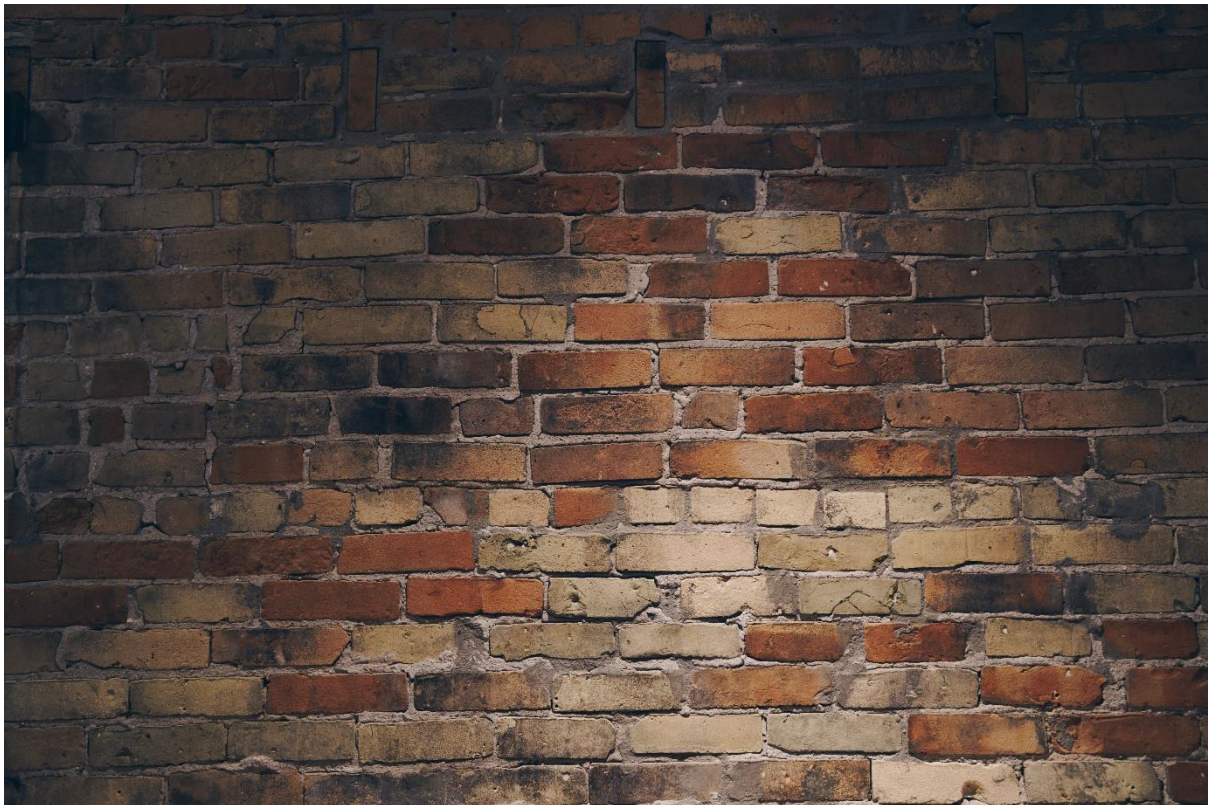


# Public Perceptions of Basic Income in the West Midlands 'Red Wall'

Alex de Ruyter and David Hearne



BIRMINGHAM CITY  
University  
Centre for Brexit Studies



**Basic**  
**Income**  
**Conversation**

## Foreword

By Michael Pugh, Director, Basic Income Conversation

We at the Basic Income Conversation want to see a basic income happen.. We blend organising, advocacy and research to promote basic income in the UK and fundamentally we think the best way to get people talking about this big idea is through conversation - hence our name.

The conversation about basic income is spreading at a rapid pace. Even before the pandemic there was growing interest in the idea but that has grown considerably in the last 12 months as the pandemic forces us to face up to the realities of the changing labour market and inadequate social security system. However, as conversations spread, it's increasingly important to focus on how we have those conversations.

How we talk about this big idea is vitally important. Are there certain phrases or stories of ways of talking about basic income that make people more or less interested? Are we framing the idea with the right language? Have we got the right narrative? If we can understand public perceptions better, it will help advocates and politicians better craft their conversation and campaign messages. This study carried out by the team at the Centre for Brexit Studies, in collaboration with us at the Basic Income Conversation, helps us begin to understand these questions.

We wanted to test basic income in areas of electoral significance. The report makes reference to so-called Red Wall voters. In some ways it's quite a frustrating term but it's been used to describe the constituencies that were long held Labour seats until the Conservatives won them in 2017 and particularly 2019. They are generally characterised as post-industrial areas that were more likely to vote Brexit and have been areas in the North West, North East and parts of the Midlands.

Whatever one thinks of the term - these areas are now the centre ground of British politics where elections are won and lost. So it's vital we understand how basic income goes down in these areas. And it's a timely question on the eve of elections taking place across the country.

The West Midlands votes for the Metro Mayor and there are other elections happening across Scotland, Wales and England where basic income is increasingly becoming a topic of conversation for voters. Right across the country in we've seen politicians back basic income ahead of the elections whether it's Nicola Sturgeon from the SNP, Andy Burnham from Labour, Adam Price from Plaid Cymru, Sian Berry for the Greens, or Jane Dodds for the Liberal Democrats we are seeing prominent senior figures backing it - hoping voters agree.

But do voters agree? Particularly in the Red Wall in the West Midlands? The initial results of some focus groups in the following report helps us begin to answer that question.

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## Executive Summary

COVID-19 has shifted attitudes towards the world of work as well as beliefs about what is feasible and desirable. Few would have foretold a future in which tens of thousands perished long before their time, others were left with debilitating illness, visiting friends and family was made illegal and over ten million extra people depended on state support because they were unable to work. It was into this remarkable environment that the current research project was born.

A Universal Basic Income is a regular cash payment made to all in society (sometimes varying dependent on age). Its defining feature is its universality: there are no work conditions attached to it, nor does financial status affect its payment. The broad concept is found across the political spectrum along with its close cousin the Negative Income Tax. With this in mind the project sought to answer the following research questions:

- What is the current level of understanding of the concept of a Universal Basic Income (UBI) in “red wall” constituencies within the West Midlands?
- What are the prevailing attitudes towards the concept in these seats?
- How has the pandemic affected attitudes towards a UBI and associated labour market norms?
- What political ramifications can be drawn from this for candidates in forthcoming elections, both national and regional?

To do so, a series of focus groups were held in some of the most important “red wall” seats in the West Midlands. The results were instructive: first impressions were predominantly positive. It is clear that the pandemic has led to widespread feelings of insecurity, including among many who work in jobs that had hitherto been considered quite secure (e.g. the legal sector). A number of participants had obviously re-evaluated their own employment in this light. Interestingly, this was not limited to those who had experienced job insecurity directly – even those working in IT (who had seen business increase during the pandemic) were made keenly aware of their vulnerability due to the precarious position of others.

A second notable feature was the relatively high direct exposure to precariousness felt by respondents, which is probably linked to the demographic profile of the area. A number either themselves worked in “precarious” employment (e.g. the so-called “platform economy”) or had close friends and relatives who did. The relative absence of paid sick leave for many and its impact on the pandemic was not lost on participants.

Overall, the concept does appear to have the hallmarks of a politically popular policy. These results suggest that it has the potential to be a “vote-winner”. However, proponents of a UBI do have some clear political hurdles to overcome.

Concerns centre on a handful of major themes. Firstly, respondents were concerned about people “getting something for nothing” and the potential impacts on work incentives, notwithstanding academic research. Additionally, there are some residual concerns over affordability, although the pandemic has substantially lessened these given awareness about ongoing high government expenditures. Those who have interacted with the existing benefits system (either directly or indirectly through close friends and family) are more disposed to significant changes, particularly the introduction of a UBI, suggesting that exposure to Universal Credit renders it more unpopular. Finally, there are concerns over what people would spend the money on, particularly by those with addiction issues. These issues are further detailed in the material contained within this report.

## Introduction

The concept of a Universal Basic Income (UBI) is not new. Indeed, some would argue that the basic premise dates back to the 1500s or earlier. However, in spite of the significant attention in the academic literature that the idea has received, it remains outside the mainstream in most contemporary policy debates. However, the thrust of recent developments (that is, the last 10 years and especially the past 12 months) has led to a wider awareness and interest in the concept in policy circles. During this period two factors have driven our own particular interest in the concept. Firstly, the increasing precariousness of employment and decline in the traditional long-term “employer-employee” relationship in the UK that was predominant since the end of the Second World War. This has been especially obvious in three main areas:

1. The dramatic growth in self-employment over the past 15 years, and especially the emergence of so-called “platform work” - e.g., Uber, Deliveroo, Taskrabbit (De Ruyter and Brown, 2019).
2. The large increase in zero-hours contracts and erratic work patterns since the 2008 global financial crisis (8-hour contracts supplemented by variable overtime, for example, are also increasingly common).
3. A longer-term erosion in the permanence and stability of employment, with many on time-limited contracts, a decline in “steady” jobs with redundancy or (employer) bankruptcy being real risks for many. Even ostensibly “permanent” employees often lack all but the most rudimentary protections against dismissal (with many unaware of this).

The other major factor driving our interest has been Covid-19. Specifically, it has been painfully obvious that countries with relatively little protection against sudden falls in employment income (such as the US, UK, much of Southern Europe and almost all of Latin America) have suffered high mortality, often alongside poor economic outcomes. Indeed, Covid-19, the worst pandemic the world has seen in a century, with over 3.1 million deaths to date world-wide at the time of writing (April 29<sup>th</sup> 2021) and over 127,000 deaths in the UK.<sup>1</sup> When a large subset of people are not entitled to good sick pay, there is a big incentive to keep working even though you know you might be sick. In the UK’s case, this was reinforced by a very narrow definition of symptoms. Attendance is a valid selection criterion when redundancies need to be made, which further increases the incentive to attend work even if you might be unwell.

A UBI has the potential to substantially mitigate this by providing an income floor. Research suggests that a UBI might be beneficial in other areas, in terms of mitigating health inequalities (Ruckert, Huynh, & Labonté, 2017) and providing significant qualitative wellbeing improvements, such as lower stress, improved wellbeing and enhanced life satisfaction (Kangas, Jauhiainen, Simanainen, & Ylikännö, 2019). However, notable challenges remain in implementation, not least being widespread public perceptions that a UBI amounts to “something for nothing” or is otherwise “unaffordable” by society.

Hence, in this report our research seeks to investigate how individuals in the so-called “Red Wall” areas of the West Midlands – specifically those living in constituencies that historically voted Labour and recently (2017 and 2019 elections) swung Conservative perceive the concept. In the material that follows we review the concept of a UBI and the key issues around feasibility and desirability,

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<sup>1</sup> <https://covid19.who.int/>



before turning to our own primary (focus group) data. We conclude by outlining an agenda for raising public awareness of – and support for – a UBI in a post-pandemic context.

## Literature Review

The concept of a Universal Basic Income (UBI) is not new. Indeed, some would argue that the basic premise dates back to the 16<sup>th</sup> century, with the publication by St. Thomas More of *Utopia*. However, in spite of the significant attention in the academic literature that the idea has received, it remains outside the mainstream in most contemporary policy debates. Most modern proponents of the concept typically adopt the “five characteristics” used by the Basic Income Earth Network (2020), although in practice a more parsimonious definition is possible. The key element to a UBI is its *unconditional* nature. It is therefore not possible to affect eligibility via changes in behaviour or status<sup>2</sup>. As such, it is payable to individuals, is not means tested, nor are there conditions (such as compulsory job search) attached.

Two factors have added significant impetus to the current debate. Firstly, the increasing precariousness of employment, particularly (but by no means exclusively) associated with the growth of forms of work outside the traditional employer-employee relationship. These labour market shifts have particularly affected those likely to earn low incomes (especially the self-employed and those on non-standard contracts). It is notable in a policy context that many areas in the former industrial heartlands of the Midlands and North of England have experienced a particularly acute change over recent years and decades, with factory closure associated with lower pay and less job security in subsequent employment (Armstrong, Bailey, de Ruyter, Mahdon, & Thomas, 2008; Bailey and de Ruyter, 2015). Thus, this shift has affected those areas in constituencies that are part of the so-called “red wall”. The growth of the “gig economy”, platform-employment and other precarious forms of work has been well documented (De Ruyter and Brown, 2019).

The pandemic has significantly heightened many of these concerns for several reasons. Firstly, the conditional nature of “workfare” or “activation” policies employed in much of the western world have collided with an imperative to avoid social contact (“stay home” rules). Many have temporarily waived conditionality. Secondly, a large portion of the population has suddenly been exposed to arbitrary income loss. Finally, a flexible labour market and relatively low levels of sick pay have ensured that many individuals are unable to isolate when in response to contact with an infected individual. A UBI is one mechanism to address these concerns, whilst simultaneously improving incentives for those on very low incomes. Whether it is a preferred way of doing so is contested. As such, twin discussions in the academic literature have centred on the concepts desirability and its feasibility. A non-exhaustive summary of the findings in both areas is given here.

### Desirability

A number of notable authors espouse a UBI on the basis of its contribution to freedom (Van Parijs and Vanderborght, 2017), a concept bearing some resemblance to Isaiah Berlin’s (1958) concept of “positive freedom”. Although proponents of a UBI are more often found on the political left in academic circles (e.g., Standing, 2017), the idea shares a close cousin on the political right: the concept of a negative income tax (Friedman and Friedman, 1962). Although some suggest that there are fundamental differences between the two (Tondani, 2009), this relates largely to a conflation

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<sup>2</sup> Many proponents consider its applicability to be limited to legal residents (or sometimes citizens) and exclude those serving a criminal sentence.

between gross cost and net cost. In theory, the two can be designed to be actuarially and economically almost arbitrarily close<sup>3</sup>.

A significant number of “basic income” experiments have been undertaken over the years and have yielded a variety of conclusions. Between 1968 and 1980, five experiments were undertaken in North America (Widerquist, 2005). Although under the guise of a negative income tax, sound inferences can nevertheless be drawn. Although these experiments generated an extremely large academic literature, many of the conclusions were tentative with many important caveats: something which subsequent media commentary failed to appreciate (Widerquist, 2005). The findings on family dissolution were particularly poorly understood<sup>4</sup>, and are unlikely to be as applicable today (in an environment where marriage is much less universal and female employment much higher).

These early US studies found little change in access to healthcare or health status, at least in the shorter term (Elesh and Lefcowitz, 1977), although at least one of the experiments saw an increase in birthweight (Hanushek, 1986). There did appear to be some positive ramifications in terms of investment in education and housing quality (Hanushek, 1986). The recent Finnish experiment mirrored many of these findings, although the positive effects appear to have been somewhat greater insofar as they find a significant positive impact on recipients in terms of mental wellbeing, perceived health, trust in institutions and life satisfaction (Kangas, et al., 2019). Unsurprisingly, recipients reported a significant increase in their financial wellbeing and a concomitant reduction in stress.

There is some evidence that the introduction of a UBI also has an impact on health inequalities (Ruckert, et al., 2017), contrary to some of the initial evidence from the US. Many of these will have been exacerbated by the current pandemic. There is also some evidence of significant positive impacts in developing nations (Jhabvala, 2017), although it is less clear how applicable this would be in the developed-country context. Overall, the non-labour-market impacts of a UBI appear overwhelmingly to be positive, although there are questions as to the magnitude of some of the effects. Notwithstanding the labour market impacts, then, a UBI would appear to be desirable on both theoretical and practical grounds.

A large literature concentrates on the impact of introducing a UBI on labour supply. In reality, none of these properly illustrate the probable impact of a UBI on labour market participation, for two main reasons. Firstly, as noted by Widerquist (2005), they (by definition) do not include any effects on labour demand. Just as crucially, however, any attempts to estimate the effects of a UBI on work intensity must include the tax changes necessary to pay for it in order to be meaningful. Once again, by definition, none of the experiments do this. However, they can be used to model the labour market participation of the poor (in both income and asset terms) and it is to this evidence that we now turn.

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<sup>3</sup> In practice, there are likely to be differences due to the timings of payments and the need to provide evidence of income in the case of a negative income tax. These administrative and budgetary burdens would predominantly fall on the poorest in society, many of whom struggle with budgeting with low and variable incomes. Specifically, although the total transfers received under both would be virtually identical for individuals under either system (given the same effective marginal tax rates and net costs), a UBI makes identical payments every period, whereas the amount received under a negative income tax would depend on the previous period's income. A UBI thus cushions more effectively against unexpected income drops.

<sup>4</sup> Even in the theoretical literature, such effects can arise for many reasons. In general, these are perceived as benign: an income guarantee allows those with low (or zero) wages to leave a failing or abusive relationship.

Results have typically varied and there is no academic consensus, although on the whole responses have been small. A survey of 16 basic income trial experiments finds limited impact on labour supply (Gilbert, Murphy, Stepka, Barrett, & Worku, 2018), for example. Our reading of the evidence is more nuanced: there does on balance appear to be a somewhat negative impact on labour supply, but this is quantitatively small. The US and Canadian experiments in particular do appear to be associated with a reduction in overall labour supply, although there are large caveats (Widerquist, 2005). Moreover, there is strong theoretical evidence to suggest that these results are unlikely to be relevant to contemporary European states with different welfare systems and paid holiday entitlements (Moffitt, 2003).

More recent work using the “win for life” Dutch lottery scheme, which is probably more relevant to contemporary Europe, also found a reduction in labour supply (Marx and Peeters, 2008) but this was much smaller than in the North American experiments. The Finnish experiment found no statistically significant effects on employment (Kangas, et al., 2019). A reasonable reading of this rather varied literature is that contemporary evidence in states with existing welfare systems suggests that there is probably a negative impact on labour market participation amongst the poor, but that this is small. Moreover, although existing welfare systems are heavily focussed on incentivising labour force participation, labour market withdrawal is not necessarily a negative phenomenon if it leads to upskilling (taking time out to gain new qualifications or skills) or some non-remunerated activity (caring for children, volunteering etc.) Overall, the bulk of evidence is rather positive in terms of the desirability of a UBI, at least in the abstract.

### Feasibility

A second strand of the literature has focussed on the affordability of a UBI. Here, the results are significantly less encouraging. A generous, or “full” basic income is set at (or above) subsistence level, which has the advantage of removing any means-tested benefits at all<sup>5</sup> and substantially reducing administrative overheads. There is a consensus within the academic literature that the introduction of a generous UBI would require significant tax increases<sup>6</sup>. This has led to considerable policy interest in so-called ‘partial’ basic income schemes, which would be used in conjunction with (reduced) means-tested benefits (Reed and Lansley, 2016). Naturally, this loses some (but not all) of the benefits of a ‘full’ UBI, certainly in terms of economic efficiency. Martinelli (2019) christens this difficulty the “trilemma” between affordability, adequacy and advantages (of a full UBI).

What is sometimes missed from this debate, however, is the fact that only two things are economically relevant in terms of tax system design: *net* cost/revenue and *marginal* tax rates. The former dictates the amount raised, whilst the latter determines behaviour. However, those on low incomes (and with few assets) already experience extremely high marginal tax rates. In the UK, for example, benefits claimants can face effective marginal tax rates of 74%. As such, a UBI can be thought of as changing the profile of the tax system as much as the rate (De Ruyter and Hearne, 2020; Van Parijs and Vanderborght, 2017). The key policy change relative to the status quo thus relates to conditionality rather than rates (which could be changed to approximate the current system).

However, the current Covid-19 pandemic, which has resulted in vast government borrowing to counter the impact of the novel Coronavirus, has challenged public perceptions around

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<sup>5</sup> Non-means-tested benefits, such as disability benefits, would remain. Some authors include housing benefits in this category, although there are strong theoretical grounds not to.

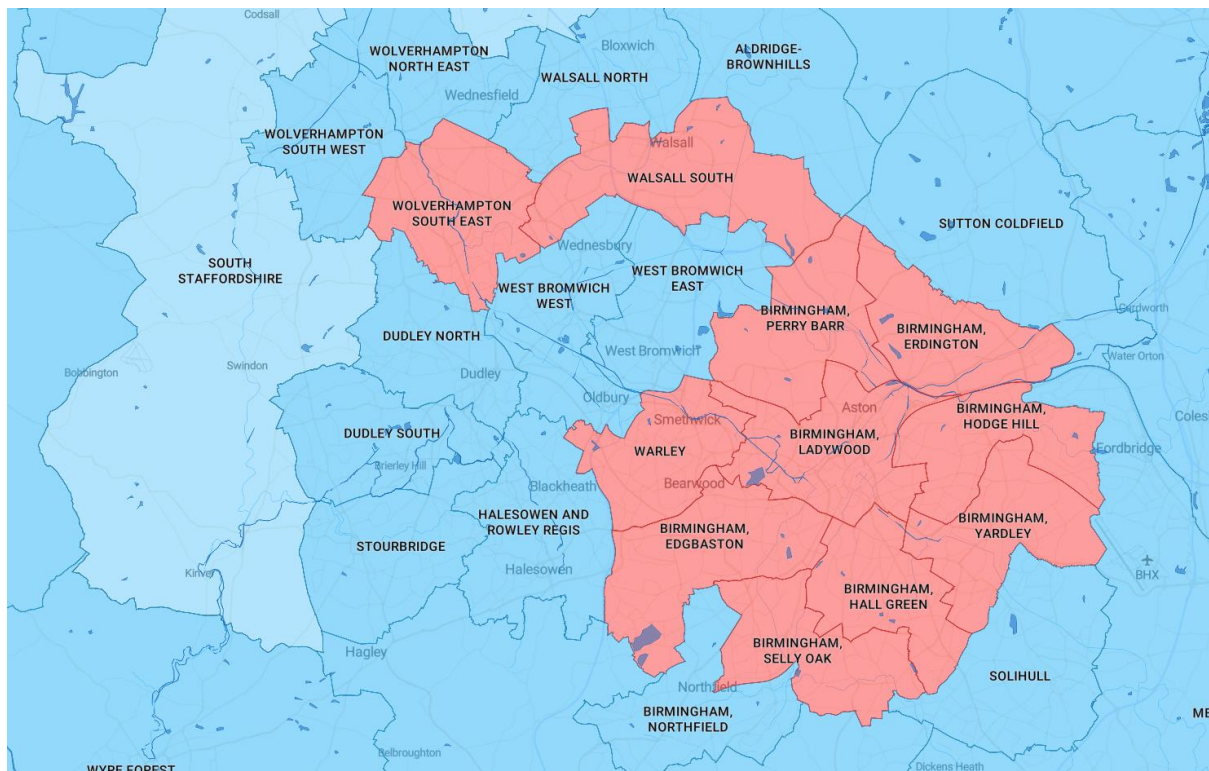
<sup>6</sup> There is a literature arguing that this could be done *without* significant tax increases, via deficit financing. This is not a view adopted by most mainstream economists.



“affordability” and hence has increased the political space for policy innovation that would constitute a UBI. What is lacking, however, is a satisfactory understanding of the wider public perceptions around the utility of a UBI to tackle the key issues we outlined earlier, and as such, to pinpoint a discourse around UBI in terms that resonates with the wider public. Hence, there is a clear need for robust micro-level data to capture these perceptions and dialogues.

## Methods

Accordingly, four focus groups were conducted between November 2020 and January 2021 in areas of the West Midlands (Walsall, West Bromwich, Dudley, Northfield) that form part of the so-called ‘Red Wall’ constituencies (see map below) in the Midlands and North of England that swung to the Conservative Party in the 2017 and 2019 elections, and an additional focus group for north Worcestershire. These areas were chosen because as new “swing seats” in Westminster elections, they will exert a more significant pull on the thrust of policy by the various political parties. Hence, they had a particular appeal for conducting research in; a) at an academic level to explore various aspects of their views on a UBI, but moreover, b) in the aim that establishing dialogue on the utility of a UBI to address social inequalities might in turn influence political discourse in the areas concerned (and at a wider, national level).



Source: reproduced from <https://maproom.net/demo/election-map/0.html>

The focus groups took approximately one hour and were conducted in a semi-structured interview format exploring the following themes:

- Attitudes towards a UBI
- Impact of Covid-19
- What would you do with a UBI

- What changes would it have on your locality
- What impact would it have on your work
- Would you vote for a political candidate supporting a UBI

Participants were recruited via various means (social media, local news outlets and via e-mail alerts) and the purpose of the research and beneficiaries were explained to them in advance so that fully-informed consent was assured. The focus groups were conducted on-line (via Zoom) due to social distancing limitations and pseudonyms were used during the sessions (and in the transcripts arising thereof) to ensure anonymity and confidentiality. In the material that follows, we present the findings of our research, focussing on attitudes to a UBI, and the impact of Covid-19.

## Findings

In exploring our participants' views on a UBI, what became evident was that a majority of them had not heard of the concept before. Interestingly, the call to take part in the research had prompted a number of them to look up information on the internet pertaining to a basic income. For some, this had shifted their views to a more favourable stance of the impact of a UBI, however, for others, an innate scepticism persisted, particularly in terms of whether it was affordable, or would lead to people shunning work, as the following extracts highlight.

### Attitudes towards a UBI

Overall then, there was some degree of ambiguity towards the desirability and feasibility of a UBI for our participants. Those who had recently experienced a spell of unemployment or inactivity, or were otherwise exposed to more precarious forms of work were more favourable. For example, our findings on the relative appeal of a UBI chimed with concerns over the inherent labour market precariousness around the gig economy:

*"I know as far as the gig economy is concerned, that was one of the reasons I thought, well, maybe [a UBI] would be good because my brother and other people I know work in the gig economy and it is exploitative" (P5, Dudley).*

In a similar fashion, those who were worried about the potential for automation to "destroy jobs" were supportive of a UBI as a means to less reliance on (a diminishing incidence of secure) waged labour:

*"I also think we're getting to a point as a society where we need something like universal basic income, so that we can guarantee a standard of living for everybody. As technology progresses, and more jobs are lost to automation or efficiency savings, it's going to become more and more important, that everybody has that financial security" (P2, West Bromwich).*

However, this did not translate necessarily into political support for the introduction of a UBI, with concerns over whether it would reduce the incentive for people to work also coming to the fore, *"In principle, it's a brilliant idea [...but...] There needs to be something there for people to work towards"* (P2, Walsall). Here, the past 40 years of stigmatisation of those in receipt of welfare benefits (and especially the past 10 years), particularly that of unemployment benefits, had left a severe impression in terms of being offered 'something for nothing' – even to the extent that people seemed willing to endure poverty rather than being seen to demand improved state welfare:

*"Um, you know, people don't want to go and ask for handouts.... But we work with the most vulnerable children in society. We have to go out and try and provide as much as we can. But a lot of*

*families they just try and keep it secret and not let people know that they're struggling because nobody wants to admit that they can't feed the children..." P1 (Dudley).*

Interestingly, and to reiterate the above, this was tempered for those who had previously interacted with (or seen) the existing benefits system,

*"Yeah, I have a friend that was like that. Actually, she used to because she'd get offered jobs. She'd been on benefits for years, and she'd get offered jobs, but she'd say, it's not worth me taking it because it's only a temporary job. And yeah, I won't get any benefits for the four weeks and I've got bills" (P5, Dudley).*

In general then, there was some openness to the idea of implementing a UBI, tempered by the notion of affordability. In this regard, a couple of comments alluded to who would pay for it, with the attendant notion that they would be targeted with a tax rise. This in itself was interesting in terms of how people self-identified (e.g., 'middle class' or 'well-off'). Although this is beyond the scope of this report, it was interesting to observe participant reactions (in the sense that they were not as well-off as they thought) when it was pointed out to them that ways to pay for a UBI would primarily affect *higher* income earners or corporations or otherwise tax wealth, rather than *them*.

Interestingly, some expressed that they would be more favourably disposed towards a UBI if the "rich" had to in effect pay it back in more tax:

*"Yes, I would feel more comfortable with that. If I knew that those who were getting the same money that other people were, but they were kind of paying it back in tax. But now I feel more comfortable that because I feel it'd be fairer" (P1, Dudley).*

We now turn to the impact of Covid-19 on perceptions of the desirability of a UBI.

### Impact of Covid-19

All of our participants were acutely aware of the impact of Covid-19 on their own circumstances, of those they knew, and on the wider economy:

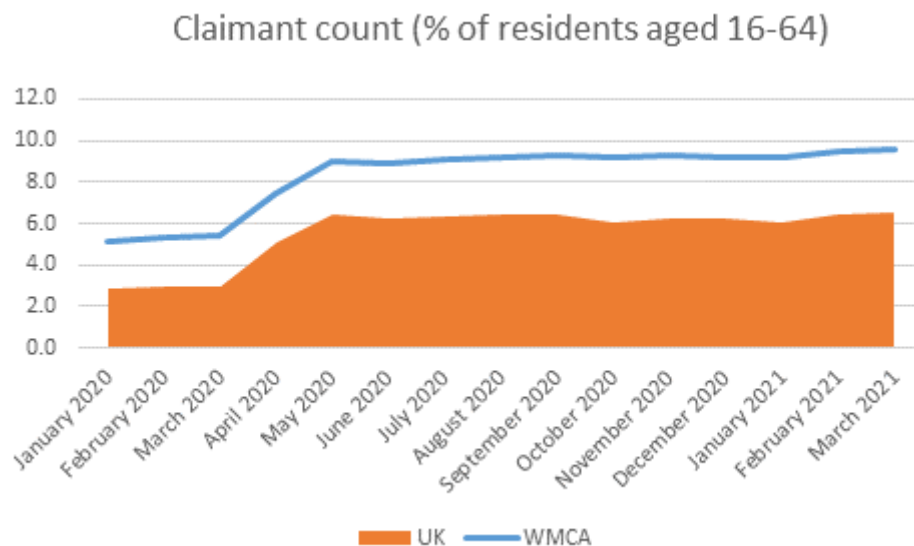
*"I mean, a lot of people in this country are living hand to hand at the moment, and have been doing so for a long time, where you can be in a very stable position on a very good wage. But if you lose your job, it can be a month, two months before, you've got debt collectors at the door" (P2, West Bromwich).*

However, what was particularly interesting, from the perspective of our research was the degree to which the pandemic could have changed people's attitudes towards job loss, and those in receipt of Universal Credit. This was because Covid-19 had triggered a period of being furloughed in the Coronavirus Job Retention Scheme, or even outright job loss, even for those who worked in what they thought was secure employment in a profession:

*"[P]ersonally I've seen some really, like highly educated, clever people who've probably always thought you know what, I'm going to be okay. I've always got something to fall back on. And suddenly that's not the case [because of Covid-19]... I would like to see not as many food banks because finally people would be able to buy their own food and stuff, because it's just an awful situation at the moment" (P3, West Bromwich).*

*"I got told yesterday, I was getting made redundant. And that's the first time since I started working in 1984 [and it makes me feel] Fuc\*ing terrified [...] now all of a sudden this. I feel a bit abandoned if I'm honest" P1 (Walsall).*

It was this experience, more than anything else, that had made some of our respondents more in favour of the idea of a UBI. At an aggregate level, a significant proportion of the workforce continues to be on furlough, covering some 4.7 million as of 28<sup>th</sup> February per HMRC<sup>7</sup>. Meanwhile, the claimant count in the West Midlands Combined Authority (WMCA) area roughly doubled in the period between March and May 2020 and has held steady ever since, as depicted in the chart below. In this sense, the arbitrary precariousness of the UK labour market was driven home in no uncertain terms for a number of our participants. This in turn tentatively suggested a more sympathetic attitude toward the unemployed and realisation of the often harsh, punitive nature of the existing Universal Credit out-of-work benefits system.



Source:

<https://www.nomisweb.co.uk/query/construct/summary.asp?mode=construct&version=0&dataset=162>

As such, there is clearly a strong appetite for greater financial security, at least amongst some individuals in those “Red Wall” seats that we conducted focus groups in. What’s less clear is whether this translates into support for a basic income at present.

### What would you do with a UBI

In answering this question, there was a clear distinction between those who said that they would save the money, to put aside “for a rainy day” and those who would see a welcome boost for their spending, reiterating the attendant notion of seeking greater financial security alluded to above. In that sense, a UBI was certainly welcome. The prospect that a UBI would enable greater independence and self-sufficiency was also referred to (mirroring the finding in previous literature that a UBI could enable a dependent spouse to end an abusive relationship for example), as attested to by one participant:

<sup>7</sup> <https://www.gov.uk/government/statistics/coronavirus-job-retention-scheme-statistics-march-2021/coronavirus-job-retention-scheme-statistics-march-2021>. More recent data from April suggests that this may have fallen by about ¼, with the “proportion of the workforce of all UK businesses (excluding those permanently ceased trading) on furlough has decreased to 13%, down from the 17% in the previous wave” – see <https://www.ons.gov.uk/peoplepopulationandcommunity/healthandsocialcare/conditionsanddiseases/bulletins/coronavirustheukconomyandsocietyfasterindicators/29april2021#latest-indicators-at-a-glance>

*"I would feel so relieved that I didn't from time to time have to [rely on] my husband [...]. He's on a much better state pension than I am. Because I was, for many for some years, I was a stay-at-home mom" (P2, Worcestershire).*

Some thought that a UBI would enable people to break out of a cycle of substance abuse (though the opposite view was also expressed):

*"to me that this the option of some sort of payment like this helps for in terms of relief, that helps folks mentally and then also hopefully would lead people that had not to do recreational drugs or things like that, because once he once folks lose hope they may go to that direction" (P3, Dudley).*

In summary then, a UBI was generally regarded by participants as empowering people with more financial security and independence.

#### What changes would a UBI have on your work

The notion that a UBI would also entail a greater degree of independence (and choice thereof) in engaging in work was also evident to our participants. For those who were satisfied in their current employment, the impact of a UBI might only be felt at the margins, in that it might affect hours worked, to the extent that a UBI would enable a reconfiguration of work-life balance, pending other commitments:

*"I can't speak for everyone in the area, but I think some people, especially the older generations that are close to retirement, would probably take more of a part-time approach as they lead up towards retirement... [In contrast] young families and single mothers might take the part-time route for childcare reasons. But I don't think it's going to make much difference in employment [overall]..." (P1b, West Bromwich).*

For others though, a UBI could enable them to retrain, safe in the knowledge that they wouldn't have to take "any job available" to get by:

*"So, you could [use it to] pay for courses, like if you wanted to go into legal or other now Chartered Surveyors or that kind of thing. And then yes, you could be able to afford to pay or put down funds to pay for courses and better yourself for the future" P2 (Birmingham).*

In this sense, then, a UBI could be a key means to enable genuine capability endowment by individuals and enhance positive economic freedom (Sen, 1987; 2003).

#### What changes would a UBI have on your locality?

In understanding the salience of examining the appeal (or otherwise) of a UBI in "red wall" constituencies, it is pertinent to note that our target areas are typical of those characterised by a high degree of deprivation and social exclusion, the types of localities that have been depicted by some in the academic literature as "places that don't matter" (Rodríguez-Pose, 2018). The West Midlands NUTS1 region had the highest Leave share of the vote in the UK – at 60% (Electoral Commission, 2016) – and within this region, the West Midlands Combined Authority (WMCA) area had the highest unemployment rate of any NUTS2 sub-region at 8.1%. It also had the lowest employment rate at 64.5% - it was the only NUTS2 area where under 2/3 of the working-age population were employed in 2016 (Office for National Statistics, 2017).

As such, we were keen to understand whether a UBI, by addressing basic issues of poverty, would have a stimulus on participants' local area of residence. Our evidence suggested that a UBI, on its own, would be insufficient to have much of an impact, with respondents suggesting that



Government (at local and national level) had a wider role to play in terms of community revival, or “levelling up”:

*“On its own, I don’t think it would be enough. I think it would give a short-term boost for businesses. On its own, I don’t think it would make a huge difference to community areas, I still think there is a level of responsibility on councils to put in measures to help up communities and to get them in a nicer state, but I also think part of that is if you are living in poverty, you can’t afford to better yourself. So maybe long-term, in effect” (P2, West Bromwich).*

A UBI then, would be seen as only one element of necessary policies to tackle places that felt “left behind” – and would require a combination of place-based policies to address (e.g., infrastructure, amenities, skill development) and link into a wider regional development agenda.

### Would you vote for a political candidate supporting UBI?

Finally, we asked participants whether they would vote for a candidate or Party espousing a UBI. Responses were very closely correlated with voting patterns (to the extent that participants divulged which party they voted for, or usually vote for). Unsurprisingly, those who voted for “progressive” parties were more likely to support a UBI. In contrast, Conservative or UKIP voters were more sceptical of the concept. Some respondents did pick up on the notion that a UBI would increasingly become part of a policy platform of all parties if it proved increasingly popular with an electorate scarred by the Covid-19 pandemic:

*“I think both the major parties once they get wind of how it’s rising in popularity will promise to put it in place. Throughout of the whole COVID situation, I think you’ve got a good chance of getting this put forward quite damned quickly with the way it’s going, where we don’t have to appeal and with people struggling throughout COVID, could have that safety net” (P1b, West Bromwich).*

## Conclusions and Next Steps

Hence, the findings of these pilot focus groups suggest an exciting research agenda moving forward. Our participants generally displayed an open-mindedness towards to the concept of a UBI, and were somewhat favourably disposed when the mechanics of a how a UBI would operate was explained to them. However, given the limited nature of our sample, further work to understand a wider variety of individuals’ attitudes towards a UBI is necessary. This should include work with specific population subsets. These subsets could include jobseekers, migrants, students, the self-employed, retirees and other subsets building on the geographic focus of this work. Such research could also include comparative studies with other regions (e.g., Greater Manchester or London). It would also be useful to try and stratify subsets by political affiliation.

Given the favourable, but still somewhat ambiguous views towards a UBI found by this initial work, there is scope for quite extensive survey evidence to be gathered in order to ascertain the views of the wider population in some detail. Further studies will now want to look at different presentations and framing in order to better understand how views are shaped and what support (if any) there might be for different elements of a basic income and associated tax changes. This should be confirmed by survey evidence. Our work therefore warrants a multi-pronged research agenda, including:

- Focus groups with various communities identified above, looking at attitudes and (separately);
- Surveys to ascertain attitudes AND reactions to a UBI according to a variety of demographic indicators.



Over the coming 2-3 months, our aim is to explore these issues further. Key to this will be more focus groups (hopefully in-person as the pandemic subsides) and “town hall” type gatherings to explore and explain the utility of a UBI. This agenda will also involve seeking research funding to undertake a more ambitious work schedule.

The Authors.

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