employment.

Cracks in the system – fast policy as necessity

The traditional model of Australian social protection was built on full employment, high rates of home ownership and flat-rate non-contributory social assistance that reached its apex during the post-Second World War boom. Australia's low flat-rate unemployment benefit was less problematic in an era of full employment[4] and rising real wages. Similarly, high rates of home ownership made Australia's relatively low flat-rate Age Pension[5] more adequate in real terms by reducing housing costs for most older people (Yates and Bradbury, 2010).

4. At least for white males.
5. Still received, in some form, by around 70 per cent of retirees.

Since the 1980s, the three pillars of Australia's post-war model have been radically reshaped and substantially eroded during the period of liberalization and deregulation. While Australia has experienced relatively low unemployment and rising living standards in recent decades, around one in four Australian workers are presently employed as casuals with few rights and no paid leave entitlements (Carney and Stanford, 2018). Financial deregulation, generous tax concessions for homeowners and investors, and weak tenancy protection have combined to create expensive housing markets and heavily indebted households, while increasingly excluding more young people from home ownership altogether (Stebbing and Spies-Butcher, 2016; Adkins et al., 2020). Australia's system of flat-rate non-contributory social assistance largely remained in place during this period but with increasingly onerous conditionality for most working-age welfare recipients, a reduction in the replacement rates of unemployment assistance, and increased emphasis on the privatized superannuation system (mandatory occupational pensions) as the preferred pathway towards a comfortable retirement (Marston and Zhang, 2019).

The COVID-19 pandemic exposed cracks in Australia's system of social protection like those identified during the global financial crisis. Both crises threatened liquidity via contracted payments (rents and mortgages) in Australia's indebted housing sector. Social insurance models had proven more resilient to this threat during the global financial crisis, as income-linked benefits allowed mortgaged households to meet repayments even when their balance sheets were technically insolvent (Bryant, Spies-Butcher and Stebbing, 2022). Australia's more limited and conditional social security system failed both the public health and financial challenges presented by the pandemic. Australia instead used emergency cash payments and novel monetary policy to maintain liquidity (Spies-Butcher, 2020), responding to the systemic vulnerabilities of the country's system laid bare by the pandemic, without effecting any permanent structural change.

Fast policy, slow change – the mixed legacy of Australia's pandemic policy interventions

Australia's centre-right government was careful to structure its emergency assistance as temporary (Ramia and Perrone, 2023). From its inception the government anticipated a "snap back" to pre-pandemic policy settings once the initial emergency had passed. Both JobKeeper and the Supplement+JobSeeker payments were extended as the pandemic worsened, but just as quickly these would be wound back and/or phased out as political, economic and public health conditions improved and stabilized. Within a year, social policy had largely returned to pre-COVID-19 settings, unemployment was low, concerns over debt and inflation came to dominate political debate and the new centre-left government recommitted to fiscal orthodoxy.

Even so, Australia's pandemic policy response enjoyed broad public support and was deemed successful in policy circles. This is particularly true of the Supplement +JobSeeker, which cost a fiscally modest AUD 31 billion, or around 1.5 per cent of GDP, less than half the AUD 88 billion cost of JobKeeper[6] (Senate, 2022, Chapter 4; Treasury, 2021, p. 174), while also avoiding the political scandals associated with JobKeeper (see Treasury, 2023b).

Yet, the failure to translate crisis protection policies into permanent reform suggests a significant limitation of this approach for EBI and basic income proponents. As Klein et al. (2022b, p. 11) argue, whilst the Australian government demonstrated their capacity to swiftly implement EBI-like policy that dramatically reduced poverty, they showed no interest in making such interventions permanent. Moreover, through housing and tax policy, the Australian government "continued to provide avenues for the elite to maintain significant power and privilege – signalling government's ongoing commitment to uphold unequal structures pursued through neoliberal governance … rather than using the pandemic as an opportunity to restructure economies more equitably" (Klein et al., 2022b, p. 11). The emergency measures may have temporarily protected many vulnerable households, but the crisis also produced gendered and racialized inequalities in terms of job losses, increased unpaid care responsibilities and did nothing to address the enduring inadequacies of a policy system that fails First Nations communities (Klein et al., 2022b).

Alternatively, the lived experience of an EBI-like policy intervention did shift public and media discourse. Campaigns to make elements of the EBI model permanent have been adopted by The Australian Greens, who now occupy an influential balance of power position in the national parliament, and by community campaigns run by the Australian Unemployed Workers Union and, increasingly, by large and influential non-government organizations, such as Anglicare Australia (Azize, 2021). Media coverage also shifted to more sympathetically portraying benefit recipients. A modest backlash to the reimposition of conditionality and extended debates about the need to permanently raise the rate led to a second small increase in payments, and a new annual parliamentary process for considering benefit adequacy (IEIAC, 2023, p. 4). Many were particularly surprised and upset by the reintroduction of partner income tests, which enforced a degree of dependency within relationships that is increasingly poorly suited to the normalization of two-income households. These ongoing changes in policy discourse suggest some potential to build more

6. Figures are for financial year 2021–2022, the period that covered the acute phase of the pandemic.

durable policy structures, at least across crises. However, in the short run, this did not lead to permanent policy change beyond a small incremental increase in the ongoing benefit level.

Conclusion

The specific example of Australia's Supplement+JobSeeker intervention demonstrated what can be achieved in relation to improved human security and poverty reduction in an emergency context. What we have defined as a categorical EBI with loose conditionality was necessary due to gaps in Australia's system of social protection and economic restructuring that has increased the level of economic insecurity and inequality, while also reflecting emerging models of economic crisis management centred on cash payments to households. The certainty of future emergencies, particularly in relation to the impacts of climate change, suggests that this type of policy intervention will be required again. The need for some type of EBI in these, and other scenarios, is obvious and pressing.

The question of whether EBIs can form part of a bridge between the acute needs generated by emergencies and the chronic problems of poverty, insecurity and inequality is, however, far from clear. Returning to the De Wispelaere-Morales model (De Wispelaere and Morales, 2021), the implementation of a low-level permanent basic income that can be "dialled up" in emergencies would constitute a major step forward in this direction. Conversely, it is possible to foresee short-lived EBIs becoming part of the "firefighting equipment" of capitalist states that are quickly withdrawn once a particular crisis has passed, and the economic and political situation stabilized. Indeed, once the Supplement was unwound, ongoing financial support continued to be provided in areas subject to localized health measures through existing mechanisms for natural disaster payments that also, on a smaller scale, reflect elements of an EBI. This is not an argument against the merits of "firefighting" but simply to point to the obvious limitations of temporary measures in relation addressing structural problems and needs (Klein et al., 2022b).

The Australian Supplement+JobSeeker model raises several interesting questions regarding the relationship between EBIs – and emergency cash transfers in general – and implementation pathways for permanent basic income schemes. First, the Australian example clearly demonstrates that an individual, regular, adequate, broadly accessible cash payment with reduced conditionality is quick and affordable to implement using deficit financing. The political and economic feasibility of such a scheme over the longer term cannot be definitively stated based on the pandemic measure but its affordability should not be an obstacle for a high-income and relatively low-taxing country such as Australia.

Second, the Australian experience, and similar policy experiences in countries such as Canada, poses the question of whether such "natural experiments" with EBI-type measures may provide a more effective alternative implementation pathway to small-scale social scientific experiments that attempt to mimic the methods of the "hard" physical sciences. Introducing an EBI during an emergency has the advantage of exposing a much higher proportion of a population to the benefits of a cash transfer programme than a small-scale trial and provides a demonstration effect to mitigate concerns that such policies are impossible. Further, the shared experience of crises provides the context for fostering the solidaristic values[7], a key element of the De Wispelaere-Morales EBI model, necessary to maintain support for such a major social policy innovation. Finally, the Australian Supplement+JobSeeker policy highlights the importance of both policy innovation and policy learning in moves towards basic income. New policy measures such as the Coronavirus Supplement can make a big difference in terms of the adequacy and coverage of cash transfer payments. Experimentation also highlighted a series of smaller policy changes that expanded eligibility, made access easier and reduced conditionality that envision more gradual potential implementation pathways towards permanent basic income schemes. Emergencies can create the settings conducive to sudden – but often temporary – breaks with prevailing policy logics while seemingly technical tweaks to existing benefit programmes can play a role in incrementally embedding a shift towards a model of social assistance more closely resembling basic income.

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7. Although this solidarity may itself prove short-lived as the crisis is resolved.

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Basic income as a pandemic social protection instrument: Lessons from Maricá, Brazil

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Abstract This article explores the connection between two related but distinct models of basic income proposals in the context of a pandemic emergency. While COVID-19 appears to have increased interest in basic income, this often ended up taking the form of a temporary emergency basic income (EBI) instead of a permanent universal basic income (UBI). In this article we argue that the "dial up/dial down" model of basic income allows us to link EBI and UBI in a way that offers both a practical response to important implementation challenges in emergency policy making and a strategic argument in favour of UBI as a pandemic policy instrument. We illustrate our argument by contrasting the *Renda Básica de Cidadania* (RBC) in the municipality of Maricá, Brazil, with two comparable programmes in the same region.

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Keywords social policy, cash benefit, benefit administration, COVID-19, Brazil

Introduction

The COVID-19 pandemic resulted in the worldwide stress-testing of social protection systems, revealing both weak spots and blind spots of pre-existing programmes. The dramatic economic disruptions caused by the pandemic and the various lockdown measures introduced by countries around the world to curb the spread of the novel coronavirus infection necessitated a rapid and major surge in social protection measures (Moreira and Hick, 2021). Countries adopted widely differing approaches to mitigate the pandemic's social and economic fallout on individuals, households and business enterprises, with varying levels of success (Capano et al., 2022; Maggetti and Trein, 2022).

Interestingly, in many countries the pandemic also appeared to have upended the institutional and political status quo, opening a small and temporary policy window for rethinking the traditional targeted approach to social protection (Mäntyneva, Ketonen and Hiilamo, 2023). Social protection experts and stakeholders responded to the pandemic policy challenges by advocating against heavily targeted measures in favour of adopting robustly universal and generous policies (Gray Molina, Montoya-Aguirre and Ortiz-Juarez, 2022). Against this backdrop of comparative policy uncertainty and fluidity, the basic income proposal experienced another surge in both policy attention and public support (ECLAC, 2020; Nettle et al., 2021).

In this article, we reflect on the role a basic income could play in the context of a major health emergency, such as a global pandemic.[1] Specifically, we argue for the interlinking of two different basic income schemes: a low-level but permanent universal basic income (UBI) combined with a time-limited emergency basic income (EBI) pitched at a higher level. This article makes the case for combining both UBI and EBI in a mutually reinforcing manner through a "dial up/dial down" dynamic model. We illustrate our approach by reviewing the recent evolution of the *Renda Básica de Cidadania* (RBC) programme in the municipality of Maricá, Brazil, in response to the pressures of the COVID-19 pandemic.

1. In this article, we focus on the context of a pandemic emergency, but it is important to note that basic income has also been proposed in response to non-pandemic crises. For a discussion of several different types of crises, see, for instance, Chrisp and De Wispelaere (2023).

Basic income as a pandemic policy response

The idea of basic income as a pandemic policy instrument raises two distinct but related types of questions. The first set of questions refers to the effectiveness of basic income as a pandemic policy response. What is it about the specifics of a basic income design and implementation that makes it a suitable policy to adopt in the context of a foreseeable or ongoing pandemic emergency? Jurgen De Wispelaere and Leticia Morales (2021, 2023) recently argued the pandemic case for basic income by focusing on how a basic income model would satisfy three key public health policy principles: i) the urgency principle; ii) the priority principle; and iii) the solidarity principle. Due to its administrative simplicity, basic income allows policy makers to immediately respond in an agile manner to a rapidly unfolding and evolving emergency (urgency). In addition, while it is a universal scheme, basic income nevertheless offers a robust response that implicitly targets the most vulnerable populations affected, which is particularly important when vulnerable populations are very heterogenous, as was the case during the COVID-19 pandemic (priority).[2] Finally, as a redistributive scheme, basic income also expresses and promotes a solidaristic response in a situation that has a broad impact and involves collective action and shared responsibility (solidarity).[3] As pointed out by several analysts, the ability to adequately respond to external shocks, such as a pandemic crisis, is unequally distributed, with a basic income expected to have disproportionately larger impact in regions with less-developed social protection systems (Gray Molina, Montoya-Aguirre and Ortiz-Juarez, 2022).[4] Important questions remain, however, as to both the adequacy of basic income to compensate for an often drastic loss of income during the pandemic and how basic income would interact with the myriad of other policy reforms that were (temporarily) instituted during the COVID-19 crisis.

A second set of questions concerns whether the COVID-19 pandemic crisis has opened a real policy window for basic income. This is a difficult issue to ascertain with much confidence, given the limited time that has passed since the pandemic restrictions have been reversed. There is some evidence to suggest that the pandemic has increased public support for basic income. David Nettle

2. A basic income targets populations that are often poorly covered during normal times, which are left particularly vulnerable amid the pandemic. For instance, Ståhl and MacEachen (2021) make the case for basic income as a pandemic rehabilitation and disability prevention policy specifically targeting those in precarious employment.
3. This is not to say we should think of COVID-19 as having an equal impact; on the contrary, the impact of the pandemic as well as the policy responses to it around the world have been decidedly asymmetrical (Bambra et al., 2020).
4. Gray Molina, Montoya-Aguirre and Ortiz-Juarez (2022) rightly point out how extensive informality in the Global South constitutes a key barrier in securing adequate social protection in a pandemic crisis.

et al. (2021) conducted two studies in the United Kingdom and the United States of America at the onset of the COVID-19 crisis in 2020, with a follow-up six months later. In all cases, support for basic income increased markedly, with participants mainly referencing its simplicity and ease-of-administration in a pandemic context.[5] But there are at least two problems with transforming increased public support into a genuine policy window. First, increased support may mask continued political dividing lines that prevent it from coalescing into a robust coalition willing and able to put pressure on decision makers (Weisstanner, 2022).[6] Second, increased support in the midst of a one-off or cyclical crisis event may not lead to continued support once the emergency has abated, which effectively means a policy window may shut before it has fully opened (Chrisp and De Wispelaere, 2023). The last point seems very much in line with recent research suggesting that COVID-19 may not have disrupted welfare state configurations all that much (Hogan, Howlett and Murphy, 2022). In short, while the jury is officially still out, proclamations that COVID-19 has opened a window of opportunity for introducing a basic income are most likely premature as well as seriously overstating the reality on the ground.

Both the narratives around the effectiveness of basic income during a pandemic and the potential of a pandemic crisis to open a policy window typically obscure the fact that we can distinguish between two very different basic income schemes. The first is the familiar proposal advocated by Philippe Van Parijs and Yannick Vanderborght (2017), which informs the growing number of basic income pilots and experiments (Widerquist, 2018). This universal basic income (UBI), defined as a permanent regular income stream paid to each individual without means-test or work obligation, is to be distinguished from the second scheme, the so-called emergency basic income (EBI). While EBI shares many features with its more familiar cousin, UBI, crucially it is a temporary measure strictly aimed at mitigating the pandemic fallout.[7] In other words, EBI is meant to come into operation when a (pandemic) crisis emerges and is rolled-back when the emergency abates, which contrasts with the more durable UBI aimed at providing permanent income support and economic security.

Importantly, both the effectiveness and political economy objectives mentioned before would be fully satisfied by introducing an EBI. On the one hand, granting

5. Interestingly, Nettle et al. (2021) found that participants during the pandemic also increasingly supported instituting basic income as part of the post-pandemic recovery.

6. The difficulty of turning public support into a robust constituency and political coalition is a noted concern in the political economy of basic income literature (De Wispelaere, 2016a; Vlandas, 2021; Gielens, Roosma and Achterberg, 2023).

7. Both UBI and EBI admit of many variants depending on level of payment and method of financing, but in addition regarding EBI we can distinguish between short-, medium-, and long-term variants (De Wispelaere and Morales, 2023).

for the sake of argument that there are good reasons for embracing a basic income or cognate scheme during a pandemic crisis, these reasons appear to only justify the EBI variant while failing to offer a robust justification for UBI. On the other hand, as already mentioned, while support for a basic income has spiked during a pandemic crisis, there is at present no evidence to suggest this trend continues when the situation returns to "normal". This then brings us to the main question that informs the current article: how should we perceive the relationship between EBI and UBI within the broader perspective of setting out the case for a pandemic basic income?

Theoretically, we can stipulate three different types of relationships between EBI and UBI. First, we can regard EBI and UBI as competitors: introducing an EBI would effectively ruin the prospects for implementing a UBI, and for this reason UBI advocates may adopt a sceptical stance towards EBI. The main argument here is that EBI and UBI inevitably compete for economic and political resources and that policy attention focused on EBI would push UBI off the policy agenda. The literature on incremental welfare state development supports this possibility through the mechanism of layering, where one policy layered on top of another ends up hollowing out the latter from the inside out by depleting its political oxygen (Streeck and Thelen, 2005).[8] Second, EBI could also be viewed as a stepping stone towards launching a UBI, the introduction of which advocates of basic income consequently should welcome. The stepping stone argument implies that EBI would be comparatively easier to introduce in the context of a pandemic crisis but would then revert into the more permanent UBI form as the pandemic subsides, effectively sketching a pathway for the sequential introduction of a UBI (ECLAC, 2020). Unfortunately, sequential arguments related to basic income often fail to outline the barriers to moving from one stage to the next or provide the precise mechanism by which we could envisage overcoming such barriers (De Wispelaere and Yemtsov, 2020). While both the competitor and stepping stone hypotheses are possible, it is difficult to ascertain which is the more plausible given the lack of any credible empirical evidence.

In this article, we suggest a third option. Instead of considering them as competitors or stepping stones, we might view EBI and UBI as co-evolving and mutually reinforcing policies. This would mean that, in contrast with both the competitive and the sequential approaches, EBI and UBI not only continue to operate simultaneously (co-evolving) but their effectiveness as a pandemic policy instrument depends crucially on both schemes functioning harmoniously together (mutually reinforcing). In the remainder of this article, we explore this

8. Lavinas (2013) uses a similar argument to explain how in Brazil the *Bolsa Família* effectively ruined the prospects for fully implementing the *Lei de Renda Básica de Cidadania* advocated for by Senator Eduardo Suplicy.

approach and introduce a dial-up/dial-down dynamic policy model that explains how EBI and UBI are co-evolving to mutually reinforce each other; an approach that sits in contrast to the competing switch-on/switch-off model. In brief, the switch-on/switch-off model involves the sequential introduction of separate EBIs during a crisis, each of which is fully dismantled during the post-crisis stage. The dial-up/dial-down model, in contrast, involves the continuous presence of a low-level UBI, which gets topped-up by an EBI during each crisis.[9]

In the next section, we first briefly sketch an empirical case in which we can witness the dial-up/dial-down model in action. Against the background of this case, the following sections then offer two contrasting examples and briefly analyse the key features of the dial-up/dial-down model when compared to its main competitor, the switch-on/switch-off model. We conclude by suggesting this approach can combine EBI and UBI as co-evolving and mutually reinforcing pandemic policy instruments, effectively arguing a case of "having one's cake and eating it".

Dial up-dial down: Upgrading existing basic income policy in Maricá, Brazil

The rare combination of visionary political leaders and an unexpected budget windfall associated with offshore oil extraction transformed within a decade the municipality of Maricá, in the metropolitan region of Rio de Janeiro, Brazil, from an unknown commuter town into a thriving and worldwide-known laboratory of public policies sheltered under the umbrella of "solidarity economy policies" (Katz and Ferreira, 2020). This set of policies offered by the municipal government to the circa 200,000 inhabitants of Maricá includes: free buses and rental bicycles; savings accounts for pupils in the municipal education network, which are accessible upon completing high school; reimbursement of all direct (e.g., fees) and indirect costs (e.g., commuting costs) borne by higher education students resident in Maricá but studying in other cities; high-quality health care throughout the city and especially in a newly constructed hospital among others. "These policies have never stopped being modified, adapted, tailored to the needs of each moment – as became clear, for example, during the COVID-19 pandemic" (Waltenberg and Katz, 2023).

The flagship solidarity economy policy is the Citizens' Basic Income (*Renda Básica de Cidadania* – RBC), introduced in its current form in December 2019. The programme closely resembles a basic income but nevertheless preserves at

9. It should be noted that dial-up/dial-down and switch-on/switch-off are not unique to the basic income debate but embody general alternative strategies that feature across many policy areas during the COVID-19 crisis.

least two traits of conventional cash transfer policies. First, individualization is incomplete: the number of benefits granted does follow a per capita criterion, but eligibility is determined according to self-reported family income. In practice, low-income families register in the Unified Registry (*Cadastro Único*, also known as *CadÚnico*) – a national registry of vulnerable families – and the benefits are distributed in the form of family cards. Second, RBC is not fully universal: until late 2023 there were 42,500 beneficiaries, which represents around 25 per cent of the city's population. Finally, the RBC includes one more distinctive feature: it is paid out in a digital local currency, the *mumbuca*, restricted for use within the municipality of Maricá.[10] Otherwise, the RBC fits within the general parameters of a basic income: it is a regular (monthly) income support programme with a fixed and uniform amount paid to all eligible individuals without any conditions or restrictions on use or its accumulation with other sources of income.[11]

The COVID-19 pandemic became a national concern in Brazil in March 2020, when, despite the well-known inaction of the federal government, state governors and municipal mayors imposed a set of restrictions to combat rapidly growing infection rates. The municipal government of Maricá acted in a particularly assertive and swift way: on 18 March 2020, it declared a state of public health emergency in the municipality and implemented a strict and comprehensive lockdown, which would last for several months, accompanied by complementary support measures, such as the distribution of basic food baskets to the families of children enrolled in public schools. At the same time, a municipal decree determined that the regular RBC saw its value temporarily increased from BRL 130 per capita to BRL 300 per capita, effective from April 2020.[12] In other words, the policy was "dialed up" considerably – representing an increase in value of 130 per cent in a matter of days – and complemented by several exceptional, one-off measures.[13] In the middle of 2022, when COVID-19 infection was tapering off following the vaccination rollout and when the economy opened

10. Importantly, the *mumbuca* is supported by a local community bank, *Banco Mumbuca*, and maintains a 1-to-1 parity with the national currency, the Brazilian real (BRL).
11. In the remainder of this article, we continue to refer to the RBC as a basic income because the programme in our view is sufficiently similar to the standard UBI model to warrant at least "close cousin" status. This approach is similar to the many "basic income pilots" carried out around the world that approximate basic income while deviating from the pure definition.
12. BRL 130 and BRL 300 were equivalent to 54.80 US dollars and 126.69 US dollars, respectively, taking into account the exchange rate corrected for purchasing power parities as calculated by the Organisation for Economic Co-operation and Development (OECD). Data can be accessed online at OECD data.
13. For instance, the so-called "Christmas grant", a 13th annual payment of the RBC, usually disbursed in December, was exceptionally allocated in March to counter an immediate drop in income amongst the most vulnerable.

up again, the RBC was "dialed down" and its value dropped to BRL 200.[14] Interestingly, taking into account inflation, this means the current value of the benefit is more than 30 per cent higher in real terms than its pre-pandemic value (Britto, Freitas and Waltenberg, 2022).

In terms of the analytical framework presented in this article, the RBC of Maricá constitutes a canonical example of a UBI-style policy that used the dial-up/dial-down logic to incorporate an EBI element when required. The RBC was easily dialed up (and later dialed down) in large part because there is already a well-established record of regular beneficiaries and a well-oiled payment system set up through a partnership between the city government and the *Banco Mumbuca*. Facing the unexpected emergency of a severe health and social crisis, Maricá was able to dial up the volume not in months or weeks, but in a matter of a few days.

This impressive feat was achieved by entirely bypassing the need to use physical or human resources for registration, sorting, or cross-checking information from different systems. In contrast to what happened in many other locations, Maricá officials felt no need to carry out any type of means-test to ascertain eligibility or modulate the benefit in accordance with family income. All that was required was for the municipal executive branch to decide upon, and for the municipal council to approve, the proposed increase in value, and a few days later RBC recipients saw their benefit increase by 130 per cent.

While the municipal government, in line with what happened in other countries, decided to dial down the volume immediately after the acute phase of the pandemic, the post-pandemic RBC was pitched, as mentioned, at a level somewhere in between its pandemic and pre-pandemic value.[15] This is interesting for two separate reasons. First, this more generous RBC continues to have an important impact on the post-pandemic recovery, an aspect of pandemic policy making often neglected (De Wispelaere and Morales, 2023). Second, it also offers a fascinating insight into the political economy of sequential upgrading, in essence making strategic use of an external shock to establish a novel baseline of benefit generosity.

14. To put this in context, at the end of 2022, the Brazilian GDP per capita was approximately BRL 46,100, so that the individual value of the annualized RBC, of BRL 2,600 (13 times BRL 200), represents about 5.5 per cent of the Brazilian GDP per capita. A household composed of four beneficiaries receives the equivalent of a little more than a fifth of the GDP per capita.

15. Note, however, that in Maricá this generous post-pandemic benefit was made possible because of a very fortuitous budget context due to oil extraction off its coast, which is a feature not easily replicable in other municipalities or countries. (The reliance on oil extraction in relation to basic income programmes is referred to as an "ecological paradox" in Chrisp and De Wispelaere (2023)).

Switch-on/switch-off: Emergency policy from scratch in Maricá and Niterói

We can usefully contrast the successful dial-up/dial-down approach of the RBC with other policies in Maricá as well as policies in neighbouring municipalities that were unable to build on a pre-existing policy architecture. Maricá ended up initiating a series of pandemic support policies that targeted beneficiaries not registered in the *CadÚnico*. The main programme of this type was the Worker Support Programme (*Programa de Amparo ao Trabalhador* – PAT), a cash transfer scheme directed towards informal workers and microentrepreneurs who are not as poor as the RBC beneficiaries. The PAT was set at BRL 1,045 per month – the equivalent of the minimum monthly wage in 2020 – and covered more than 20,000 workers.[16] The PAT was in force until December 2022, when it was discontinued.[17]

The PAT faced considerable implementation challenges. Unlike the RBC, it could not rely on the federally maintained *CadÚnico* to serve as a gateway for registration, and instead required creating a registry from scratch in the midst of a pandemic. Government employees devoted a significant share of their time to successfully carrying out this registration process. The municipal government had to create a registration platform, develop databases, publicize the policy and explain how it worked, in addition to setting up a committee of officials to evaluate the applications. The estimated time for analysis of the informal registration was approximately 15 days, with a significant amount of discontent among the population documented during the registration process (Maldonado et al., 2022). Finally, whereas the RBC rolled out its expanded scheme in a matter of days, the PAT was only able to disburse benefits from May and June in 2020 and, even then, it failed to cover all eligible beneficiaries because the screening process was still ongoing. In the case of a regular income transfer policy, two or three months of delay would perhaps present a tolerable difficulty. However, for an emergency programme, such a delay may have cost the health or even the lives of individuals who, without receiving the PAT, were forced to continue working on the streets at a time when the pandemic in Brazil was at its peak. Using the

16. The programme helped to consolidate the *mumbuca* currency through expanding the number of people receiving in that currency and through increasing the volume of resources circulating in *mumbucas* in the municipality by providing businesses with an incentive to accept payment in this currency (Gama, 2023).

17. Following the discontinuation of the PAT, in 2023 a new programme was implemented called the Worker Protection Programme (*Programa de Proteção ao Trabalhador* – PPT), aimed at supporting informal workers enrolled as individual microentrepreneurs or self-employed workers registered in local cooperatives. It operates as contributory social security programme for informal workers. While many beneficiaries from the PAT have become beneficiaries of the PPT, the new programme is different in nature and required a new enrolment process.

terms set out earlier, this shows how a failure of the urgency principle has a negative knock-on effect on the priority principle (De Wispelaere and Morales, 2023).

The implementation challenges faced by the PAT were partly due to its coverage of a distinct target population but also due to the lack of a pre-existing architecture upon which to rapidly build once the pandemic crisis hit. The importance of this last point is brought home when comparing the RBC experience in Maricá with the attempt of a neighbouring municipality to introduce a similar scheme from scratch. Niterói, the former capital of the state of Rio de Janeiro, has a population of just over half a million and, being oil-rich like Maricá, has access to major revenue streams and the technical capacity for formulating and implementing large-scale policies. At the start of the pandemic, Niterói also promptly took a series of actions to mitigate the socioeconomic impact of COVID-19 on its vulnerable population, including starting up the Temporary Basic Income (*Renda Básica Temporária* – RBT) in March 2020. The RBT disbursed monthly payments of BRL 500 per family via a debit card restricted to use in markets and pharmacies located within the municipality (Britto, Freitas and Waltenberg, 2022; Britto et al., 2023).

If designing the programme and obtaining resources for the RBT was as simple as it was for Maricá's RBC, implementing the policy turned out much more challenging in Niterói. Unlike Maricá, Niterói did not have an ongoing cash transfer infrastructure before the pandemic hit, so it had to build new capabilities from scratch. Introducing the emergency programme involved, amongst other steps, creating communication campaigns to inform potential eligible candidates, screening those who applied, cross-checking information and documents provided with data from other municipal and federal databases, launching a public bid for the debit card provider, distributing the RBT cards, and campaigning for businesses to accept payments through this means in addition to the regular payment methods. A particular risk, in the context of a pandemic, was the requirement for applicants to be physically present for registration and card distribution, precisely at a time when the Niterói municipal government had decreed a lockdown. The RBT programme ran from April 2020 to December 2021, when it was quite literally switched-off.

Basic income and pandemic preparedness: How "upgrading" beats "activating"

The development of pandemic support policies in Maricá discussed previously demonstrate the potential of EBI and UBI to co-develop as a mutually reinforcing pandemic policy. A key feature illustrated by the Maricá case is the important distinction between what we have called dial-up/dial down, as opposed to switch on/switch off, models of dynamic basic income policy interaction. The experience of the pandemic period allows us to characterize the RBC of Maricá as a dial up/down policy par excellence, with a low-level regular UBI being topped-up by a more generous EBI as soon as pandemic restrictions are introduced.[18] The pandemic EBI part of the RBC is then dialed down again as soon as the pandemic abates, and the economy opens up again. By contrast, both the PAT in Maricá and the RBT in Niterói are canonical examples of the switch-on/switch off approach towards pandemic policy development. In each of these cases, an innovative pandemic response had to be implemented from scratch without being able to build on an extant policy architecture, with all the challenges this incurred. Equally important is the fact that as soon as COVID-19 permitted, the pandemic policy was dismantled.[19] This is how switch-on/switch-off policies typically operate, and they have been a staple of pandemic policy responses across the world (Moreira and Hick, 2021).

Conceptually and practically, the distinction between dial-up/dial-down and switch-on/switch-off boils down to whether a UBI is already firmly in place when a pandemic (or other) emergency occurs (De Wispelaere and Morales, 2021; 2023). The switch-on/switch-off model involves activating an EBI from scratch at the start of a pandemic and dismantling it when the crisis has passed, relying on familiar targeted and conditional social protection measures going forward. Importantly, this also means the architecture for implementing the EBI is swiftly allowed to lapse. This has major implications for pandemic preparedness, since, in the case of repeated pandemic (or other) emergencies, EBI policies may incur significant logjams and delays because of having to re-establish critical implementation infrastructure. Note that this is happening at a time of significant pressure on existing administrative capabilities, since bureaucrats too are impacted by pandemic regulations and realities (from having to isolate at home or, indeed, recover from illness) while demands on public administration are increasing significantly. By contrast, the dial-up/dial-down model assumes a low-level UBI is already operational and, as soon as a pandemic emergency is called, moves into upgrading the policy. This merely involves inserting more resources into a system that, for all intents and purposes, is already fully operational.

From the perspective of pandemic preparedness, the dial-up/dial-down model has several obvious benefits over the switch-on/switch-off model, many of which can be gleaned from the pandemic experience of Maricá. These advantages are

18. Despite the RBC formally constituting a single policy, analytically and practically we can distinguish its UBI and EBI components.

19. The reality is more nuanced. Since 2013, the municipal government of Niterói had plans to create a permanent cash transfer programme. The experience obtained with the management of the RBT laid the foundations of the recently implemented *Moeda Social Arariboia* (Arariboia Social Currency), which bears similarities with Maricá's RBC (Britto, Freitas and Waltenberg, 2022; Britto et al., 2023).

most obviously related to the implementation aspects of introducing an EBI but importantly also impact the political process. First, the switch-on/switch-off model requires both a political decision to introduce an EBI and, separately, a series of administrative decisions to prepare its implementation on the ground; the complex interfacing of politics and administration in the midst of a pandemic is likely to cause delay, error and ultimately a fractured and unequal implementation of the policy, as was witnessed when Niterói introduced its RBT policy. Dial-up/dial down bypasses any major interfacing problems precisely because the administration is already fully operational; all that is required is a political decision to ensure an additional influx of resources, which economizes considerably on the need for joined-up political and administrative decision making. As a result, the policy is expected to be upgraded quickly and run smoothly, as evidenced by the RBC in Maricá.

A second area of comparative advantage relates to policy learning (De Wispelaere, 2016b). While the switch-on/switch-off model in theory should have access to key information and experience from previous emergencies in which EBI was introduced, in practice both the pandemic context as well as the "normal" functioning of bureaucracies produce important practical limitations to policy learning. Policy learning is a type of institutional epistemic process, which critically depends on there being a repository that ensures key policy knowledge is both maintained and kept widely accessible.

Such a repository can take the form of rules and protocols, but more commonly a key resource are the bureaucrats who have first-hand experience of introducing a particular policy. Unfortunately, administrative departments experience a considerable amount of staff turnover, with bureaucrats rotating frequently between different departments. In the case of a pandemic cycle exceeding a political (electoral) cycle, it is quite likely that senior bureaucrats may have rotated out of their previous position and key policy experience may have been lost. Alternatively, successive emergencies may also end up becoming the responsibility of different administrative departments, at which point the new responsible department may again lack relevant knowledge from previous experience it can draw on. Again, in contrast to the switch-on/switch-off model, the dial-up/dial-down approach hardwires policy learning by virtue of having a continuous basic income in place, which in turn ensures there are always bureaucrats with relevant experience at hand.

A third area of advantage concerns the key role of ensuring that administrative systems retain the capability to function effectively during the pandemic. Besides the lack of relevant bureaucratic knowledge and the direct pressure of pandemic restrictions, an additional problem for switch-on/switch-off models could be that administrative systems may have degraded in between emergencies, typically through a lack of investment in maintenance or upgrading where needed.[20] Lack of investment is a distinctively political consideration: decision makers in between emergencies have few political incentives to prioritize maintaining the capability to implement a basic income when facing constant resource demands from competing policy areas.

By virtue of being a continuously active policy, the dial-up/dial-down model puts constant pressure on political decision makers to maintain and upgrade key administrative infrastructures, such as cadasters or payment disbursement methods. It would of course be cheaper for government to just agree a small implementation maintenance budget instead of paying every eligible resident what effectively amounts to a "maintenance UBI", but the problem is not so much the investment cost as it is the political incentive structure. It is at this point that the dial up/dial down model offers a solution.[21] In the case of the RBC, the Maricá government was fortuitous to be able to rely on a federally governed cadaster, the *CadÚnico*. While this considerably simplified the implementation of RBC, compared to both the PAT and the RBT in Niterói, Maricá nevertheless had to rely on its own payment system. This involved not only maintaining a system of debit cards but also, and importantly, ensuring the *mumbuca* local currency system was fully operational. In this regard, we can directly contrast the experiences in Maricá and Niterói and firmly conclude the benefit of being able to rely on a pre-existing well-functioning system.

Conclusion

In this short article we have critically reflected on the relationship between two distinct types of basic income in the context of a pandemic emergency: the time-limited EBI and the permanent UBI. In contrast to the prevailing narratives that EBI and UBI are either strict competitors or that EBI is a stepping stone towards UBI, we argue the case for viewing EBI and UBI as co-evolving and mutually reinforcing pandemic policy instruments.

The recent pandemic experience in Maricá and Niterói, as well as analytical reflection on the politics and public administration of basic income in a pandemic context, strongly suggest combining EBI and UBI in a dial-up/dial-down model has major advantages compared to the competing switch-on/switch-off model that relies only on introducing an EBI during a pandemic. We have outlined a number of reasons why, in our view, the dial-up/dial-down model is much better suited to overcoming not merely the administrative but also the

20. Lack of investment can take the form of the active shifting of budgets or more passive (but equally deliberate) drifting (Hacker, 2005).

21. We are grateful to an anonymous referee of this journal to bring this point to our attention.

political challenges confronting the implementation of basic income during a pandemic. Interestingly, the dial-up/dial-down model requires UBI to be in place before upgrading its EBI component, which effectively turns the prevailing stepping stone model on its head.[22]

While partly informed by insights from public administration scholarship, we found important confirmation of our views in the case of Maricá in Brazil. To our mind, Maricá not only serves as empirical backing of a theoretical proposition about the productive interaction of UBI and EBI, but perhaps more importantly should inform current policy reflection on pandemic preparedness and the role of basic income within this perspective. It also bears keeping in mind that the continued access to UBI support, even when pitched at a low level, may have a non-trivial impact on pandemic recovery of the most vulnerable population or those most impacted by the pandemic restrictions and economic fallout. Finally, as the discussion of the RBC settling into a more generous post-pandemic cash value showed, the dial-up/dial-down model may have an important impact on the incremental politics of basic income in a more general sense.

Of course, this does not mean that introducing UBI as part of a pandemic policy response is an easy task or will not involve competing views on design questions such as the precise level at which the UBI (or indeed EBI) should be pitched. But it is worth pointing out that our approach does provide an important additional argument for basic income by linking UBI directly to pandemic (or more general, crisis) preparedness. This pandemic preparedness justification for basic income might end up offering the final push towards policy implementation in cases where political interest and public support are both strong.[23]

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22. In the stepping stone view, EBI prepares the ground for UBI and then fades away; by contrast, in the dial-up/dial-down mutual reinforcement model UBI is a *precondition* for the successful implementation of EBI and both continue operating simultaneously and in close coordination with each other.

23. A referee correctly pointed out the illustration of Maricá may also offer a political economy challenge in that the "failure" to fully dial down the RBC in the post-pandemic phase might increase resistance to installing a dial up/dial down scenario in the first place. Our proposed approach certainly does not negate the need for significant political brinkmanship in shepherding UBI through the policy process.

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BOOK REVIEW

Laenen, Tijs. **The popularity of basic income: Evidence from the polls**. London, Palgrave Macmillan. 2023. 347 pp. ISBN 9783031293511.

"What would you do if your income were taken care of?" So read a vast banner unveiled during the 2016 referendum campaign for a universal basic income (UBI) in Switzerland. The referendum captured the global imagination and, alongside experiments in Finland and elsewhere, helped spark a sustained period of fascination with UBI among certain policy makers and the media that continues to this day. Yet, despite the enticing thought experiment, only 23 per cent of voters in Switzerland bought into the promised utopia of a guaranteed income for all. This decisive rejection of the policy stands in contrast to much of the headline "evidence from the polls" in Tijs Laenen's excellent new book on the popularity of basic income, which shows a plurality or majority of respondents in many contexts expressing support for a basic income.

The introduction to the book starts by alluding to why this contradiction might be the case by unpacking how our understanding of basic income and the very notion of popularity is highly contingent (p. 1). While an "ideal-typical" basic income is straightforward to define as "a periodic cash payment unconditionally delivered to all on an individual basis, without means test or work requirement", this leaves many design features open to definition: i) the community boundaries (e.g., citizens or residents); ii) the level of payment; iii) the replacement of existing benefits; and iv) financing. It is further complicated by the reality that most real-life basic income schemes or experiments deviate from the ideal-typical definition by targeting particular groups or including some means testing.

Meanwhile, the notion of popularity in the book is specifically concerned with the opinions of the general public rather than politicians or interest groups. The public's view is important as it can, in turn, influence the positions of politicians and policy makers, but evidence suggests a widespread lack of familiarity with the policy. Given the absence of a basic income worldwide and the shape-shifting quality of the policy implied above, it is hardly surprising that public awareness is relatively low. But this makes understanding its popularity particularly challenging.

Laenen approaches this complexity in a meticulous and dispassionate manner, carefully unpicking the evidence across the ever-growing collection of polls and surveys that ask about (universal) basic income schemes. The sheer variety of survey question wording, contexts and methods makes this an unenviable task, but the precise and well-structured writing makes it easy to follow.

We learn that support for an ideal-typical basic income is most consistently found among younger people and those with a lower income or in precarious work, while the variation across countries, both in overall support and between group differences, is considerable. Digging into policy details, however, shows that many of the ideal-typical features of a UBI are not as popular as would appear from the headline polling results. The public prefer targeting and conditionality even if they express support for a basic income floor and there do not seem to be significant differences between particular social groups in that regard. This support for targeting and conditionality is undoubtedly linked to

Laenen's finding that concerns about work incentives form the most consistent reason for opposing a UBI. It points to the possibility that much of the apparent support for UBI may simply be latent support for any kind of redistributive cash benefit rather than robust commitment to a universal and unconditional payment to all individuals.

Although this careful and systematic empirical approach has its obvious merits, there are also (some minor) drawbacks. It is a shame that we must wait until the conclusion for more punchy theory and discussion of the drivers and consequences of this support. This concluding section is the most engaging and rich in many ways. Laenen identifies eight political challenges related to the political feasibility of basic income. Two of these, political opportunity costs and cheap support, are alluded to above with respect to the fragility of support for UBI vis-à-vis potential alternatives. But perhaps the two most intriguing challenges mentioned are the age divide in support for UBI – with older people consistently opposed and younger people more supportive – and the inability for the policy to find a home within partisan politics. Both touch on the fact that electoral politics does not operate as a simple transmission belt from the majority view of "the public". Older people tend to be electorally more powerful than younger voters and so their opposition poses disproportionate difficulties for a UBI. A UBI also faces opposition from most mainstream left or social democrat parties, despite those being the actors most likely to implement redistributive social policy. This may be partly due to their perception of public opinion, but also ties to deep-seated ideological and institutional opposition to a policy that severs the link between work, need and receipt of state support.

Another interlinked comment on the book is that it does not explicitly draw on a vast existing literature on redistributive and welfare state preferences, not least including Laenen's own work on attitudes to welfare and deservingness. At times basic income research can operate in a separate silo from other welfare state research when many of the same theories are likely to be useful for understanding the nature and dynamics of public opinion, if only for context. Understanding public opinion on benefit conditionality in general may be as much of a guide to their position on basic income as asking them about the policy itself, which they may never have heard of before.

The conclusion ends with a research agenda, citing existing evidence as "the tip of the iceberg" (p. 295). Laenen groups the agenda into research on the causes, the overall level, and the consequences of support for basic income. There are plenty of stimulating ideas and suggestions within but the call for uncovering "under what conditions" policy makers are responsive to public opinion on basic income (p. 309) is a particularly eye-catching one. As Laenen states empirical research on the consequences of public opinion on basic income has been, to date, broadly absent. It stands out as a fruitful avenue for future research to pursue.

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BOOK REVIEW

Torry, Malcolm. **A research agenda for basic income**. Northampton, MA, Elgar, 2023. 365 pp. ISBN 9781803920955.

Few have made such an outstanding contribution to basic income research as Malcolm Torry. In this volume, he outlines the state-of-the-art and provides an invaluable and detailed overview of the multitude of new publications and strands of discussion in the field. The book offers both a record and an evaluation of the diversity in, and complexity of, the global basic income debate, which has developed from a niche to a mainstream element in social policy research. Clearly and concisely, Torry presents an important selection of the research undertaken, ranging from the historical development and its main definitions to its financial and political feasibility, employment market effects, other economic and social effects, ethical justifications for paying everyone an unconditional income and, necessarily, to questions of implementation. Published by Elgar as part of a series focused on future research, Torry has met this brief masterfully by outlining current open questions.

The order and structure of the book is convincing, especially from an implementation perspective. Torry presents financial feasibility first; otherwise, the rest of the explanations would be superfluous. The volume, together with its bibliography, serves as an ideal starting point for further research and as an encyclopaedic reference source, but it is also a fascinating read, even for those who are already well acquainted with the subject matter. In addition to his own expertise, the author's additional efforts to obtain comprehensive feedback on open research questions among the Basic Income Earth Network (BIEN) have certainly paid off.

What is also admirable here is the virtuosity with which Torry draws attention to relevant relationships, contextualization and shifts in the respective debates via cross references from the research community over many decades. He achieves this in a coherent and straightforward manner, thereby avoiding unnecessary repetition. Each chapter is structured similarly, starting with a brief discussion of the history of research, followed by addressing the key concepts of current research and finally focusing on proposals for further research on basic income.

The need for methodological diversity is acknowledged throughout the book. Nonetheless, dynamic microsimulation is considered the most promising research approach to evaluate illustrative basic income models comprehensively. Microsimulation draws on a computer programme that incorporates a country's entire tax and benefit regulations. Real-world financial data from a statistically significant sample of the population is then processed to generate relevant statistics pertaining to the programmed tax and benefits system. While traditional, static microsimulation is limited, owing to its low significance beyond the day-after effect, and cannot consider dynamic changes after the implementation, the author expresses hope that the next generation of basic income researchers will be able to keep pace with methodological developments. This is especially so in the application of dynamic microsimulation for analysing the labour market effects and other consequences of various basic income schemes. Torry also argues how – depending on the questions asked – combinations of different methods can indeed make sense.

Concerning the content, Torry's work offers a rich source for basic income researchers. Given that each individual basic income pilot project provides evidence pertaining to different facets of the basic income discourse, the book is interspersed with references to numerous pilots. Providing a comprehensive summary of this compendium is beyond the scope of this short book review. Nevertheless, a few important aspects can be spotlighted.

Torry starts his overview of the financing of basic income (Chapter 3) within the current income tax and benefits system. He urges that microsimulation should be used instead of the older, national accounts method. For the United Kingdom there are already microsimulations that show feasible and affordable basic income schemes. Beyond the current tax and benefits system, basic income could be funded differently or be supplemented from other sources, as he considers in the following examples. Money creation will not necessarily increase inflation, especially if the economy remains below full capacity. It could be combined with additional funding, such as carbon taxes. The simultaneous implementation of both policies – a carbon tax and basic income – could also produce positive results. However, not even this joint introduction would be sufficient in the long run, due to the problem of the disappearing tax base. In turn, while land taxation is the earliest proposed method of basic income funding, there remains a trade-off between the difficulties of valuing land and maintaining a lasting and feasible tax base. A further option, consumption tax, produces different effects. Torry points out that there are basic income schemes that, overall, would be progressive rather than regressive. An increase in consumption taxes has even been suggested as a means of funding a "Eurodividend", but research is still required on its public acceptability and political feasibility, as well as the dynamic effects of changes caused by an increase in consumption tax rates. Sovereign wealth funds and other possible ideas, such as common dividends, financial transactions, wealth and transaction taxes combined and revenues from robot taxation, as well as crypto currencies, are proposed in the literature but are not yet widely accepted for payments of goods and services. And as for the proposed idea of digital central bank currencies: until now, no government has guaranteed their value.

As Torry asserts, dynamic microsimulation research techniques (combined with other tools that can handle various combinations of funding mechanisms) should continue to develop in order to "predict" the longer-term effects of financing a basic income. This might allow for a feasible basic income scheme capable of providing a more generous basic income than possible through using a single funding source. Torry ends the chapter on funding methods by insisting that these methods must be tested to reveal whether they could distort markets. Funding options are always context specific, we are reminded, meaning that their likelihood of success is not guaranteed, in all places and at all times.

With regard to employment market effects (Chapter 4), evidence from pilot projects and experiments appears to "predict" some effects of basic income. Evidence suggests an overall increased supply of labour, but with insignificant and functional reductions from children, the elderly, those in ill-health, persons with disabilities, women with young children, and young people who are studying. There are, however, some evidence gaps as regards basic income and minimum wages, pensions and the interplay of the broader social protection system.

The challenge of increasing automation is presented as not necessarily meaning less paid employment in the future, but rather signals the need to prepare for a period of turbulence and employment insecurity. One interesting conclusion made by Torry is that, with basic income, the current significant differences between developing and developed economies, in terms of their employment markets, would start to dissolve, thus generating geopolitical changes.

Future research on genuine basic income pilots in more developed countries is required (not all of the findings, for example, from Namibia and India can be transferred to other countries). Pilot projects should last longer than two years and, wherever possible, compulsory participation should be required to avoid selection bias. More research on motivation by social psychology academics is also required. Employment market models in combination with dynamic microsimulation and laboratory experiments might be useful alongside pilot projects and theoretical research methods. The results of these methods should be compared.

A number of research results on the economic effects of basic income are presented in three chapters. In summary, a basic income in combination with a progressive tax system appears to improve economic and welfare efficiency more than a system of means-tested benefits. The latter contributes to inequality, coercion, and surveillance and disincentives to both paid and voluntary work. For its part, basic income could facilitate informal care and community work and reduce the level of coercion and surveillance. Torry ends his outline on the likely economic effects by encouraging economists to make greater use of heterodox subdisciplines.

Chapter 6, on the social effects of basic income, focuses on basic income's potential to influence reciprocal generosity and mitigate harm. Punitive sanctions can be counterproductive, emphasizing the role of generosity in fostering positive social dynamics. Additionally, an increase in trust was identified that correlated with various other social advantages. Torry cites Psychologists for Social Change and their five indicators of a healthy society, which serve as benchmarks for assessing the societal well-being fostered by basic income: agency, security, connection, meaning and trust. From a gender perspective, he concludes that the provision of basic income should encompass at least three dimensions: time (working time and time to care), money (cash to buy care, cash for carers) and services (for child and elder care). Torry shares the conviction, based on the research findings, that basic income can only increase the social and economic freedom available to women.

Other social dimensions discussed are the environmental effects of basic income, which are contingent upon the specific scheme implemented. Questions of poverty, inequality and redistribution are also dealt with. Basic income has the potential to mitigate issues such as high marginal deduction rates, stigmas and bureaucratic intrusion and is seen as a stabilizing factor amidst various disruptive forces. More research is required in other areas: on the relationship between climate change and basic income as well as on the ability to promote social cohesion, peace, reconstruction and development in post-disaster and post-conflict contexts, and thus contribute to positive transformation.

Chapter 7 examines research on public opinion towards basic income. Although understanding and awareness has increased, there still appears to be much confusion around basic income proposals. There is little understanding of the different funding options and likely employment, economic and social effects related to alternative basic income schemes. When surveyed, focus groups appear to be more favourable to basic income than general opinion polling, albeit without giving a true reading of attitudes towards the potential of the concept itself. Torry concludes that a significant educational project is required.

There are a number of aspects related to social norms and perceptions of basic income. Torry highlights the influence of hegemonic moral discourses and the shared belief in reciprocity within societal norms. Given the socially constructed nature of these norms, they are, at the least, contestable. Contrary to logic and the evidence suggesting that a secure financial platform will increase employment incentives, public belief can diverge and favour means-testing. It is therefore questionable whether sufficient numbers of people can be persuaded that universal and unconditional benefits are more effective for the poor than targeting approaches.

The distinction between the deserving/undeserving binary, along with the presence of myths, persistent beliefs and confirmation bias, is also discussed in this chapter. Basic income is further framed as a heretical discourse that challenges the hegemony of neoliberalism, indicating its potential to transform the prevailing societal discourses. One recurring finding is that unconditionality still generates opposition. Nevertheless, progressive funding mechanisms along with restricting eligibility criteria to citizens can only boost approval for basic income. Research on the different roles of academics, policy makers and think-tanks that frame basic income could also be promising. A study of social norms and policy feedback mechanisms might also provide important insights for implementation strategies.

The research overview is supplemented by a chapter on justifications and political feasibility, before moving on to questions of implementation (Chapter 10). Torry lists and analyses several aspects of feasibility: financial, psychological, administrative, behavioural, political and policy process feasibility. Feasibility tests will need to be designed and carried out differently in each country, but there is already a considerable amount of context-specific research available. Torry expresses his confidence in the relative advantage of basic income over other kinds of benefits. What matters is the simplicity of administration. Future research will be important on the levels of financial inclusion, particularly in relation to bank account coverage, up to date research on the administrative differences between basic income and alternatives such as a minimum income guarantee, a negative income tax or a participation income. Further research on how basic income and a job guarantee might, or might not, be administratively and otherwise compatible would be useful. Torry ends the chapter on implementation with a call for a Mont Pèlerin Strategy: to establish a global network of think-tanks with the aim of establishing an unconditionality paradigm able to step in when the neoliberal paradigm hits a crisis from which it is unable to recover.

For researchers, journalists and policy makers, this overview and wide-ranging analysis is of immense practical value. In a proposal at the end of the book, Torry suggests joint efforts among those institutions currently involved in high-level research, particularly the Basic Income Earth Network (BIEN) and affiliated organizations, along with academic institutions, to undertake the listed future research in a coordinated manner.

The aim of Torry's book is to record and evaluate the state of current research and to propose where further research is required. A key takeaway of this volume for this reviewer is that there is a great deal already known about the likely effects of basic income. When it comes to the open questions, the methodological improvements of dynamic microsimulations are promising.

I would like to add that mixing methods could also mean looking for innovative ones, such as, for instance, narrative reasoning and scenario analysis, which both offer different functioning and time horizons and can thus compensate for some weaknesses in so-called rigorous quantitative methods, especially in the face of complexity and uncertainty. For example, microsimulation could be combined with qualitative content analyses, such as focus groups and scenario analysis to explore new insights, enabling both decision making and social transformation.

The book is accompanied by an online appendix. It would be useful if readers were able to add further research proposals and suggestions since, as Malcolm Torry also acknowledges, the field of basic income research is growing very fast.

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