

A Good Idea Goes Viral

Basic Income 2020

Jamie Swift and Elaine Power

In late March 2020 it was dawning on Canadians that the COVID-19 crisis was shaping up to be monumental.

A man in a Kingston supermarket wheeled a cart groaning under the weight of water, five cases of twenty-four plastic bottles. A years-long marketing campaign by soft-drink companies has convinced many that tap water, treated at public expense, just isn't good enough. But the sight of the water hoarder told a different story.

Asked why he was buying so much—"Lots of water in the tap?"—his reply didn't catch the irony. It was sincere, clearly anxious.

"I *hope* so."

This may be an extreme example of the way that the viral crisis was starting to affect almost everyone. Gnawing insecurity; daily certainties suddenly evaporated. Would there be enough food? How about public transit? Then jobs evaporated as the authorities proclaimed the need to stay home.

A stress pandemic quickly spread, the anxiety in part provoked by the sense that things seem *out of control*. For millions of Canadians who depend on precarious jobs or, even worse, social assistance, the stress of lives being out of control is hardly new. It's commonplace. Daily life.

Emergency measures to control the spread of COVID-19 have clearly shown the absolute necessity of an income floor for *all* Canadians, based on their income alone. It must be adequate to meet material necessities—housing, food, clothing—and bring dignity, hope, and choice to those who live in poverty, many of whom already have paid jobs. It must be part of a reinvigorated social safety net strengthened by thoroughgoing tax reform targeting all the privileges enjoyed by high-income Canadians.

Before the pandemic struck, we were working on a book about Basic Income. The research has taken us to Lindsay and Hamilton, sites of Ontario's important Basic Income Pilot Project, begun in 2018 and prematurely terminated by the Ford government in August 2019.

Hamilton native Jodi Dean separated from her husband shortly after her youngest daughter was born thirteen years ago. She didn't qualify for social assistance because of her (sometimes sporadic) support payments. Young Madi was diagnosed with osteogenesis imperfecta, a rare and incurable bone condition. Brittle-bone disease meant multiple fractures over many years, increasing the anxieties of single parenthood.

"When you open the fridge, it was like I couldn't keep poverty away from my kids," she said.

Dean was persuaded to apply for the Basic Income pilot. The extra money lasted for sixteen months; it allowed her to tamp down the stress she had felt when confronted by hospital parking costs during the endless visits.

Dean explained something familiar to people struggling with grossly inadequate incomes. "When something quickly happens and changes everything that you're doing in life, you can't afford to go with the flow," she said. "It adds to the stress."

Monthly tensions around phone bills, the cost of shelter, and groceries are stressful enough. Two days before the government dashed her hopes, Dean described how Basic Income

helped.

“I know every month, this income is solid coming in. I’m not going to be stressing about whether things are to be paid or not. I can’t even begin to tell you how things changed when I’m less stressed. I know that the feeling in the whole house is less stressed.”

Just before the COVID-19 pandemic hit Canada, McMaster University researchers who surveyed the effects of Basic Income on Hamilton people like Dean described the effects as “transformational.” Getting enough to live on meant “fundamentally reshaping their living standards as well as their sense of self-worth and hope for a better future.”¹

With the completely understandable mass anxiety that’s accompanying the COVID-19 crisis, we’re experiencing what could be described as the “democratization” of insecurity, in the sense of a system that applies to all. Except that many know—or at least hope—that this, too, shall pass.

But not for all. When the pandemic abates, the workers whose perilous, paycheque-to-paycheque lives have finally been recognized—even by Ontario’s premier—could well revert to their usual reality.

What then? And what about people on social assistance for whom the notion of stocking up on groceries is a cruel hoax?

After forty years of neo-liberal politics hammering home the “You’re-on-your-own” message, politicians suddenly made an about-face. “We are all in this together” and “All hands on deck” were accompanied by the startling recognition that the women struggling to make ends meet as personal support workers (PSWs) are now “heroes.” Many are racialized newcomers who kept on working, as nursing home residents for whom they had been providing intimate care started to die

around them.

By early April, Miranda Ferrier of the Canadian Support Workers Association was describing the devastation low-waged workers in long-term care institutions were feeling. “PSWs are crying before they go in for their shifts in long-term care. They cry in their cars.”²

After decades of venerating the rich, and the unquestioned pursuit of profits, a microscopic particle cast a harsh light on our need for mutual survival. Public health. The common good. The collective ways we look after and care for each other: daily life requires complex webs of mutual interdependence.

The new coronavirus is both a mirror and a spotlight that has highlighted our society’s weaknesses and brokenness, our hubris in thinking that we no longer need one another.

In a flash, we have recognized as essential the lowly workers who have long been invisible, taken for granted, and poorly paid: grocery store clerks, cleaners, personal care workers, nurses, migrant farm workers, truckers, and many more. (Though one newspaper’s hero list included bank managers the *Toronto Star* left out hedge fund operators and currency speculators.)³ And yet even as transparent walls of plastic were erected to protect front-line workers from being unwittingly infected, one cashier at a Kingston Loblaws was still working while receiving chemotherapy treatment.

We are not exactly “all in it together,” even if the virus is affecting everyone. Public health scholars have long known that disease and premature death follow social fault lines. It matters not whether the diseases spring in part from “lifestyle” such as cardiovascular diseases or cancer, or from infection like COVID-19 and the many illnesses that came before, including tuberculosis, dysentery, cholera, smallpox, measles, and malaria. It is a public health truism that the marginalized always take the biggest hit. And often the axes of marginalization overlap. Those who are racialized, have disabilities, or are

women are more likely to live in poverty. And with poverty comes a host of other problems, including poor housing, food insecurity, and a whole lot of stress.

By the time Spain's coalition of the centrist PSOE and the leftist Podemos party announced in early April it would bring in a permanent Basic Income, it had come to light that rates of COVID-19 infection in Barcelona's working-class neighbourhoods were seven times those of upmarket areas. Dr. Nani Vall-llosera explained that cleaners as well as workers in supermarkets and long-term care facilities were working without protection and bringing infection home to crowded apartments. "Poverty and poor health are a vicious circle—the poorer you are the more likely you are to have health problems. And so the chances of becoming seriously ill with the virus are concentrated in poor neighbourhoods."⁴ Economy Minister Nadia Calvino (also deputy prime minister) said that her government was aiming for Basic Income "that stays forever, that becomes a structural instrument, a permanent instrument." All of which is subject to the stability and survival of the fragile PSOE/Podemos coalition.

Social fault lines began showing up in Canadian statistics during the earliest stages of the COVID-19 pandemic. Women, students, and low-waged workers were the hardest hit in March's first wave of layoffs. Those with "pre-existing" health conditions, who are more likely to be people on low incomes, and racialized and homeless people, are more likely to die once they are infected by the virus. In the US from the beginning, Blacks and Hispanics were dying disproportionately. In some cities (e.g., New Orleans, Chicago), Blacks constitute 70 to 80 percent of COVID-19 deaths, a far higher proportion than their representation in the population.⁵ Rep. Alexandria Ocasio-Cortez included Basic Income in her list of policy responses to the crisis.⁶

The Trudeau Liberals moved quickly to financially support Canadians who lost income because of COVID-19. But by focusing on people who had paid employment, the Canada Emergency Response Benefit (CERB) maintains the stark division between the so-called deserving and undeserving, long a bedrock for income security programs.

The “deserving” receive benefits from Employment Insurance, the Canada Pension Plan, Old Age Security, the Guaranteed Income Supplement, and the Canada Child Benefit. The “undeserving” get miserly, means-tested, stigmatized benefits in the form of social assistance. They are subject to suspicion and surveillance. Hundreds of rules keep them trapped in poverty, in what many refer to as “the system.”

No amount of established evidence about the costs of keeping social assistance recipients trapped in poverty—or the unfairness of a broken, punitive system, built on nineteenth-century moral values—seems to change the dominant view. Politicians exploit a common perception that people on social assistance deserve their fate. Many on the left ignore those on social assistance in their campaigns to build a more just Canada. Even some anti-poverty advocates seem reluctant to challenge the structure of a fundamentally flawed system. If their call to “raise the rates” were answered, it might bring recipients closer to the poverty line. But leaving this cruel, punitive social assistance system intact is a complete failure of our collective moral imagination.

Similarly, trade union activists still enraptured by the fading visions of “full employment” may heed the way Basic Income exposes the fault lines between labour-as-commodity and socially valuable work. When his groundbreaking *The Precariat: The New Dangerous Class* was published in 2011, labour economist and Basic Income activist Guy Standing offered advice

to the left. “What is needed is a reinvention of the progressive trinity of equality, liberty and fraternity. A politics of paradise will be built on respect for principles of economic security and all forms of work and leisure, rather than the dour labourism of industrial society.”⁷

As Richard Swift, author of this volume’s introduction, put it in a special Basic Income edition of *Canadian Dimension*: “It is a central irony of the history of the Left that it so frequently comes to defend the very exploitive and unjust institutions that were its sworn enemies from the outset.”⁸

Gaps in CERB coverage and much anxiety and despair could have been avoided had a Basic Income program been in place before COVID-19 control measures laid waste to millions of Canadians’ livelihoods and career prospects. Basic Income would give low-paid “essential” workers real choices about protecting their own and their families’ health, and in the process, drive up wages to reflect how truly important they are. It would compensate Canadians who are looking after loved ones who are sick, infirm, or unable to look after themselves. It would support the work of writers, musicians, and other artists. And it could provide the material freedom to imagine and create a more just and sustainable post-COVID-19 world.

Debates about whether the new CERB could become a form of Basic Income have tended to rehash tired clichés and stereotypes. On the right, Basic Income is unaffordable. It would pay people to not work. Lazy bums would sponge off hard-working taxpayers. On the left, it is either a neo-liberal cat’s paw, or a subsidy for low-wage bosses.

But critics and newfound proponents of Basic Income seem to imagine that a program is sitting on a shelf ready to go. More than a decade ago, Margot Young and Jim Mulvale identified the features of three broad types of Basic Income programs. A “libertarian” or “austerity” program provides a low level of income and reduced social welfare programs. At the other end,

a “strong” program provides “the material basis for ‘freedom for all’ through a significant redistribution of wealth.”⁹ In between, Basic Income is added to the mix of other income security programs and tied to labour force participation, much like the CERB.

These broad types of Basic Income programs hint at underlying values and principles that few are discussing in the rush to support #UBI.

We are aligned with the principles laid out by the Basic Income Canada Network’s vision of “The Basic Income We Want.”¹⁰ Notably, the situations of those in deepest poverty should be much improved, no one at lower income levels should be worse off, and Basic Income should not substitute for minimum wage laws or other policies that promote social justice.

Even once the underlying principles are decided, there are still hundreds of considerations and decisions, as BICN has laid out in its “policy options” paper.¹¹ BICN concludes that no matter which of three models we choose, Basic Income is affordable. With progressive tax reform, there would be no net cost to Canadian taxpayers. But those in higher tax brackets would have to pay their fair share.

In other words, there is no such thing as a Basic Income. In a democracy we must continue to struggle for *the* Basic Income program that is just. That means an end to the democratization of the insecurity that so consistently colonizes the everyday lives of women like Jodi Dean. As well as the lives of so many poorly paid personal support workers and others who worked on during the pandemic. It also means the democratization of the common good. The much-abused notion of a “new normal” will be just when Basic Income, living wages, and a reinvigorated social safety net become centrepieces of a renewed commitment to that common good, paid for by fair taxation.

Appendix: Basic Income and Precarious Work, The Evidence

Wayne Lewchuk

Through an online survey and face-to-face interviews, Hamilton researchers from the School of Labour Studies at McMaster University evaluated the effects of the prematurely cancelled Ontario Basic Income Pilot.¹² Not surprisingly, giving people more money and security led to general improvements in health and outlook on life. People smoked and drank less, engaged in their community more, and took better care of their children.

Less expected was that the greatest benefits were reported by those who were employed but not receiving social welfare prior to the pilot. These low-wage workers were the most likely to report improved mental health and outlook on life. They also, for the most part, continued working. About one-third moved to better-paying and more secure jobs.

While Basic Income is often framed as a social welfare program, in the context of a modern labour market where many workers are in precarious employment, it could also be framed as an employment program. By providing a floor below which workers could not fall, it improved the health of precarious workers and stabilized their home lives, making them more willing and more able to find better-paying employment.

The cost of exposing workers to a precarious labour market has been the focus of researchers from the Poverty and Employment Precarity in Southern Ontario (PEPSO) research group.¹³ Their research has shown that employment precarity is not good for the health of workers, the well-being of their households, or their ability to engage in their community. The COVID-19 health crisis has exposed how close to economic ruin many Canadian workers are if employment is interrupted

for even a short period of time. This has become a reality for an increasing number of Canadians; the COVID-19 crisis has only exposed the magnitude of the problem. The positive evaluation of Ontario's Basic Income Pilot points to Basic Income as a solution not just for social welfare recipients, but also for the large number of Ontario workers operating on the fringe of our labour markets.

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Notes

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