

The time has never been more ripe for a universal basic income

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The notion of disruption can often seem very abstract. Coronavirus, and the way it has impacted on politics, society and the economy, illustrates what it means in practice. The disruptive changes wrought by COVID-19 mean that the future will be completely different from the past; many things will no longer be the same as before, and past experiences will no longer be reliable guides to future decisions.

PERFECTLY HEALTHY BUSINESS MODELS INFECTED OVERNIGHT

One core aspect of disruption is that the old rules of cause and effect go out the window. You could have been doing all the right things and yet still end up losing everything. For instance, the complete economic shutdown forced by coronavirus fatally infected many perfectly healthy business models overnight.

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Thousands of businesses have gone insolvent, hundreds of thousands of people have lost their jobs, millions of people have been furloughed with reduced incomes – and it made no difference whether or not they’d taken sensible precautions and built up reserves or savings.

CRISES LIKE CORONA AFFECT PEOPLE REGARDLESS OF INDIVIDUAL BEHAVIOUR

The corona crisis is a prime example of how things that used to be true are now completely obsolete. Even if it once made sense to attach certain conditions to benefits and government assistance, disruption has changed all that. The beautician who has had to close her salon due to coronavirus, the pub on the verge of folding and the travel agency going bankrupt are failing not because they didn’t follow the rules of the market economy, but as a consequence of unforeseeable events that nobody is safe from.

UNCONDITIONALITY: A NEW RULE FOR A NEW AGE

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Unconditionality is the new rule for a new age, because what made sense yesterday no longer does today in a world of disruption and certainly won’t in the world of tomorrow. Businesses haven’t become victims of the crisis through any fault of their own. Workers haven’t lost their jobs because they did something wrong. People haven’t ended up in desperate need as a result of their own behaviour.

SUPPORTING THE RETURN TO THE MARKET ECONOMY WITH A UNIVERSAL BASIC INCOME

Crises are always also an opportunity for a fresh start. The German government has paid out billions in relief payments (with massive support from the European Central Bank and its pandemic loan programmes).

The normal mechanisms where companies generate their own revenues and individuals earn their own incomes have been suspended.

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Conditions have never been better to introduce a universal basic income (UBI), which would support the return to the market economy that is so urgently needed (and preferably sooner rather than later).

**UNIVERSAL BASIC INCOME:
A KEY ISSUE FOR THE 2021 GERMAN ELECTIONS**

In times of disruption, it's especially important for social market economies to secure both efficient production and fair redistribution of economic output on the one hand, and a guaranteed safety net for people who need it on the other. UBI is the best way

to make that a reality. The first steps have already been taken. In late March 2020, a campaign to run a UBI pilot in the state of Hamburg successfully passed the first hurdle; other federal states are likely to follow. Media commentators such as Spiegel Online columnist Margarete Stokowski have already come out in favour of the idea. By the time of next year's German elections, there will be more political and social momentum behind the idea of UBI than ever before. Which can only be a good thing – let's keep thinking forwards!





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