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BEYOND TRAFFICKING AND SLAVERY: OPINION

Put the whole government to work rebuilding Britain

It's going to take all departments pulling together to get this country back on track

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Our country is truly broken. Age old assumptions that hard work leads to property ownership, stable family relationships and success can no longer be relied upon. Our public services are poorly resourced compared to other countries and our infrastructure is either a collection of white elephants – megaprojects scaled-back to the point of irrelevance – or failing private provision.

As the Common Sense Policy Group, we have presented a Beveridge-style programme for renewing the UK's social provision in Act Now: A Vision for a Better Future and a New Social Contract. This presents a whole of government approach to rebuilding Britain. HM Treasury is integral to this plan, tasked with improving health, education, employment and myriad other outcomes by financing a basic income and a suite of basic services.

We believe the combination would transform individual behaviour and society by increasing the quantity, security and predictability of resources. We also believe

that the magnitude of that transformation is greater the earlier in life that it is experienced.

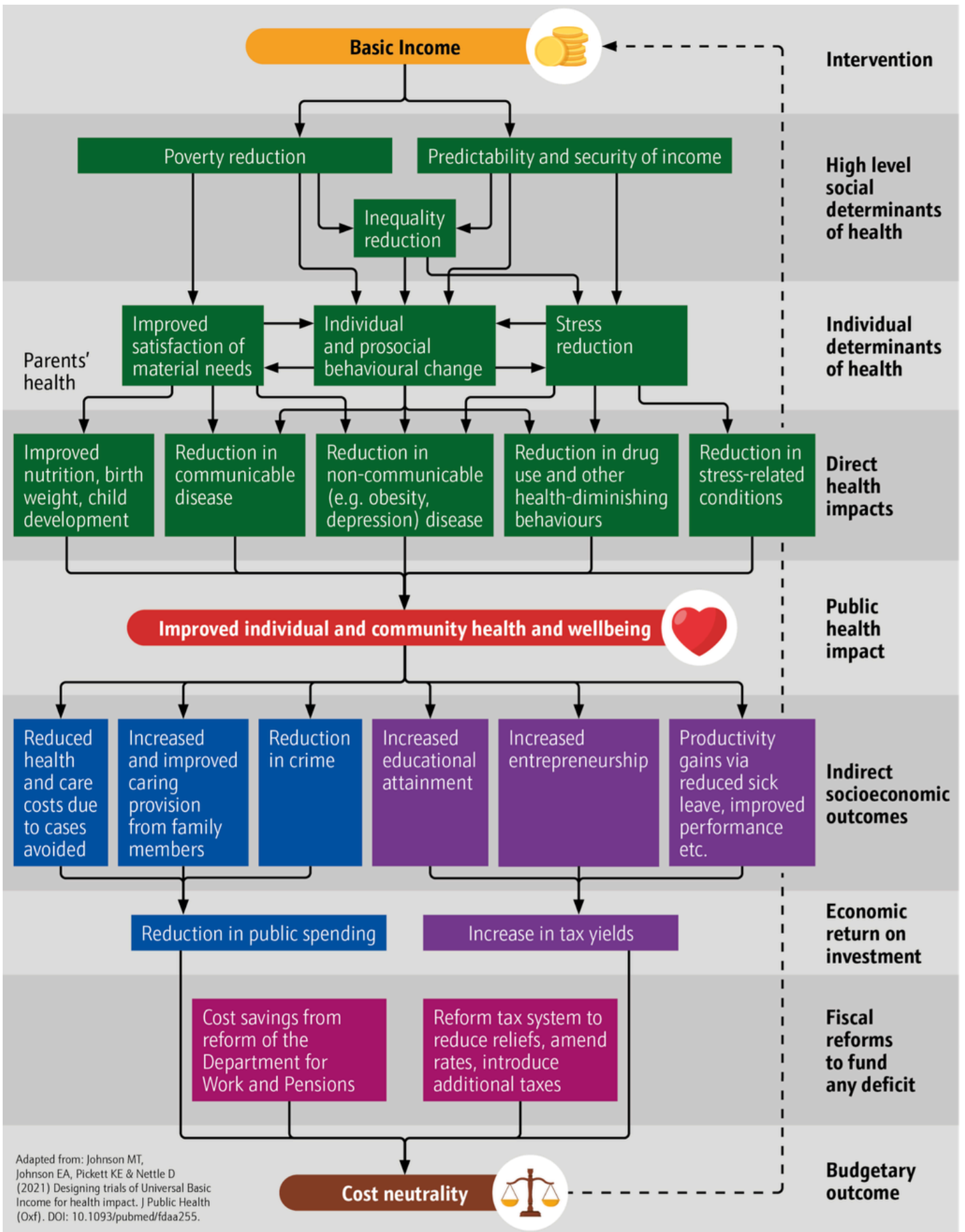
Basic income: the ultimate policy Swiss Army knife

Basic income has unparalleled multipurpose policy value. It would impact every aspect of people's lives: from education and economic activity to criminal activity and community investment.

Take health as an example to understand why. Our model of impact suggests three key ways that a basic income would improve health outcomes. It would:

1. Increase the *quantity* of personal resources, improving a person's capacity to satisfy needs.
2. Increase the *security* of personal resources, granting people the ability to leave exploitative environments and reduce stress.
3. Increase the *predictability* of personal resources, ensuring that people perceive a longer lifespan and invest in health-promoting activity accordingly.

Evidence suggests that this would produce the sort of substantive returns on large, up-front investment that would enable the policy to pay for itself over time. Our model below lays out the relationships that would enable a cost-neutral basic income in the long term.



Adapted from: Johnson MT, Johnson EA, Pickett KE & Nettle D (2021) Designing trials of Universal Basic Income for health impact. *J Public Health (Oxf)*. DOI: 10.1093/pubmed/fdaa255.

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Income + services = a whole government approach

Basic income is often presented as being in competition with basic services. In recent years, critics, often on the left, have adopted a whole series of increasingly puzzling and incongruous reasons for favouring services over income.

For example, some critics highlight the upfront cost of a national roll-out as the key objection, arguing that the cost of any basic income scheme stands in zero-sum competition with funding for services. Others argue that receiving money disincentivises work in ways that services do not.

These highly neoliberal arguments have little that distinguish them as belonging to the left. More than anything else, they demonstrate how far the economic and psychological assumptions of the right have come to dominate all policy debate. This brings no benefit to the left but much harm, as it closes off ways of shifting from resource distribution on the basis of arbitrary talent to fundamental human need.

The NHS is a key example of how properly funded universal services transform lives

There is no reason to believe that basic income and basic services stand at odds with each other. They don't. And they aren't in zero-sum competition with each other for funding. They are complementary approaches to creating a society that ends our era of ultra-insecurity.

Presenting them as mutually exclusive is an argument contrived beyond all credulity. It is only within a scheme of eternal, Thatcherite public policy and ever-reducing public spending that it makes the slightest sense. We have to understand that our broken country still remains in better shape than it was at the end of the Second World War, when the modern UK welfare state began. The Labour government that charted a path through that era of crisis used public investment

on a grand scale to re-secure British society. If it could do it then, it can do it again now.

We need that scale of public investment urgently. Our assets have been stripped and communities destroyed as if by war. But our public debt is 40% of what it was in 1945, so there is no reason why fiscal reform and a national investment bank cannot once again take bold action. As in 1945, there are no cheap means of resolving crisis and we must reject claims that some exist.

The NHS – the UK’s most expensive public health policy, introduced at our lowest ebb – is a key example of how properly funded universal services transform lives. Having the doctor’s bill taken away permanently was a psychological change perhaps unprecedented in human history. Likewise, having a reliable, affordable and integrated public transport system would transform how people move and improve productivity – a business-friendly end to which the government is already committed.

Services change lives. It’s high time the UK gets them in order.

Everything has its place

Even great services, however, would never fully replace money as a way of satisfying individual needs. Some proponents have suggested that a services model should extend into areas like food with a universal basic nutrition service, for example. We think this takes a good idea way too far, since it requires a degree of administration that goes beyond what is practical and necessary.

Likewise, any libertarian claim that basic income ought to be the *sole* source of government provision rests on a truly fanciful notion that the market is always an effective provider of goods and services.

If you live anywhere outside of select, urban parts of Britain, you know that private businesses have few incentives and even less capacity to deliver the essential services you need to achieve anything significant. Austerity and pressure on income via cuts in welfare have constrained purchasing power and economic resilience in our de-industrialised, left-behind communities.

Instituting a basic income would give these areas more buying power, but not nearly enough to convince private enterprise to unilaterally 'level up' entire regions. Even the current UK government recognises the need for state intervention to address those trends.

Just as free buses cannot feed people, free income alone cannot provide people with the transport, health and social infrastructure they need. We need both.

No more fiddling around the edges

Basic income is fundamentally redistributive. Funded by taxing the wealth of the passively rich, it is effective precisely because it increases the quantity, security, and predictability of income for the vast majority of workers. This vast majority now includes people facing extreme financial insecurity on salaries that would previously have been considered generous.

As such, it is far more effective as a redistributive mechanism than any welfare targeted system, which only pays the unemployed, the disabled, or seniors, ever could be. Moreover, the notion of basic income as a 'living pension', providing cradle to grave security, is the key reason people give for why they'd prefer it. What critics on the left never seem to do is to explain how they otherwise envisage redistributing wealth, other than to increase welfare payments to economically inactive recipients or to provide access to buses and social care.

When we look at the features of the post-war consensus that have survived 45 years of neoliberal attack, they have one thing in common: they are universal and have direct impact on people's capacity to survive. The state pension and the NHS are distinctive because people cannot envisage not having them as safety nets, even if they have sufficient private assets and insurance to live without them.

They are also, by the way, both vulnerable to the same criticisms levelled at basic income. Affluent people are likely to have private pensions and thus have no need for a state pension. Or those who invest in their health by going to the gym shouldn't be given free treatment because they are less in need of intervention. Yet both the state pension and the NHS remain because the vast bulk of society see

them as an existential need. And that felt need is so great that they'd rather have everyone receive it than risk losing it themselves.

We should use these two examples as the basis for our new settlement. We should expand the pension to all through basic income. And we should roll out a fully publicly owned and operated NHS and social care service (alongside other services in education, transport and broadband). All should be funded by taxing passive wealth, eradicating tax avoidance, and creating a national investment bank to invest in infrastructure.

It is only this Beveridge-style thinking that can restore faith in politics and get this country back on the right track. Redistribution through basic income will create the greatest gains in left-behind areas of the country that were targeted by the Tory government's failed Levelling Up agenda. Labour could take credit for this if it had the courage to reach out and take it.

We need to act now.

Explore the rest of the series

This series looks at the specific challenges that campaigners face when arguing for universal basic income in highly individualised and neoliberal contexts like the United States and the United Kingdom, and how they work to overcome them.

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Kevin Scott, Community Spring

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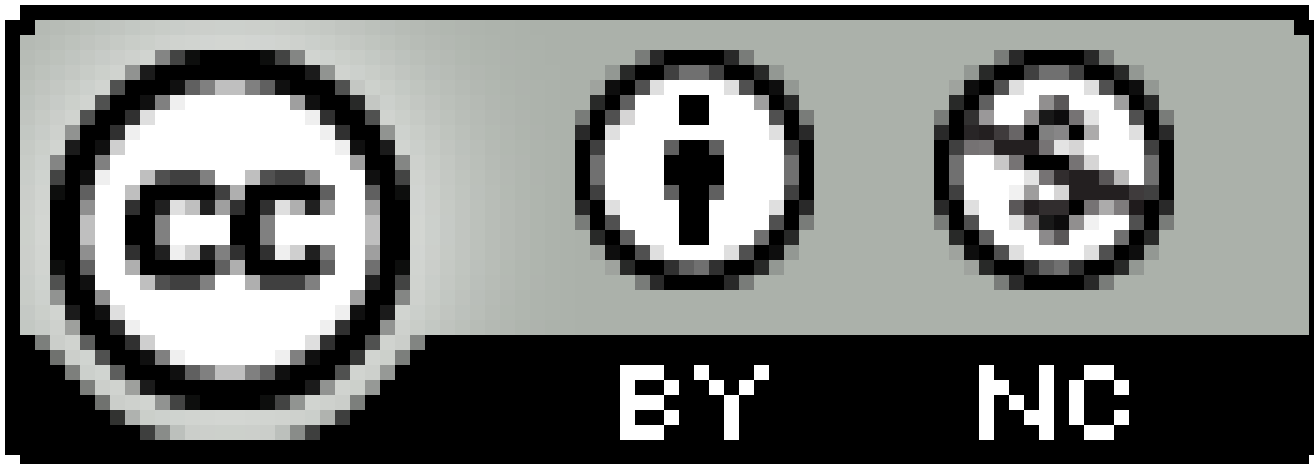
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