

Basic income is our generation's NHS: Labour needs to get on board

Media interest in basic income has risen in response to [our report](#) on plans for micro-pilots in Jarrow, South Tyneside, and East Finchley, London. We have been asked two recurring questions. First, why is a progressive basic income needed now? And, second, why should the Labour Party recommit to trialling it given their current [strategy](#) of avoiding perceptions of radical policy?

Answering the first question is straightforward. The effects of COVID-19 and the cost-of-living crisis on Britons who are employed, self-employed or run small businesses have been exacerbated by inadequate government responses, leaving a very large proportion of hardworking people at serious risk of destitution. Financial insecurity has skyrocketed to levels unseen in generations. [Analysis](#) from CPAG shows that millions of in- and out-of-work Britons are now enduring fuel poverty, while the End Fuel Poverty Coalition [found](#) that 1,047 people died in England from living in cold damp homes in December 2022. The Bank of England's ongoing commitment to a gradual and sustained increase in interest rates has exacerbated the [rate of reposessions](#) without addressing inflation caused by factors largely beyond consumers' control.

This is contributing both to immediate public health crises and a ticking timebomb of conditions that will emerge, devastatingly so given a lack of available reactive treatments, over the coming years and decades. The people affected, numbering in the tens of millions, are falling victim to [social determinants](#) of health, such as poverty, inequality and insecurity, that they cannot possibly address as individuals. As even the current Government [recognises](#), prevention is better than cure. This can only be achieved through UK Government action, with support at all levels. Our recent [report](#) sets out how basic income is a radical yet feasible alternative to the existing, failing system, which could reduce poverty to unprecedented levels, address inequality within and between regions and massively improve the nation's health.

The idea of the state redistributing resources by providing an adequate, regular and predictable cash transfer to citizens is radical. It turns welfare discourse on its head: from a payment to a select few, to one that closes the fairness deficit and provides a safety net for the majority of working citizens who are currently unprotected. It is, as one voter from our study who initially opposed the concept suggested, a '[living pension](#)'. Basic income's universality is crucial, since the key reason that needs- and means-based benefits are so vulnerable to cuts is that, in the eyes of those most likely to vote, they affect only others. There is good electoral reason that pensions have increased at a time that most other forms of welfare have been frozen or reformed.

Impact would most keenly be felt in left-behind [areas](#) of the country, such as in the North, Midlands and Wales, that were highlighted in the Government's [Levelling Up report](#) as facing financial insecurity, health inequalities, infrastructural decline and broader social decay. One of the key reasons the Conservatives won the 2019 general election is because voters in 'red wall' constituencies were presented with promises of redistribution and investment that they had not previously experienced even under New Labour.

Where Labour has done well electorally in recent years, particularly in [Wales](#) and Greater Manchester, it has been due to adoption of policies, such as nationalisation of transport, improved access to housing and employment rights, that protect working people from financial insecurity. First Minister of Wales Mark Drakeford has already taken the bold step of commissioning [a basic income pilot](#) for care leavers.

Given the absence of similar UK-level commitments, voters are returning to a position of cynicism about government's ability to make a positive, transformative impact on their lives. Basic income can change this. When effectively explained, it is overwhelmingly [popular](#). And our ongoing [research](#) suggests that the public support its funding through wealth taxes and corporation tax. This offers a clear pathway to avoiding attacks that relate to punishing workers.

Reception of our pilot proposals demonstrates that there has been a significant shift in what the public perceives as possible since the pandemic. Support has come from those who progressive politicians assume would be opposed, particularly from within business. The comments sections of even more conventionally right-leaning publications have been at the very least balanced, and sometimes largely supportive, especially when it is made clear that workers would receive it. Left, right and centre all have something to gain from basic income.

Basic income can support workers by granting greater bargaining power, but it also strengthens businesses, particularly in left behind regions, that need a healthy, productive workforce that no longer faces the disincentives to work driven by the existing, conditional welfare system.

Labour is only relevant when it demonstrates that it can secure the living conditions of the vast bulk of the population. At the very least, the party has an interest in getting behind pilots and trials of basic income and making its commitment to voters' interests plain. If there is a lesson to be learned from the last few years in politics, it is this: if progressive parties fail to provide a clear message that voters believe will have a material benefit to their lives, the Conservatives will. Basic income is our generation's NHS and Labour need to get on board.