

## Basic Income: A Review of the Issues

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*An unconditional Basic Income (BI) has been advocated to cure the problem of persistent unemployment and income insecurity. In this paper it is argued that a BI system raises important philosophical questions about individuals' rights and obligations to society. Also the impact of a BI on job creation, skill development, the wage structure, employment and living standards is problematic. Some supporters of the BI emphasise the environmentally friendly lifestyle and work changes that would result, but these views are rather speculative. A Job Guarantee (JG) designed to provide economic security for all workers through access to meaningful work would be better suited to meet unmet social needs and address growing environmental problems. The JG may represent a step in the transition to an unconditional BI, following the reassessment of what constitutes work in the light of rising labour productivity and falling average weekly hours of paid work.*

### Introduction

Despite the upturns of the late 1980s and late 1990s, the Australian unemployment rate has never been restored to its level in the early 1970s, prior to the first oil shock. Over the last two decades, the lowest rate of unemployment was 5.4 percent (November 1989). By contrast in 1974, the rate of unemployment was less than three percent.

In addition, there has been an increased fragmentation of employment with a rising share being non-standard. This has been accompanied by a strengthening of the managerial prerogative with respect to the number of and timing of hours of work via award restructuring and the subsequent introduction of enterprise bargaining, and reduced protection for workers due to the reduction in the number of matters covered by awards. There has been a long term increase in the share of part-time employees who seek more hours of work, and in particular, those who seek full-time hours, signifying significant underemployment. In addition hidden unemployment remains significant with estimates in 1999 in the order of 266,000 (Mitchell and Carlson, 2000). Labour underutilisation was estimated at 18.9 percent in May 2001.

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Mitchell (2000) presents Australian data for 1970-2000, which shows that the failure of public sector employment to grow proportionately with the labour force explains the persistent unemployment.

Most researchers acknowledge that the economic and social costs of the sustained high unemployment in Australia and other developed economies are substantial (see, for example, Sen, 1997a,b; Junankur and Kapuscinski, 1992; Watts, 2000; Watts and Mitchell, 2000).

There has also been a long-term increase in wage inequality (Watts, 2001 and references therein). Real wage growth has been modest since the commencement of the Accord in 1983. This translated into a declining wage share until the mid-1990s (Carlson, Mitchell and Watts, 2001).

Thus Australian working men and women are now confronted with increasingly fragmented working arrangements which generate insecurity about the number and timing of hours of work, the slow growth of real wages, significant wage inequality, persistent official unemployment in excess of six percent and underemployment in excess of 15 percent. Despite some compensation via the welfare system, poverty and income insecurity remain significant in Australia, particularly in households with no wage earners or in those in which work takes the form of self employment.

Similar trends in labour market outcomes have occurred in Britain, Canada, the USA and New Zealand.

Both the current Howard Coalition Government and the previous Labor Government eschewed the adoption of policies of direct job creation to reduce the rate of unemployment. Monetary and fiscal policy has been geared to keeping inflation low and to achieving budget surpluses, respectively. Strong *economic fundamentals* allied with deregulated markets are viewed as both necessary and sufficient for the return to full employment.

In Australia, unemployment is increasingly viewed as an individual, not a collective problem. This was epitomised by the introduction of the Work for the Dole scheme in late 1997 and its consolidation via the development of mutual obligation in mid-1998 (Burgess et al, 2000).

The Government's solution to persistent unemployment is always further supply side reform, rather than a fundamental change in policy. Despite the OECD Jobs Study (1994), there is increasing skepticism about the capacity of neo-liberal reforms to reduce the high unemployment rates that have prevailed in most OECD economies since the mid-1970s (Bell, 2000). Further orthodox economic theory does not imply that equilibrium market clearing wages are necessarily above poverty wages (Widerquist and Lewis, 1997).

In Europe an unconditional Basic or Guaranteed Income (BI) set at a liveable level and paid to all citizens as a means of reducing economic insecurity is now advocated by public policy theorists, such as Van Parijs (2000a) in Belgium, Fitzpatrick (1999) in the UK, as well as Widerquist and Lewis (1997) (USA), Clark and Kavanagh (1996) and Lerner (2000) (Canada) and Tomlinson (2000) (Australia).

Most supporters argue that a BI will redress the power imbalance in the labour market, overcome poverty and unemployment traps, lead to a voluntary redistribution of work hours and encourage individuals to adopt creative family and community activities in their leisure time.

Noting that there are many theories of poverty, including the physical inability to work, single-parenthood, the inadequate demand for labour, the low level of human capital formation and the lack of a work ethic, Widerquist and Lewis (1997) argue that a Basic Income is the best policy to cure it, irrespective of its cause.

In this paper, I wish to assess critically this interventionist approach to solving the long-term economic and social problems of persistent unemployment and the associated absence of income security for a significant cohort of the population.

I conclude that the arguments in support of the right of the able bodied to receive the unconditional BI and choose not to engage in paid work are unconvincing. Second, the advocates of a Basic Income typically take a narrow individualistic perspective by viewing the BI as a solution to income security, without recognising the wider economic and environmental consequences.

These supporters fail to acknowledge that employment remains a major source of economic and social status. Further, continuity of employment along with skill development and the accrual of experience are highly valued at both a personal and social level. In recognising peoples' right to receive a BI and, in some cases, not to work for sustained periods, these advocates fail to acknowledge that such behaviour would provide a poor signal to a prospective employer in the future.

The loosening of the link between income and work, which is characteristic of the BI, appears to have led researchers to neglect the employment impact of the possible increase in consumption expenditure under this scheme. Thus, while there may be a redistribution of hours of work under a BI, there is no guarantee that there will be a cut in total hours of work.

It is unlikely that full employment would be achieved. Also pressing environmental problems would not be addressed in a systematic fashion. Thus the BI approach seems to be founded on the view that full employment is unsustainable for both economic and environmental reasons.

I argue that, for the able bodied, the receipt of income should be conditional on undertaking work under a Job Guarantee (JG) scheme (see, for example, Mitchell, 1998; Mitchell and Watts, 2001). The JG approach acknowledges that there is important work to be undertaken on social and environmental projects that do not satisfy the calculus of profit, as well as activities such as caring, which are typically unpaid. Thus through the appropriate allocation of JG employees under a buffer stock mechanism, full employment is achievable and environmentally sustainable. The JG may represent a step in the transition to an unconditional BI, after the reassessment of what constitutes work in the light of rising labour productivity and falling weekly hours of paid work. The focus of this paper is, however, the properties of the BI scheme.

## Basic income

Van Parijs (2000a) defines basic income as “an income paid by a political community to all its members on an individual basis, without means test or work requirement” (see also Lerner and Clark, 2000; Fitzpatrick, 2001). Most advocates recommend that it be paid on a regular basis, rather than as a one-off lump sum. It replaces other forms of social welfare benefits including unemployment benefits and child allowances and pensions that in a number of countries, such as Britain and Australia, are subject to means tests. Supplements can still be given to those who suffer illness/disability. Lerner and Clark (2000) envisage different rates being paid to elderly, adults and children.

A full basic income sets income above the poverty line, so it is a liveable level of income. A partial BI lies below the poverty line with either some form of public assistance for those individuals with an inadequate income or the requirement that they work.

It is often recommended that BI be “financed” by a flat tax on all other personal incomes with the elimination of all or most tax deductions in order to widen the tax base (Clark and Kavanagh, 1996). A revenue-neutral, partial basic income implies a lower marginal rate of tax, but it would be less effective in combating poverty (Fitzpatrick, 2001: 2).

Other taxes are also advocated, including a progressive tax on income and alternative taxation regimes (such as an energy, land or natural resource taxes) or an expanded value added tax and even a new tax instrument, such as a Tobin tax on speculative capital movements. In Section 4 we argue that the financing of a BI is not an issue, *per se*.

Van Parijs (2000a) argues that the Basic Income is a universal system which should have a higher take up rate and the absence of any stigma on recipients (see also Fitzpatrick, 2001). There may still be a stigma attached to someone of working age who chooses not to engage in paid work. Rightly or wrongly social status and feelings of self worth are attached to the paid work that people undertake.

Van Parijs argues that the BI embodies equal rights for all and workers' freedom and security would be increased. The BI would be easy to understand and cheap to administer. It would tackle poverty and unemployment traps, because it would not be withdrawn when people secure a job and/or experience an increase in earnings.

### **Citizenship: its rights and obligations**

The basis for Van Parijs' support of a BI is his real-libertarian conception of justice (Van Parijs, 2000b). All members of society should be formally free, with a well-enforced structure of property rights that includes the ownership of each by herself, but also integral to the concept is the real value of those rights, measured by the resources the person has at her command to make use of her liberty. The distribution of resources should offer the greatest possible real opportunity to those with the least opportunities, subject to everyone's formal freedom being respected. He claims that a BI set at the highest sustainable level satisfies this ideal.

On the other hand, Galston (2000) notes that Rawls presents his conception of political community as a system of social cooperation. Social justice is "the fair organization of such a cooperative venture and fair allocation of its joint products", in contrast to Van Parijs' notion of real libertarianism. Galston (2000) argues that reciprocity should be a necessary condition for social justice.

Farrelly (1999) provides three Rawlsian objections to the BI in a theory of social justice. First, he challenges Van Parijs' claim that leisure is not a primary good, where a primary good is one that "every rational man is presumed to want". The set of primary goods underpins Rawls' concept of social justice. Van Parijs does not include leisure because it would create a bias towards those who work hard. Farrelly (1999: 287-88) argues that this is merely question begging and notes that there has been a long standing campaign over reducing the length of the working day in many countries. Also the inclusion of leisure would support an argument for a conditional income for those whose low hourly wages require them to work excessive hours to achieve an acceptable income level.

Second, Farrelly (1999: 284) argues that Van Parijs undermines the Rawlsian conception of democratic citizenship. He notes that the concept of justice enables the able bodied, who do not wish to work, say surfers, to free-ride on those who choose to work. Free-riding is counter to the fundamental moral consideration which underpins both socialism and capitalism. Van Parijs asserts that by giving up their claim on a job these surfers allow others to access the scarce job market. Farrelly (1999) rejects this argument stating that this treatment of the voluntarily unemployed undermines the responsibilities required of just citizens.

Farrelly (1999: 290) claims that Van Parijs' argument collapses if policies are introduced to overcome the unemployment problem. He cites microeconomic policies, including reduced working time and employment subsidies, but also the implementation of the JG would undermine Van Parijs' argument.

In private correspondence, Widerquist challenges this perspective stating that Van Parijs's argument is not solely reliant on there being unemployment. It depends on some jobs being more desirable than others and the labour market not performing the matching function effectively, (in addition to not providing a consistently adequate level of wage income to those who wish to undertake paid work). He states that Van Parijs' argument would only be undermined if the labour market was perfectly fair, so everyone was paid exactly what s/he contributed and everyone was able to work as much as they wanted, in order to generate income.

Thus the argument is that, with the introduction of an unconditional BI, workers would have meaningful choices and be able to veto bad jobs, thereby forcing a restructuring of jobs and improved matching, so that quality jobs would be available to more workers.

A permanently fully employed economy via the JG can more efficiently reduce discriminatory practices by employers and force the restructuring of jobs.

Finally Farrelly (1999) states that Van Parijs' ideal of real freedom for all does not offer a theory of justice that could fulfil a diverse list of primary goods that Rawls stipulates, in particular self-respect. In advocating a BI in the context of real libertarianism, Van Parijs rejects policies designed to provide workers with the option of meaningful work and denies autonomy to those who are unwilling to work. Also the decision to be non-productive in the paid work sense through neglecting education, training and work experience, has long term repercussions for career opportunities.

While it could be claimed that individuals should make their own choices about training and work, education until a certain age is still compulsory, so the question is not about compulsion, *per se*, but rather at what age individuals should be considered responsible for their decision making.

Widerquist and Lewis (1997) object to a moral obligation being imposed on individuals without property to work if society is not held to reciprocal obligation (see also Widerquist, 1999). They reject the use of a minimum wage, viewing the BI as a more comprehensive strategy that, in addition to providing choice, helps both the unemployed and the working poor. There is no need to differentiate between the deserving and undeserving poor under a BI and forcing the undeserving poor to work would create excess supply.

Under a BI, all individuals have the same opportunity to live without working. In the absence of a BI, some members of society face the possibility of starvation if they choose

not to work. A BI will not exploit middle-class workers, because their higher wages, resulting from a change in the balance of forces in the labour market (see below), will compensate to some degree for the imposition of taxes to pay for the BI (Widerquist, 1999). Also by not being forced to work, wage earners cannot be construed as being exploited.

Consistent with Farrelly (1999), Burgess and Mitchell (1998) note that those not engaging in paid work are not accorded the status attached to employment because they make no contribution to market activity, the barometer of worth in a market economy. They also have no opportunity for long-term career advancement and are stigmatised. In addition, the unemployed no longer enjoy unqualified safety net protection with activity tests in many countries, and time limits on the lifetime receipt of welfare benefits in the USA. Without social transfers they have to depend upon savings, family transfers or black economy activities in order to sustain minimum living standards. This violates basic concepts of community participation and citizenship.

The key question here is whether the inalienable human right should be to the receipt of income, without employment necessarily being attached, or whether the fundamental right should be to paid employment.

Widerquist and Lewis (1997) argue that public employment (JG) is an improvement over any other strategies and, like a BI, acts as an automatic stabiliser and eliminates many sources of poverty. They applaud the fact that JG creates a reciprocal moral obligation rather than a one-sided moral obligation, associated with the no-work, no-income scenario, but they object to the absence of financial assistance for workers who choose not to engage in paid work.

Widerquist (1999: 400) rejects a conditional guaranteed income linked to a work requirement because he argues that external asset owners are not obliged to work, so that the scheme falls short of reciprocity. The wealth distribution is a separate issue. Ironically under a revenue neutral BI, wage earners may be taxed so that another group obtains some freedom from the labour market. The response that nobody is forced to work under the BI scheme is a curious one, because it ignores the macroeconomic reality that a high percentage of the working age population must work to sustain current living standards. This raises the question as to the level of the BI.

## **The economic consequences**

### ***Employment and wages***

Van Parijs (2000a) argues that under a Basic Income scheme, the securing of a job does not interfere with the entitlement, as long as the marginal tax rate on income from work is less than 100 percent, so that low wage earners can take risks with jobs. By contrast, many anti-poverty programs in the USA, such as TANF, food stamps, unemployment

insurance and even public housing, are hard to qualify for, so that a cycle of welfare dependency is created through a reluctance to take paid work (Widerquist and Lewis, 1997). Thus both poverty and unemployment traps would be undermined, and, if the basic income were set at an adequate level, the worst poverty would be overcome by this integration of tax and benefit systems. (This is particularly important in the USA where there is a higher incidence of low wage employment and limited social welfare provisions, except for Food Stamps and the EITC, see Ingles, 2001; Clark and Kavanagh, 1996).

Van Parijs (2000a) agrees, claiming that the strength of the BI proposal is based on the combination of the no-work test and the no-means test. The tax structure provides the incentive to undertake work, despite the absence of the work test (see also Widerquist and Lewis, 1997: 34). But the absence of the work test also means that workers are not forced to take poorly paid, insecure jobs with no career opportunities to supplement their unconditional incomes. Thus the weakest participants in the labour market have increased bargaining power, as compared to a scheme of work conditional, guaranteed income. This is alleged to shift the balance of power in favour of workers and lead to an improvement of wages and conditions in marginal jobs, many of which are non-standard.

Widerquist and Lewis (1997: 35-36) note that 10 percent of Americans work full-time but live below the poverty line. They claim that some low waged Americans have a strong commitment to work because, even before limits were imposed on accessing public assistance, most recipients had left public assistance within three years. Thus the impact of BI on labour supply would be low.

On the other hand, Lerner (2000) claims that the provision of a secure subsistence income will lead to less connection to formal work. It is unlikely that there will be a voluntary reduction in living standards, however, so that the decline in participation is likely to be small.

The overall labour force participation rate has been rising in most countries and the majority of consumers appear to be pursuing more material intensive lifestyles. The overall participation rate in Australia rose from 61.9 percent in February 1986 to 74.8 percent in May 2000. In part, this reflects the desire to undertake part-time work.

In Australia, the percentage of families with one or more dependants, which have both parents employed rose from 42.1 percent to 44 percent between February 1988 and February 1998 which suggests that families are seeking to increase real income.

Average real wages have stagnated in countries, including Australia and the USA, which could have contributed to the rising female participation rate. Many two income families now have both partners with high incomes, given the increased participation of women in post-school education, their higher labour market participation and increased



hours of work. It is unlikely that this pattern of labour market behaviour was motivated by the desire for even greater income security than in the past, so it is not certain that participation would diminish under a BI. Some two income families work more hours than they would choose, but people are attracted to high incomes and career opportunities. Thus it is not evident that the provision of a Basic Income will lead to a significant shift away from market to non-market activities because material demands remain unsatisfied which will sustain and possibly increase hours worked.

Some secondary income earners, particularly women and teenagers, may withdraw from the labour market, if an unconditional BI is introduced. Some primary and secondary earners may try to reduce hours of work by undertaking part-time and casual work to supplement their Basic Incomes. Unless the BI is very generous, so that a significant number of part-time workers choose voluntarily not to engage in paid work, there could even be an increase in the supply of part-time workers which could even strengthen the hand of employers. Also employers are likely to be able to exploit the large implicit subsidy by reducing wages and conditions. Thus there is likely to be a growth of low wage, low productivity jobs which employers have no incentive to restructure via new investment. As a consequence the growth in average living standards would decline, along with investment and skill development.

Robeyns (2001: 85) notes that in one respect a BI is good for women because they represent the majority of the poor, but it will tend to reinforce the gender division of labour with some women reluctantly foregoing paid work. It is important to note, however, that the household division of paid work reflects pay differences and discriminatory labour market practices, in addition to sexual stereotyping and hence the unequal distribution of unpaid work.

Robeyns questions whether an unconditional BI would lead to a recognition and revaluation of unpaid work, since it would also be paid to people who do not make any economic or social contribution. She favours a participation income, so that people who engage in socially valuable activities are entitled to a minimum income.

The impact on aggregate consumption of the introduction of a BI under revenue neutrality is unclear. We shall assume that a flat rate income tax is imposed. First higher income earners suffer higher levels of tax, but whether this translates into lower consumption depends on whether the increased tax rate is offset by lower saving. Lower income earners and the unemployed enjoy higher post tax incomes *ceteris paribus*, but some employees may reduce hours of work, without sacrificing their post-tax level of income. Low-income earners tend to have a higher propensity to consume than high-income earners. The overall impact on consumption and hence aggregate hours of work is likely to be relatively small. The alternative to the maintenance of employment and/or hours of work is that the country's material needs would be increasingly met via imports with consequential effects for the exchange rate.

The introduction of the BI could lead to an export led recovery, due to increased labour flexibility and lower per unit labour costs, which would also counter the tendency for hours of work to decrease. These macroeconomic changes might lead to a realignment of wage relativities, but rates of underutilisation of labour in many countries are high, so the impact may be small.

### ***Financing the BI***

It was noted in Section 2 that a number of proposals have been put forward to finance the BI. Mitchell and Watts (2001) argue that the alleged equivalence between the household budget and the government budget is flawed. A household must finance its spending, *ex ante*, whereas the government spends first and never has to worry about financing. The important difference is that government spending is desired by the private sector because it brings the resources (fiat money), which the private sector requires to fulfil its legal taxation obligations, maintain its transaction balances and meet its desires to save. The household cannot impose any such obligations. The sale of government securities to the non-bank public is needed to mop up surplus liquidity, rather than being required by the dictates of the budget identity. Further discussion of this issue is beyond the scope of the paper.

## **The environment**

### ***Introduction***

Greens argue that full employment with all workers able to secure full time employment, if they so choose, is neither desirable nor sustainable, given the type of employment that is currently available (Fitzpatrick, 2001). Although an increasing percentage of part-time workers seek increased hours of work in Australia, there is a significant cohort who want part-time employment. Typically the solution to poverty and unemployment is faster economic growth and hence higher employment which is usually at expense of environment.

Greens seek sustainability but also social justice. Accordingly a BI has some appeal because it is alleged to undercut the employment ethic and to challenge the productivist assumptions which legitimate that ethic (Fitzpatrick, 2001: 3, Goodin, 2001). Consequently some ecologists support the BI because it entices people out of employment so that there is a slower rate of economic growth.

The key question is whether the imposition of an adequate BI reduces the rate of growth. This must entail a slower growth of hours worked, not merely a redistribution of hours

(Fitzpatrick, 2001: 2). Dobson (2000) notes the contradiction between the anti-materialism of Green thought and the proposal to finance the BI out of the revenue generated from taxing workers.

### ***Lifestyle choices under a BI***

Many writers focus on the changed circumstances of individuals, following the introduction of an unconditional BI, and its possible impact on their behaviour. They ignore the macroeconomic impact. As noted above, the impact on consumption of the introduction of a BI is likely to be small and hence aggregate hours of paid work would be expected to remain more or less unchanged.

A favourable interpretation of the impact of the BI on GDP growth would have to be based on an adequate BI leading to a rejection of the consumerist mentality resulting in a slow down of GDP growth which would benefit the environment

Greens who advocate the unconditional BI emphasise the increased range of choices that are available to the working age population. Lerner (2000) has a utopian vision of a quantum change in workers' consciousness who reject a materialist perspective, reduce their labour market participation and engage in more voluntary unpaid work associated with caring and environmental preservation.

Lerner (2000) argues that workers benefit through enhanced career choices, the opportunity for sabbaticals, flexitime and lower hours of work (see also Fitzpatrick, 2001: 2). She suggests that education can assume the important major role in the development of human potential. The improved choices about lifestyle would foster the shift from materialism and consumerism. Non-market activities, such as parenting, care-giving, volunteerism and philanthropy would be re-evaluated. More time could be spent with families and involvement with communities.

Thus Lerner (2000) is enthusiastic about the BI because workers have more freedom to develop interests and activities outside of waged work (Fitzpatrick, 2001).

On the other hand, the introduction of a BI could reinforce existing values, habits and assumptions (Mellor, 1992) with recipients simply treating the BI as a lump sum gain in income with a minimal effect on hours worked and consumption expenditure being sustained or even increased.

Ironically Van Parijs (1992) argues that BI is growth friendly due to its impact on economic efficiency. If Greens are to support the BI, then they must argue that BI channels growth in ecologically friendly directions. This can only take place if there is reduced throughout and/or a change in production techniques.

Offe (1993) suggests that a BI could remove some of the productivist pressures so that targeted and selective environmental policies could be introduced leading to the termination of some forms of production. A good example in Australia would be the acceptance of the closure of timber mills in regional areas, once the environmental issues can be separated from the means of sustaining regional communities.

Andersson (1996) argues that the activities and lifestyle associated with an ecological lifestyle are not necessarily encouraged by a full BI. He advocates a small unconditional BI and a citizen's wage for activity outside the labour market that is socially useful and environmentally friendly and also the promotion of 3<sup>rd</sup> sector, which is not organised around the state or the market.

Shragge (1994) argues that a BI plus compulsory volunteer work would constitute coercion and would undermine existing employment, thereby creating a pool of cheap labour. The State could respond by reducing the number of regular jobs. He claims that community agencies can supplement the BI without coercion, by building up their own groups and organisations.

Hence the advocates of the BI do not present a unified view of its impact on the labour market and economic activity.

Thus the belief that a BI brings about changes in behaviour compatible with a Green economy is based on an act of faith. Even if individuals chose to adopt less materialist lifestyles, there is no guarantee that uncoordinated, individualistic behaviour will lead to the promotion of coordinated and coherent voluntary activities that address pressing environmental problems. Van Parijs' "version of liberalism is too individualistic to the detriment of the common good" (Farrelly, 1999: 291).

## **Conclusion**

There are chronic problems of income insecurity and underemployment in most Western economies.

An unconditional Basic Income is an individualist rather than collectivist solution to income inequality and income insecurity in the sense that the economic and environmental outcomes depend on individual choices about employment, consumption and leisure time activities. Some advocates of the BI, including Lerner (2000), appear to assume that through unpaid activities, individual and community initiatives will spontaneously meet the pressing social and environmental needs.

The Centre of Full Employment and Equity advocate a Job Guarantee, in which all people of working age are entitled to paid work for their chosen number of hours (Mitchell and Watts, 2001). The expertise of local councils, state and federal

governments should be exploited to design JG jobs that address the backlog of unmet social and environmental needs that largely reflect the withdrawal of the state. This is not to decry the role of voluntarism in social, cultural and environmental activities, but a sustained, coherent program is required to meet unmet economic, social and environmental needs over the foreseeable future. For this reason, individuals have a social obligation to participate in paid work, in exchange for income. Job creation is not limited by budgetary constraints. The BI cannot be justified on the basis of an alleged crisis in (private sector) job creation.

Van Parijs (2000c) acknowledges that a conditional income (JG) may represent a step in the transition to an unconditional BI, following the reassessment of what constitutes work. The adoption of an unconditional BI is possible in the future, given rising labour productivity and falling hours of paid work.

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