

American Economy Will Not Survive COVID Without Universal Basic Income And A Dramatic Increase In SSA Monthly Benefits Payments

The numbers are in. America will be destroyed without UBI and SSA benefits increases. It simply is not possible to hope that the USA will ever be able to go back to the way it was before.

The Federal Check Won't Be Enough To Save America. Now's The Time To Introduce A Universal Basic Income

- [Miles Howard](#)

It's often said that most Americans are one health care or financial disaster away from bankruptcy.

The Federal Reserve's 2018 [Survey of Household Economics and Decision Making](#), which took the lived experiences of 12,000 U.S. households into account, found that 40% of the respondents would struggle to come up with \$400 during an emergency. Rent and mortgages payments, debt and the basic cost of weekly staples like groceries and medicine add up very quickly in America.

That was before the COVID-19 pandemic began.

Now, as more Americans develop fevers and respiratory distress, and as elected officials urge the rest of us to stay in our homes to prevent the hospitals from becoming overwhelmed, Americans are taking a financial beating. Businesses are closing down. Workers are being laid off at rates that could [exceed](#) the devastation of the Great Depression. Unemployment websites are crashing from the sheer demand for assistance. Because in

America, we don't have much of a safety net, and there are always bills to be paid. If millions of us can't go to work, our system will collapse.

How do we rectify this? By giving every household some cash. Call it emergency universal basic income (UBI), call it a cash stimulus, but that's the idea that many economists and members of Congress have embraced. Several other countries are already doing this in their own ways. Italy, France and South Korea have respectively [canceled](#) mortgage payments, [suspended](#) rents and [sent](#) pre-loaded debit cards for folks who've suffered economic losses. The United Kingdom is going to pay workers who've lost wages 80% of their incomes. A concept once deemed utopian and impossible is now pragmatic. Social distancing only works if people can afford to stay home.

A concept once deemed utopian and impossible is now pragmatic.

Early Wednesday morning, Senate leaders and the White House finally reached an agreement on a [coronavirus stimulus package](#) that includes \$1,200 payments to most American adults and \$500 to most children. Still, senior leaders from both of America's parties had found ways to screw up the UBI proposals that were before Congress.

Senate Majority Leader Mitch McConnell and the GOP released a [plan](#) that would mail individuals the \$1,200 check, but give lower-income households only \$500. (Imagine thinking that any person in America can subsist on \$500 to \$1,200 for weeks — or more likely, months — of social distancing.) Better ideas had been put forth by Democrats like Rep. Maxine Waters, whose stimulus [plan](#) would have sent monthly checks of \$2,000 to

individuals, with additional money for dependents and a temporary suspension of most household bill payments. But House Speaker Nancy Pelosi threw cold water on Waters' universal aid idea by [insisting](#) that any coronavirus aid package should be means-tested — which may sound sensible, except means testing makes it much [harder](#) for poor people to get the benefits they need right away.

Watching this impasse from Massachusetts, one of the most expensive states to live in was infuriating. And it's ironic that we should be at the mercy of the feds on UBI, because historically speaking, Massachusetts has been a leader on issues that have transformed life in America.

Rep. Tami Gouveia, a Democrat from Acton, didn't wait for Washington. On March 16, she filed [legislation](#) for a localized version of cash aid. If the bill were taken up by the House and Senate and signed by Gov. Charlie Baker, lower- and middle-income households would receive a check for \$1,000, with \$500 for each dependent. This aid would complement the federal payment. In other words, localized cash aid could make a paltry UBI package from Congress livable for more people.

Instead of thinking of cash aid as "free money," think of it as paying people to stay home ...

Localized UBI would go much further than the state-centric economic relief ideas that we've come up with thus far. The interest-free small business [loans](#) that Baker announced last week would still leave many of us indebted. The Boston Resiliency Fund, [announced](#) by Boston Mayor Marty Walsh, is a step in the correct direction (it would provide food and additional forms of material aid to kids, older adults and health care

workers). But to address the full scale of the coronavirus economic fallout, we need the federal and state governments to come up with a livable and fair substitute for the economy that we'd otherwise be paying into as consumers, workers and business owners. Mailing out checks to everyone each month would move us a lot closer to that goal.

Universal cash aid would not only prevent bankruptcies but also save lives. Instead of thinking of cash aid as "free money," think of it as paying people to stay home, social distance and do their duty to prevent hospitals from being swarmed with COVID-19 patients. Trump is already talking about sending people [back to work](#) by Easter (ignoring the recommendations of epidemiologists). Cash payments would help governors push back against Trump and urge their residents to stay home as long as public health officials recommend.

Massachusetts could find a way to do this. We reaped a billion-dollar [surplus](#) last year, and while we've agreed on how to spend \$541 million of it, that still leaves a hefty balance. We could even make Gouveia's aid package universal, sending out checks to everyone now and finding a way to tax wealthier households retroactively. That would solve the means-testing, red-tape problem.

But on a broader level, doing this would be an act of leadership and innovation in line with the history of Massachusetts. We love to rest on laurels when it comes to reliving the days of giving people health care and legalizing same-sex marriage. Now, as millions of Americans struggle to survive the pandemic without going bankrupt, Massachusetts could show other states how to

compensate for the federal government's inadequate response to the economic calamity.

Normally, this is where I would defend the idea of giving everyone cash from the charge that it's a socialistic idea — that's how it goes in American life. But we're in a new world now. Countries are enacting policies that were once deemed unfeasible — because those policies are what people need to make it through a pandemic. And in America, you need money to live.

Americans want a plan to increase monthly Social Security benefits, veterans assistance and Supplemental Security Income benefits by \$200 a month, which could further add to a stimulus bill.

Senate Minority Leader Charles Schumer (D-N.Y.) joined Sen. Ron Wyden (Ore.), the senior Democrat on the Senate Finance Committee, and Sen. Elizabeth Warren (D-Mass.) in calling for the expanded benefits to be added to the phase three stimulus bill.

The additional benefits, which would last through the end of 2021, would provide seniors, veterans and people with disabilities an extra \$4,000 over the next two years.

"Immediately increasing Social Security benefits would put money in the pockets of seniors, veterans and people with disabilities during these uncertain times," Schumer said in a statement. "Senate Democrats are committed to quickly delivering relief to the millions of Americans bearing the weight of this public health crisis."

Warren said increasing Social Security benefits "would get money directly to millions of people quickly."

"Social Security was created to respond to the Great Depression, and expanding it now will ensure this critical program helps us meet the challenge of the current crisis," she added.

Proponents of expanded Social Security benefits made a strong push for the proposal during a House Democratic conference call Thursday morning.

Rep. John Larson (D-Conn.), the Ways and Means Social Security Subcommittee chairman, pitched his bill, The Emergency Social Security Benefits Improvement Act, on the call.

It would provide for a 2 percent across-the-board increase in Social Security benefits for 64 million people, increase the threshold for the special minimum benefit to 125 percent of the federal poverty level, and reduce taxes on benefits for low- and middle-income individuals and families.

Rep. Jared Huffman (D-Calif.) said it's a popular idea in the House Democratic caucus.

"If we're talking about bailing out certain industries, we've got to treat the most vulnerable population in this pandemic, our seniors, with the same priority," he said. "It's an appropriate economic stimulus. It's also a critical part of retirement security and economic security for some of the worst-affected Americans."

A major Democratic criticism of the Senate Republican stimulus plan is that it does not do enough to help people on the lowest

rungs of the economic ladder who are especially vulnerable to the economic downturn caused by the coronavirus.

Sen. Debbie Stabenow (Mich.), one of the Democratic negotiators, on Friday faulted the GOP plan for proposing \$1,200 rebate checks for adults earning up to \$75,000 per year but much less for people who earn little to no federally taxable income.

"I couldn't believe that they were talking about lowest-income people getting \$600 and somebody making \$75,000 getting twice as much as that, \$1,200," she said. "Those numbers don't make any sense."

[Implement Universal Basic Income to give home & food ...](#)

< <https://petition.parliament.uk/petitions/302284>

The government should implement an immediate **Universal Basic Income** trial for all UK residents to ensure home and food security through the coronavirus **Covid-19** crisis, to support the needs of those that need to self-isolate as well as the public health at large, and the wider economy.

Does coronavirus mean the time has come for a Universal ...

< <https://www.independent.co.uk/voices/coronavirus-universal-basic-income-ubi-economy-covid-19-a9406616.html>

Does coronavirus mean the time has come for a **Universal Basic Income**? Wouldn't a UBI not only be effective in supporting **incomes**, but also provide a powerful confidence-boosting signal that the ...