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Main Objectives and Context/Introduction

The project call theme, proposed by the Scottish Universities Insight Institute, was **Scotland 2030**. A Basic Income is relevant to the future of Scotland for a variety of reasons. Scotland has a commitment to increasing entrepreneurship¹ and, as highlighted by the Child Poverty Bill², alleviating poverty by 2030. The Carers Act implemented in April 2018 outlines the duty of local authorities to provide support to carers³. Shelter Scotland's report Housing is a Human Right states that "there is still work to do for that right to be realised in Scotland"⁴.

Employment & entrepreneurship, human rights & equality, care and housing are all areas of focus to ensure Scotland's future is as bright as possible. A Basic Income has the potential to improve all of these areas, it would, at the very least, interact with each one. For an appropriate Basic Income to be implemented it is crucial that we have an extensive understanding of each area. This project explored these areas and the implications of introducing a Basic Income, highlighting potential benefits, concerns and questions that can be used to shape feasibility and experimental work on Basic Income here in Scotland and around the world.

Since this project was initially conceived the relevance of Basic Income to Scotland has transformed dramatically. From the start we aimed to distil insight about Basic Income and intersecting themes from conversations between policy makers, academics and practitioners who have expertise in relevant fields. Originally the goal of this was to increase the collective understanding of Basic Income and its benefits in the hopes of looking at introducing a Basic Income in Scotland.

In September 2017 Scottish Government announced its support for exploring Basic Income in the Scottish context and a national conversation was started. A successful joint bid for the CBI Feasibility Fund was made by Edinburgh Council, Glasgow Council, North Ayrshire Council and Fife Council. Scottish Government allocated £250,000 to a feasibility study that is currently underway by the four local authorities with support from NHS Health Scotland and the Improvement Service. To support the work in Scotland we restructured the project to provide practical outputs for those undergoing Basic Income feasibility studies and experimental design.

The **Exploring Basic Income in Scotland** project set out to generate cross-disciplinary discussions about Basic Income and areas that would be transformed by the policy employment & entrepreneurship, housing, care, human rights & equality, we also looked at: Basic Income modelling, implementation & evaluation.

¹ <https://www.insider.co.uk/news/entrepreneurial-scotland-scottish-government-investment-12505503>

² <https://www.parliament.scot/parliamentarybusiness/Bills/103404.aspx>

³ <https://www2.gov.scot/Topics/Health/Support-Social-Care/Unpaid-Carers/Implementation/Carers-scotland-act-2016>

⁴ https://scotland.shelter.org.uk/_data/assets/pdf_file/0010/1657801/Housing_is_a_human_right_FINAL_100119.pdf/_nocache



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The idea was to create an environment where a deeper level of exploration into the potential impact of a Basic Income was possible. Policymakers, Basic Income advocates and sceptics provided a technical understanding of Basic Income itself to act as a foundation for the discussion. Practitioners, academics and policymakers working in fields relevant to the themes brought insight into the specifics of those issues and in the Scottish context.

The project produced background papers which explore the current understanding of Basic Income and its potential impact on the highlighted areas, using relevant philosophical understanding and evidence. We also hosted a series of workshops informed by the background papers and a range of speakers from diverse backgrounds. Through facilitated discussion we drew out the key potential benefits, concerns and questions related to Basic Income and the intersecting issues.

An account of the insights resulting from the programme

Basic Income is still untested in its true form; that is, *a periodic cash payment unconditionally delivered to all on an individual basis, without means-test or work requirement*. A Basic Income has the following five characteristics: periodic, cash payment, individual, universal and unconditional. This means there is no empirical evidence of the impact of a full Basic Income. To gather the evidence required to design a fit for purpose Basic Income we must first think theoretically, for an adequate level of understanding this thinking must be led by anyone who would be impacted by the policy, which would be all Citizens. To contribute to this theoretical work our project brought together individuals capable of representing large groups of Citizens due to their experience working as a policymaker, academic or practitioner. We also highlighted key issues to focus the discussion. The next step, after theoretical exploration, is to design and implement experiments that test some aspects of a Basic Income. By design an experiment cannot truly represent the impact of a Basic Income, which is given to every Citizen indefinitely. But experiments can produce data that indicate what might happen if a full Basic Income were to be implemented in a certain context. This project highlighted key questions about the intersection of Basic Income and the raised themes that could be tested by experiments and potential benefits and concerns that should be noted throughout any investigation of Basic Income.

Human Rights & Equality

Potential Benefits:

Payment to the individual gives more autonomy to the recipient. Reducing economic inequality within a household decreases the incidence of domestic abuse. Supports personal growth and a culture of mutual support with an increase in trust of fellow Citizens. Improved public perception of benefits and social security recipients. People more able to leave undesirable domestic situations. Improved awareness of the benefits of self-directed support. No reduction in income when couples cohabit which is the case with many means tested benefits.

Concerns:

A more universal approach could leave some disabled people with lower income. If disability benefits are provided in addition to the Basic Income this could lead to the exclusion or vilification of disabled people or a reduced ability of disabled people to engage with the work force. The assessment of the additional



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financial need of disabled people may not be designed adequately. The additional costs incurred by disabled people may be underestimated. Basic Income experiments and significant changes to welfare and social security are disruptive to people's lives. The definition of citizenship is complex and ill-defined. The impact on the behaviour of each individual is not easily predicted or assessed.

Employment & Entrepreneurship

Potential benefits:

Increased engagement with flexible, part time, freelance and entrepreneurial work. The creation of desirable or stepping-stone jobs on lower wages and an increased ability to accept desirable low-paid or unpaying work. Alleviation of the impact of automation. Removal of the work disincentives of means tested benefits that make up the current welfare system. Wages and work conditions of unpleasant jobs improving to make engaging with them worthwhile. Improved work-life balance including increased self-guided learning and engagement with education, training and creative pursuits.

Concerns:

The impact of a Basic Income on engagement with employment is difficult to predict and plan for. Basic Income reduces the financial incentive to work. Economic models are not always representative of reality so any modelling of impact of Basic Income on the labour market is not necessarily accurate. For the cost of implementing a Basic Income, alternative policies related to Employment and Entrepreneurship may be more effective in producing the potential benefits. Basic Income could radically change the labour market and the political implications of this are unknown. If a Basic Income drives up wages this may put a financial strain on some businesses.

Care

Potential Benefits:

Changes in means-tested benefits can be "nothing short of catastrophic" for carers, this would not be the case with a Basic Income. People can opt in to unpaid caring roles if they choose. Means-tested benefits for carers mean that they have to ensure they are not financially worse off when taking on paid work, with a Basic Income any additional income from paid work would increase their total income. The caring roles taken on are not static through life, a Basic Income would be a constant level of dependable support throughout changing circumstances. A Basic Income could be an adequate financial recognition of the work of carers and a contribution towards the costs of care work.

Concerns:

The withdrawal of care related support by the state due to the increased ability of people to perform caring roles. Pressure put on people to take on caring roles due to the financial viability. Basic Income alone would not be a sufficient social support without adequate services. The level of Basic Income would need to be higher than current benefits for carers and it would need to be enough for people to live on, even if they have additional responsibilities as carers.

Housing



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Potential benefits:

It was widely agreed that there were very few positive interactions between a Basic Income and the current housing situation in Scotland.

Concerns:

It is possible that rents will be increased, and a high percentage of Basic Income payments would go straight to landlords. Many issues with housing are not addressed by Basic Income: High relative rate of inflation, lack of housing supply, rent control, geographic discrepancies in housing costs. Basic Income helps very little with saving for rental deposits. The buy-in for the universality of Basic Income may not transfer to universal support required for housing issues.

Modelling, Implementation & Evaluation

NHS Health Scotland and Glasgow University have produced the comprehensive report “Universal basic income – a scoping review of evidence on impacts and study characteristics”. Those delivering the feasibility work have used this report to highlight areas of interest that future research should include: simple interventions and large samples, economic evaluation, quasi-experimental methods, spill-over and community level effects, effects of large-scale interventions, dynamic modelling studies to aid understanding of macroeconomic and emergent effects.

They have also highlighted a range of potential outcomes on a variety of time frames. Short term outcomes (2-3 year pilot period): Reduction/removal of individual barriers to labour market participation, increased labour market participation, in fair work and contribution to inclusive economic growth. Medium term outcomes (4-10 years): Improved individual and household income, reduction in poverty, including child poverty. Longer term outcomes (10-20 years): Decreased need for/use of emergency support such as food banks or welfare funds, improved individual and household health and well-being, improved population health and well-being.

We heard from Malcolm Torry about his work on the microsimulation of a Basic Income using software (e.g. EUROMOD) to model tax and benefits systems using financial data from a large sample of the population to generate information on a variety of areas including individual and household disposable incomes, numbers of households on different benefits, poverty and inequality indices. New benefits can be added to the programme, and existing taxes and benefits can be changed. We heard that one Basic Income scheme has been found that fits an identified range of criteria that describe a financially feasible Basic Income.

Main Outcomes & Expected Impact

The report to be published at the end of March 2019 covers the key insights gathered during the course of this project, including the background papers, insights from the workshops and a summary of the key potential benefits, concerns and questions highlighted. The workshops were attended by 95 individuals representing contributions from 42 different organisations and academics. We also heard from 11 speakers all with expertise in a variety of areas and from a diverse range of backgrounds.



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The understanding gathered during the project can be shared by anyone through the report. Moving forward, Citizen's Basic Income Network Scotland will share the learnings of the Exploring Basic Income in Scotland project with the public, those gathering empirical evidence about Basic Income, and activists advocating for the concept. This will be done through educational workshops about the global conversation surrounding Basic Income and the feasibility work here in Scotland. Also, resources and supports for organisations that generate understanding of the implications of a Basic Income for their work and stakeholders. This will help spread this cross-disciplinary, collaborative methodology to a global scale to continue the in-depth exploration of Basic Income. Membership of national and international networks has already been facilitated by involvement in the workshops and through engagement with arguments and analyses based on evidence from Scotland and beyond.

Key Recommendations

The key recommendations of this project are summarised at the end of each briefing paper as a list of the most pertinent potential benefits, concerns and questions highlighted. By this we mean that the points summarised should be considered and explored by those looking at the feasibility of a Basic Income or designing Basic Income experiments.

Planned Follow-up Activities

- CBINS plan to create a format and materials for an educational workshops about the global conversation surrounding Basic Income, with a particular focus on the themes explored by this project, and the feasibility work here in Scotland.
- CBINS plan to create resources and supports for organisations that generate understanding of the implications of a Basic Income for their work and stakeholders. This will help spread this cross-disciplinary, collaborative methodology to a global scale to continue the in-depth exploration of Basic Income.
- CBINS have delivered an event at SCVO's The Gathering on understanding Basic Income and the potential implications for stakeholders using the outputs of this project
- CBINS will host a workshop on interdisciplinary exploration of Basic Income at UBI Lab Sheffield's conference in March
- CBINS will promote the report and papers produced by this project extensively on social media, through direct engagement and at events to ensure their widespread use
- We are in conversation with BIEN about submitting a paper on this project for the next BIEN conference
- The report will be used by the parliamentary Basic Income cross-party steering group to guide recommendations for the feasibility work.