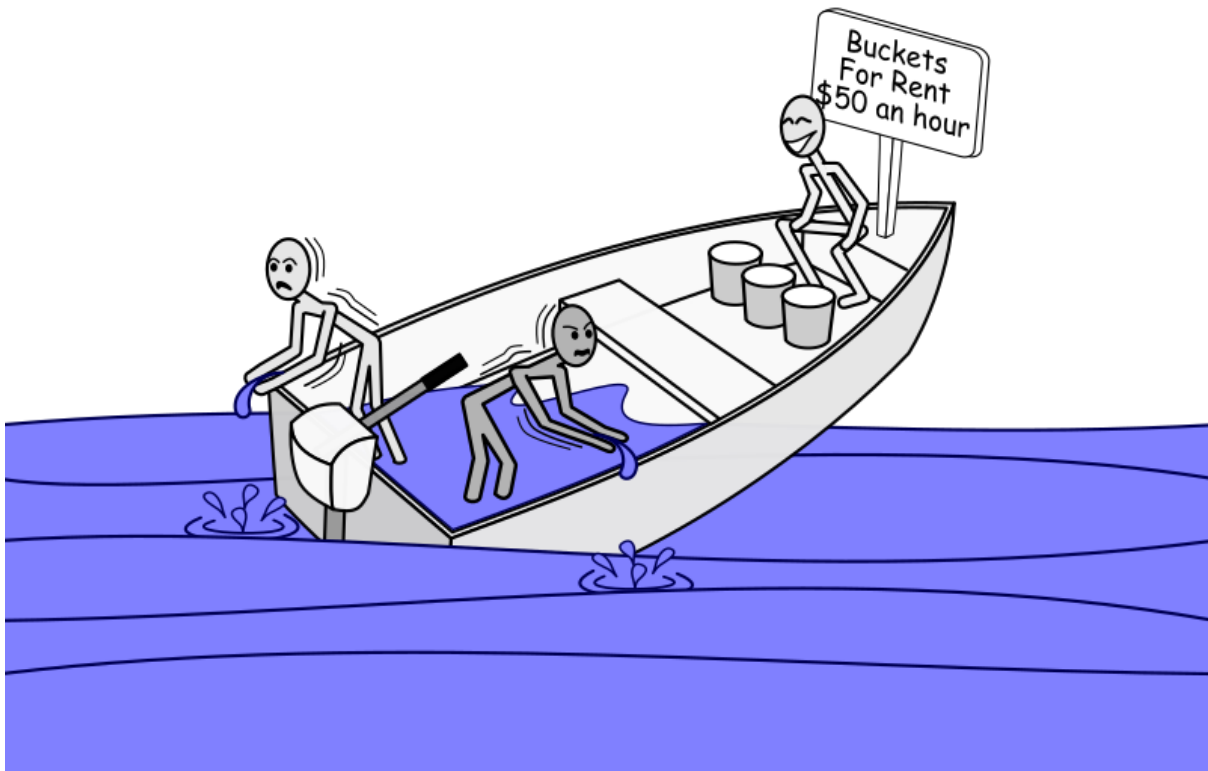


What if We Distributed Stimulus Checks Indefinitely?

How Universal Basic Income Would Revolutionize Work

By Yuma Schuster
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Unlike many social issues plaguing Americans, which are often stratified based on socioeconomic status, the COVID-19 pandemic spared no one. Unleashing a trifecta of turmoil affecting the economic, social, and health status of millions of Americans, the virus upended society in unprecedented ways. As the unemployment rate spiraled to a [staggering 14.8%](#), ripples of economic insecurity wreaked havoc on daily life.

Perhaps due to the perceived collective nature of pandemic hardship, the United States government presented an unusual beam of hope for almost all Americans in the form of a no-strings-attached stimulus check. For those primarily struggling with the newfound claustrophobia of their homes and dry eyes from back-to-back Zoom meetings, the payments were like a birthday gift from extended family: little more than an [extra boost in their savings account](#). However, for many, the few hundred dollars bestowed on the second weekend of April 2020

felt as though a higher power had scooped them from the hell of economic insecurity, providing a spiritual and emotional reassurance in the bleakest of circumstances. Children could be [fed three meals a day](#). Cancer patients could [afford their CT scans](#). Neighbors could stop [bathing in the apartment next door](#).

Few questioned the near-equal distribution of \$1.5 trillion dollars amidst the chaos of the pandemic. [10.8 million people were unemployed in the fourth quarter of 2020, compared to 5.9 million the year before](#). In the United States, this meant 10.8 million people were simultaneously scrambling to qualify for unemployment benefits, coverage from the Affordable Care Act, and a slew of other necessities for their livelihood that their employer suddenly snatched out of their lives. Thus, the distribution of the stimulus check was swift and effective in significantly reducing the stress of economic hardship, according to [numerous studies](#) on the effects of the cash infusions during the pandemic.

If the United States government collectively decided that the welfare programs in place prior to the pandemic were insufficient in supporting 10.8 million unemployed Americans, spurring the distribution of a stimulus check, why were the 4.9 million unemployed in 2019 left to fend for themselves? The crippling stress of economic insecurity, the precarious nature of welfare programs, and the unemployment trap have plagued low-income Americans for years, yet there was no savior from food insufficiency, medical bills, or water scarcity for many that lost their jobs prior to the pandemic. Although many may perceive the stimulus bill to be a temporary band-aid to the unique societal issues created by the pandemic, it is important to consider that *these problems existed before the pandemic*.

Furthermore, the solution to many of these problems have populated academic research circles and inspired policy makers for decades. Instead of framing the direct cash infusions as “stimulus checks,” which conjure ideas of a solution to a broader economic downturn as opposed to the offer of basic human rights to low-income Americans that it truly is, policy makers call it Universal Basic Income.

What is Universal Basic Income?

At its core, Universal Basic Income is a [universal, unconditional cash infusion program](#) distributed to every adult in the community regardless of income or welfare eligibility. However, unlike the stimulus check, UBI would distribute cash on a monthly basis to create a basic income floor for all. Unlike welfare programs, a UBI would allow individuals to spend their income freely, filling the gaps in support left by current benefit programs for unemployed and underemployed Americans. A properly implemented UBI would not only directly address the vast income inequality persisting in the United States, but would mitigate the array of social problems that are linked to income inequality including [gender, racial, and health inequities](#). Through addressing core issues related to labor, a UBI would revolutionize the nature of work in ways that go beyond just an option for remote work.

Issue #1: The Unemployment Trap

One of the most pressing social concerns for policymakers across the entire political spectrum is unemployment. Unemployment is correlated with [depressed economic growth rates, lower human capital, and negative individual effects such as reduced mental and physical health](#). Despite the prevalence of unemployment welfare in the United States, the unemployment trap and low take-up rates of benefits signal a pervasive inadequacy in support for unemployed Americans. Facing low incentives to return to the workforce due to loss of benefits or potential decrease in net income, [workers remain unemployed for longer](#) in what is known as the “unemployment trap.”

→ *The UBI Solution:*

Through providing a guaranteed income floor regardless of employment status, UBI can empower workers to reenter the workforce without fear of losing their lifeline of benefits. Furthermore, evidence indicates that many individuals eligible for unemployment benefits fail to receive them for a [variety of reasons including stigma, institutional barriers, or simply an unawareness for their eligibility](#). A UBI would transcend the societal barriers to receiving unemployment benefits and save *all* from the financial insecurity and poverty of unemployment: a feat that can only be accomplished through an unconditional benefit like UBI.

Issue #2: Job Precariousness

Gone are the days of a cushy salaried nine-to-five job for an increasing number of Americans; the number of workers relying on temporary and insecure forms of work such as freelance work, part-time work, or on-call jobs [rose from 10.7 percent in 2005 to 15.8 percent in 2015](#). Furthermore, on average, workers in a gig-economy related job or otherwise precarious form of labor [worked fewer hours and collected lower earnings compared to traditional workers](#). As a result, many workers relying on the gig economy do not receive health and retirement benefits, presenting a significant physical and mental burden manifesting in [higher levels of anxiety and depression among alternative workers](#). In addition, advances in automation are expected to eliminate many traditional forms of labor, expanding the prevalence of the gig economy.

→ *The UBI Solution:*

Although a UBI would not replace the root issues of the gig economy in ways that workplace regulations like a minimum wage adjustment would, it would reduce the problems associated with precarious forms of labor through transforming the state of financial insecurity to an opportunity for labor flexibility. Through reducing workers’ dependence on jobs to meet their basic needs, a sufficiently high UBI would allow workers to choose when and how much to work, reducing the negative mental consequences of participating in an insecure job market and allowing for a more sustainable lifestyle.

Issue #3: The “Male Life Pattern”

Despite strides in gender equality, traditional labor follows the “male life pattern;” workers are expected to fully commit to waged labor and externalize any necessary care work. Under a capitalist system largely defining productivity through earnings, contributions to society through care or community work remain undervalued and underpaid despite being no less essential or meaningful. Therefore, the current labor system [rewards a rigid separation of full-time employees and full-time caregivers](#), perpetuating financial dependence on working spouses and financial insecurity for unwaged caregivers.

→ *The UBI Solution:*

Set sufficiently high to cover basic needs, a UBI would rightfully capture the productivity of community and care work, granting individuals greater autonomy in how they allocate time between waged labor, care work, and community participation. Not only would unwaged and underpaid caregivers receive the income they need and deserve, but a UBI would implement a shift in perspective from seeing labor as merely a means to acquiring money to an [opportunity to express personal interest and commitment](#).

Issue #4: Lack of Bargaining Power

Due to a decrease in the number of unionized workers and the increase in legal limitations imposed on unions, the current labor market favors an unequal power dynamic between the employer and employee. In particular, the rise of the gig economy exacerbates this asymmetry in power through requiring few contractual obligations for employers, [limiting collective action and negotiation leverage for employees](#). In constant fear of economic insecurity due to the rise of the gig economy and the insufficiency of safety-net programs, workers are enslaved by the conditions imposed by the employer; however temporary or ill compensated, contingent employment is usually marginally better than unemployment. If the labor market continues to follow these trends, employers are well positioned to take advantage of the normalized precariousness of employment at the expense of the well-being of employees.

→ *The UBI Solution:*

Through providing a guaranteed income floor regardless of employment status, a UBI would provide a safety net amidst employment uncertainties, [empowering workers to exit unsatisfactory job conditions](#) in pursuit of better opportunities. In essence, a UBI would create a sufficient safety cushion for workers to spend a longer period of time between jobs, rightfully decreasing the labor supply for degrading and inequitable jobs.

Under the Employment Development Department website for the state of California, the eligibility requirements for unemployment benefits are clearly listed in [six succinct bullet points](#). However, beneath the surface of a simple checklist of qualifications is a dangerous assumption going beyond the issue of low uptake in

unemployment welfare: employment will rescue you from economic hardship. If employment was the golden ticket to financial security, would [30% of Americans require a second job to meet their basic needs](#)? Would the unemployment trap exist if employment ensured stronger benefits than unemployment welfare? Would [34 million Americans have faced eviction in October of 2020](#), when only 11 million were unemployed in that same month?

The stimulus check was not just a strategic one-time move to calibrate the stock market and boost GDP amidst an unprecedented economic downturn; it was a lifeline for countless Americans. It was the difference between two and three meals for children. It was the right to diagnose a life-threatening disease. It was escaping the embarrassment of bathing in your neighbor's shower. Thus, the stimulus check is hardly a "stimulus;" it is a universal, basic right that was required in the United States all along. In a capitalist society, that right comes in the form of Universal Basic Income.

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