Brain-be 2.0

PILLAR 3

STATE OF THE ART

BABEL
Basic income in Belgium: stress-testing basic income in the digital era

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[Introduction]

A basic income (BI) is a radical departure from traditional public welfare provision as it severs the link between contribution and benefit on the one hand and between need and benefit on the other hand. Although a BI is often presented as a simple idea, discussing concrete policy proposals quickly ends in a Tower of Babel-like argument. In many of these debates, it appears that proponents, and respectively opponents, often have different kinds of BI schemes in mind when advocating for or criticizing the idea. It is, however, quite obvious that the actual outcomes of a BI will be highly dependent on the concrete policy design in terms of entitlement, eligibility criteria, benefit levels, financing, and implementation trajectories. These aspects will substantially influence the extent to which a BI may discourage paid work or any work, increases or reduces gender inequalities in work and care, and end the myriad of problems associated with means-tested social benefits. Unfortunately, for many of these outcomes we lack empirical scrutiny. This is the main focus of the BAsic income in BELgium (BABEL) project.

The BABEL project aims to narrow the gap between claim and reality with regard to BI outcomes. The project has several objectives. First, it aims to investigate the actual labour supply effects of BI. To this end, a quasi-experimental approach is applied in which we use administrative records to estimate the labour supply effects of BI based on what gets closest to a real world basic income situation: the Belgian Win-for-Life lottery. Second, to gauge the potential outcomes of BI and its different policy versions a comprehensive microsimulation exercise is conducted to estimate the first-order income distributive and budgetary effects of a set of BI proposals and their effect on work incentives in Belgium. Third, by carrying out factorial vignette experiments, the project aims to gain deeper insight into public support for the implementation of a variety of basic income schemes in Belgium, and whether and to what extent public support of basic income schemes depends on the outcomes, financing and implementation details. Fourth, BABEL will pay due attention to the on-the-ground implementation and the technical and administrative feasibility of a selection of basic income policy proposals, and it will gauge to what extent political parties and social partners as gatekeepers in the Belgian welfare state are willing to support the implementation of these schemes.

In this state of the art report, following the structure of the BABEL project, we summarize the main findings and gaps of existing research in terms of (1) the labour supply effects of BI; (2) the first-order effects of BI; (3) public support for BI, and (4) the political support for the implementation of BI.

[State of the art]

<u>Labour supply effects of basic income</u>

The first large-scale social science experiment ever conducted tested the potential effect of a Negative Income Tax (NIT), a policy which shares many attributes with a BI (Hum and Simpson, 1993). An NIT is a minimum income floor provided to all citizens without any work requirement but with an income test in the form of an income tax, usually at a fixed rate. Effectively, it redistributes income from high to low-income earners. Some argue that an NIT is a type of BI, taking the form of a refundable income tax credit instead of an ex-ante payment to all (Van Parijs, Jacquet and Salinas, 2000). Between the 1960s and 1970s, five NIT

experiments were conducted in the United States of America and Canada, namely the Seattle/Denver Income Maintenance Experiment, the Rural Income Maintenance Experiment, the Gary Income Maintenance Experiment, the New Jersey Graduated Work Incentive Experiment, and the Manitoba Basic Annual Income Experiment. Their objective was primarily to investigate the effect of an NIT on recipients' labour supply, but several other social measurements were also included, such as poverty, income or marital stability (U. S. Government Accountability, 1981).

In recent years, the idea of a BI has also inspired pilot projects with minimum income benefits that share some characteristics of a BI. A few have already been carried out in developed welfare states, for example, the Finnish Basic Income experiment and the social assistance experiments in The Netherlands. Both have primarily been conducted to investigate the potential labour supply effects of a BI. Other variables, such as well-being, and subjective health, were included but remained secondary to the analyses. Heikki Hiilamo (2022) even suggests that the labour supply focus of the Finnish experiment has left it poorly equipped to test well-being effects. For instance, no baseline measurements have been collected, which significantly affects the validity of the well-being indicator. In the case of the Dutch experiments, the focus on labour supply was already present in the legal mandate provided to the municipalities to test alternative social policies. This mandate allows to deviate from existing rules of minimum income attribution to test employment and financing outcomes in an experimental way (Groot, Muffels and Verlaat, 2019).

Lottery winnings are studied as another form of natural experiments to inform about the potential impacts of a BI. Unintentionally, they effectively correspond to an unconditional cash transfer, sometimes transferred periodically. Here again, the study of non-employment outcomes is sparse. A few papers have analysed health and education effects, but this was done in a rather unsystematic manner (Gibson, Hearty and Craig, 2018; Marinescu, 2018).

Another instrument to investigate the effects of a BI are micro-simulations. In social sciences, these are computer programme-based models estimating the effect of public policies and demographic processes on individual units of a population (individuals, households, businesses etc.) More specifically, for each observation in a large-scale survey, the programme simulates outcomes of interest—for example income tax liabilities or social benefit receipt—by applying actual or hypothetical programme rules to the survey data about that observation. This allows an almost unlimited 'what if' testing of overnight policy changes and their first-order distributional and budgetary implications. Microsimulation models are particularly valuable for evaluating the first-order distributional and budgetary effects of policy changes, as they can assess the distributional impact of policy reforms on different groups and individuals, and the overall budgetary impact of those reforms. Some attempts have been made to investigate the labour supply effect of a BI this way (Abul Naga, Kolodziejczyk and Müller, 2008; Horstschräer, Clauss and Schnabel, 2008; Browne and Immervoll, 2017; Magnani and Piccoli, 2020). However, the instrument has several methodological limitations, one of which is that micro-simulations are not well suited to predict second-order effects of an extensive reform as a BI. This means they cannot tell us what other effects income distributional changes in reaction to a BI entail. One can simulate the first-order distributional effects of a specific BI, but not how changing behaviour in reaction to it drives, for example, labour market policy reforms. This is because microsimulation relies on uncertain assumptions about how individuals behave, which is still unknown, particularly for an unconventional and reformative policy as a BI.

Finally, some policies resembling a BI have been studied as a form of natural experiment. These policies, also called Unconditional Cash Transfers (UCT), provide a periodic, unconditional, and long-term income. The Alaska Permanent Dividend Fund and the Eastern Cherokee Casino Dividend are the most referenced UCTs in the field. We can note that while the Alaska Permanent Dividend Fund has mainly studied economic outcomes, the Eastern Cherokee Casino Dividend has also investigated other outcomes related to health, education and crime results (Gibson, Hearty and Craig, 2018; Marinescu, 2018).

Despite the high degree of variation across the different transfers and the ways of studying the potential effects of a BI, a coherent picture of the labour supply effect emerges. Generally, the results indicate no or a minor impact on recipients' participation in paid work. This is the case for relatively targeted and universal benefits; for lumpsum and periodic payments; for short-term or long-term allocations etc.

The studies also reveal that partnered women are more likely to reduce work than their male counterparts. This observation is underpinned by research about social gender norms and their influence on work, care and household task distribution. For example, the daily schedule of men and women show that men spend more time in renumerated work and leisure than women. By comparison, women spend more time on household and child upbringing tasks (Glorieux and Van Tienoven, 2009; Grossbard, 2015). Social constructivist feminist theory understands this outcome as an effect of social roles attached to masculinity and feminity. Feminity is related to the realms of care with attributes such as "sensitive to the need of others" and "compassionate". Masculinity is linked to the domain of paid work with traits such as "competitive" and "ambitious" (Bem, 1981). Conversely, rationalists believe that household members aim to maximise their utility by attributing labour market participation to primary earners, often men (Becker, 1993). More recent studies evidence this phenomenon (Dalmia and Sicilian, 2008; Grossbard, 2015). Ann Orloff (2013) argues that providing extra income to households through a BI would risk widening the gender division of labour. Men would retain their work participation, while women would devote themselves entirely to household tasks. This discrepancy could be further accentuated by how socially attributed gender roles influence the type of activity (i.e., social or economic) for which people utilise their work reduction. For example, studies investigating the interplay between gender roles and volunteering, or entrepreneurship have shown a strong gendering of these activities. Ahl (2006) reveals that the traits associated with entrepreneurship are strongly associated with words describing masculinity. This gendering of entrepreneurship is also denoted by an overrepresentation of males among business starters (Warnecke, 2013). Reversely, volunteering and care activities are mainly socially attributed to feminity. Karniol and her colleagues (2003) show that feminine gender orientation was related to higher care ethic and higher participation in volunteering activities.

Against the background of existing BI studies, another element that seems to affect labour supply is the benefit amount and the tax levels required to finance it. However, the only type of research which tested higher amounts are lottery and microsimulation studies. Microsimulation research predicts an increase in work participation for low benefit levels and a decrease for high benefit levels. The first effect would be due to a reduction in the unemployment trap occurring when the difference between welfare benefits and (low) paid work is too small and incentivises people to remain out of paid work. With a BI, an unemployed person would not lose the benefit when taking up paid work. Hence, with such a BI, unemployed persons would have a more significant financial incentive to participate in the labour market. The second effect is representative for the unconditional nature of a BI. With an ideal-typical BI, there would be no work requirement, reducing the financial work incentive of medium to high-income earners. The microsimulations also provide evidence that this could be accentuated by the benefit amount and the level of income tax

modelled in some BI scenarios. A more-generous BI and a BI with higher income tax was predicted to have negative effects on labour supply (Abul Naga, Kolodziejczyk and Müller, 2008; Browne and Immervoll, 2017; Magnani and Piccoli, 2020).

The first-order effects of basic income

There have already been several lines of empirical research on the possible effects of BI, particularly on poverty and employment. Researchers have for example looked at lottery winners to see what happens if people suddenly get free and unconditional money (e.g. Marx & Peeters, 2008; Picchio et al., 2018). A number of BI pilots have also been launched (e.g. Calnitsky & Latner, 2017; García, 2022; Kangas et al., 2021; Muffels, 2021). Still, as insightful as these experiments are, they essentially run on money falling from the sky and do not really tell us much about the question of what basic income at the scale of an entire economy could do for poverty.

So, microsimulation studies have entered the debate, seeking to provide an answer to this question. Microsimulation models have a long history in ex-ante policy analysis. They can reveal in detail the possible distributional and revenue implications of current and alternative policies, and cast light on the best approaches to policy design. This makes them fit to explore the trade-offs that arise from a basic income, especially seeing it has not yet been implemented anywhere at the national level. Table 1 gives an overview of recent studies simulating a BI. Generally, there is some evidence that a higher BI tends to perform better in terms of poverty and inequality reduction. But overall, the research results we have at present on the possible outcomes of BI suggest a wide variety of potential redistributive outcomes. When it comes to the impact of a BI on work incentives, the empirical and theoretical evidence is equally inconclusive (de Paz-Báñez et al., 2020; Martinelli, 2017; Pareliussen et al., 2018; Verho et al., 2022). Some point to the (expected) positive effects, in the form of for instance increased economic growth through the enhancement of entrepreneurship, the elimination of inactivity and employment traps, and increased bargaining power. While others often refer to the expected worsening of work incentives, reductions in productivity and associated economic costs.

We argue that the lack of consistency in expected outcomes can be ascribed to the multidimensionality of the 'basic income' concept. First, a BI can take many faces (De Wispelaere & Stirton, 2004). Every study about BI seems to assume a different BI scheme, making the comparability of the results hard. For that reason, universal BI should be rather understood as a myriad of schemes that differ substantially along a range of policy dimensions than as one uniform policy. Key design dimensions include coverage, adequacy, uniformity, financing, integration and accumulation. These dimensions interact in complex ways and may lead to unexpected effects. Every choice matters, down to the very last policy detail. Second, BI schemes that are similar in level and design can still produce divergent outcomes depending on the country-specific context, especially the interplay with the tax-benefit system in place.

Table 1. Selection of recent microsimulation studies on BI

Study by Browne and Immervoll (2017)	
Country	UK, France, Italy and Finland

BI	- BI amount set at level of Guaranteed Minimum Income of respective countries - Paid to individuals below statutory pension age - Budget-neutral reform, financed by abolishing majority of existing social benefits and some tax benefits, making BI taxable, and raising personal income tax rates
Outcomes	- Diverse pattern of winners and losers across countries - Decrease of poverty in Italy only; especially in UK increase in poverty levels - Potential improvement of work incentives, but only for first earners in lower-income households

Study by Boone et al. (2018)	
Country	Netherlands
BI	- Three different BI scenarios that vary in level of generosity (€415/month, €702/month or €982/month) - Scenarios follow closely the approach taken by Browne and Immervoll (2017)
Outcomes	- Number of winners and losers almost "fifty-fifty" in all scenarios, but completely different profile - Increase of poverty in low and medium amount scenarios; only modest decline of poverty and inequality in high amount scenario

Study by Pareliussen et al. (2018)	
Country	- Finland

BI	- Two possible directions of reform: uniform benefit or uniform tapering rule
	  - Taxable BI set at €573 per month before tax replacing some existing benefits
	  - Non-taxable universal credit that merges some working-age benefits into one single benefit tapered against earnings (rate of 65% on after-tax income)

Outcomes	- BI would improve incentives for many, but would also involve a drastic redistribution of income and an increase in poverty - Single tapering rule would improve work incentives for all, while also decreasing poverty

Study by Badenes Plá et al. (2019)	
Country	Spain
BI	- Radical, taxable BI that eliminates entire existing monetary benefits system - BI set at €295/month (based on total amount of monetary benefits and number of people)
Outcomes	- As redistributive and almost as poverty-reducing (or more in some dimensions) as current system - Generator of greater welfare

Study by Magnani and Piccoli (2020)	
Country	France
BI	- Budget-neutral BI scheme of €2038 per year coupled with flat income tax of 48% - Replacing existing minimum income benefit, several other conditional benefits and existing progressive income taxation
Outcomes	- Increase in disposable income of poor individuals - Decrease in income inequalities and poverty Overall increase in labour supply

Study by Martinelli (2020)	
Country	UK

BI	- Range of BI schemes, from full to partial
	  - Modest partial scheme: existing benefit structure retained and BI incorporated into existing means-tests
	  - Moderate full scheme: amounts based on existing 'standard' benefit rates
	  - Generous full scheme: same as moderate scheme, but higher BI amounts

Outcomes	- Schemes that aim to replace means-tested benefits either lead to unacceptable household losses (including some falling deeper into poverty) or cost too much - Partial schemes can avoid such losses and be affordable at the same, but fail to achieve many of BI's broader goals
Study by Goderis and Vlekke (2022)	
Country	Netherlands
BI	- BI amount is set at level of either guaranteed minimum income or of state pension - Assigned to individuals as well as households (so that couples receive about 1.5 times as much as singles) - Accompanied by simplification of tax-benefit system
Outcomes	- Decrease in poverty by respectively 45% and 60% - But involves very high income tax rates and reduction of total employment by 8%
Study by Reed et al. (2022)	
Country	UK

BI	- Three different budget-neutral BI scenarios offset by increasing income taxes and national insurance contributions
	  - Modest 'lower level' scheme: child benefit and state pension abolished, part of BI disregarded in existing means-tests
	  - Intermediate scheme: BI amounts are higher
	  - Highest scheme: BI amount set at level that ensures all families Minimum Income Standard, most means-tested benefits eliminated and income tax allowances abolished

Outcomes	- Reduction in poverty and inequality for all schemes - More redistribution in higher schemes, with more winners and fewer losers (even with significant increases in marginal income tax rates)

<u>Attitudes towards basic income</u>

BI runs counter to two core principles on which developed welfare states are built: First, no (work-related) conditions are required to obtain the benefit. Second, a UBI has universal coverage going beyond most existing benefits (Stadelmann-Steffen & Dermont, 2020). Given these specific features, several scholars have raised concerns that a UBI might face considerable resistance from public opinions in terms of political feasibility in Western democracies (Jordan, Ferguson & Haglin, 2021; Simanainen & Kangas, 2020; Vlandas, 2019). Therefore, it is crucial to develop a better understanding of the mechanisms that shape the formation of people's attitudes toward a UBI, and especially, what factors are relevant predictors of opposition or support. This will enable us to assess the extent to which a UBI would be considered as politically feasible, meaning that its introduction would not generate massive public opposition.

a. Policy design characteristics

Studies showed that expanding the scope of beneficiaries to include, for example, non-natives – who are often considered less deserving of assistance than native-born citizens – significantly reduces the level of support for a UBI. However, tightening eligibility criteria by imposing specific requirements, i.e. nationality or residency, in turn increased support (Rincon, 2021; Stadelmann-Steffen & Dermont, 2020). Laenen et al. (2022), surprisingly, found no increase in support for a UBI when residency requirements are imposed amongst Belgian citizens. Second, on the conditionality dimension, findings indicate a strong preference for work-related obligations in order receive the benefit (Andersson & Kangas, 2002; Rincon, 2021). Third, Stadelmann-Steffen and Dermont (2020) found that Swiss and Finnish citizens have no clear preferences regarding the (potential) funding of a (generous) UBI, but they tend to prefer proposals that finance potentials costs by cutting back government expenditures (p.13). Fourth, Laenen et al. (2022) observe an increase in the level of support for a UBI that grants a higher amount to those who have worked longer and have hence contributed more to the social security system (p.12).Additionally, Simanainen & Kangas (2020) findings showed that support declined significantly when a tax increase was implied, even when the amount increased. This suggests an aversion for higher taxes, regardless of potential benefits. Along with that, surveys testing the institutional embeddedness of a UBI indicate a preference for the current system as people were more likely to reject a proposal when it suggested that this scheme would completely replace existing social benefits (Rincon, 2021; Stadelmann-Steffen, & Dermont, 2020).

b. Contextual determinants

Although a UBI is usually considered as a form of universal provision, it is uncertain whether its introduction will be readily accepted by citizens who are already accustomed to a generous welfare state, such as those living in Social-Democratic regimes (Baranowski & Jabkowski, 2019; Lee, 2018). It is also questionable whether people living in Liberal or Conservative regimes will be in favor of a UBI. In the former, the introduction of a UBI would mean extending the state's minimum social protection to the general public. In the latter, it would mean that previous contributions are not be considered as a condition of social assistance. Roosma and van Oorschot (2019) found a large variation in the level of support for a UBI between European countries. The highest level of support was, nonetheless, found in Eastern Europe, followed by Continental Europe and the lowest level in Northern Europe, which indicates an association between the institutional context and support for a UBI.

Moreover, the socioeconomic context, such as the unemployment rate, income inequality, and poverty level is expected to influence attitudes toward a UBI, but little comparative research has been done to date to examine the validity of these hypotheses (Baranowski & Jabkowski, 2019; Lee, 2018; Parolin & Siöland, 2020; Roosma & van Oorschot, 2020). Nevertheless, Parolin & Siöland (2020) found a "demand-capacity paradox," in which demand for a UBI scheme appears to be greater in countries that are less able to implement one. Specifically, the demand seems to be higher in countries with a less generous social security facing high unemployment and poverty, whereas UBI seems to be relatively unpopular in countries with expansive welfare states, average or low unemployment and poverty rates.

c. Individual determinants

First, in terms of ideological orientation, studies show that right-self placement is associated with lower support for a UBI and vice versa (Baranowski & Jabkowski, 2021; Parolin & Siöland, 2020). Beyond economic considerations, the difference between right self-placement and left self-placement is also reflected in cultural

values, in that the acceptability of a UBI by the public opinion is largely influenced by the level of trust, identification and sympathy with fellow citizens, commitment to egalitarian values, work ethic and/or religious beliefs (Bay & Pedersen, 2006,p.420; Lee, 2018; Vlandas, 2021). A second explanatory path derives from theories of material self-interest, which found that economic insecurity, i.e. having a low income or precarious job, is a strong predictor for support for UBI. Young people are also more supportive of a basic income which could also be explained by their more vulnerable position in the labor market (Baranowski & Jabkowski, 2021; Vlandas, 2021).

The politics of basic income

Increasing numbers of studies are considering the political feasibility of universal basic income (UBI), and many of them are based on the theoretical framework of De Wispelaere and Noguera (2012). They designed an analytical framework of the political feasibility of BI. They start from two assumptions: first, politics involves agency and political power. It means that policy entrepreneurs with different resources try to influence political outcomes, addressed at either *discrete* (easily identifiable actors such as policymakers, bureaucrats or social movement elites) or *diffuse* agents (typically, the 'public'). This constitutes the first dimension of their typology. Second, politics happens in a constrained environment, both before and after the implementation of the policy. Constraints affecting the probability of a measure, namely UBI here, being implemented are *prospective*, whereas background conditions influencing the functioning of the policy once instituted are *retrospective*. These two axes combined allow for a multidimensional typology designating four types of political feasibility: strategic, institutional, psychological, and behavioural. This framework formalized the 'pragmatic turn' research on UBI took. Examples of research investigating the politics of UBI, with or without the mentioned typology, are numerous.

Perkiö (2021) uses the strategic feasibility combined with an ideational institutionalist perspective to examine the framing of the UBI theme in the Finnish context and confirms the thesis of cheap support from agents advocating for UBI. The authors of the book *Experimenting with Unconditional Basic Income, Lessons from the Finnish BI Experiment 2017-2018* (2021) elaborate on the four types of political feasibility to make the conclusive claim that, under current circumstances, a genuine UBI scheme has low chances of being implemented in the near future in Europe (Kangas, 2021, for a brief review, see Geels, 2022). Many other publications approach the same issue through the lenses of the policy and political learnings from on-the-ground experiments, in Barcelona (García, 2022) or the Netherlands (Roosma, 2022). The feasibility question of UBI is also analysed at length in the British context in Martinelli's report (2017). Another study, concerning the Belgian situation this time, explores the strategic and psychological feasibility of various UBI proposals in Belgium by uncovering "the political constituencies and coalitions that may be mobilised in favour of — or against — different models of UBI in the Belgian welfare state" (Laenen et al., 2022, p. 3). The international level is also scrutinised in different studies. Shanahan et al. (2019) use, for example, the same framework and Vlandas (2019) delves into the individual support for UBI in Europe. Alternatively, some authors inspire themselves from the typology to design their own framework and infer on the feasibility of UBI (see, for example, Torry, 2019), while others prefer to complement it with other bodies of literature on institutions and political parties (see Chrisp, 2020).

The notion of *multidimensionality* of UBI is also key to our understanding of political debates. When analysing political parties' positions on UBI, for example, one has to bear in mind that these positions relate to different forms, and dimensions of UBI. Indeed, UBI is better understood as a family of schemes than as a ready-made policy. De Wispelaere and Stirton (2004) help us differentiate between proposals by highlighting seven dimensions along which UBI can vary, and Laenen and colleagues (2022) complement this frame by adding four others. It has been argued that UBI was 'neither left nor right', as it is difficult to classify a welfare policy on the political spectrum (Chrisp & Martinelli, 2019). Some claim that it could be a "compromise between protective and productive elements of social security" (Martinelli, 2017, p. 6). However, other pieces of literature nuance this claim, admitting that the left-right divide might well be at stake: "Basic income may be neither left nor right on the *economic* dimension but not on the *cultural* dimension" (Chrisp, 2020, p. 66). This cultural dimension refers to particular welfare policies preferences, linked to values and cultural identities. BI can actually be understood as an '*either* left or right' policy (our emphasis, Chrisp, 2020, p. 47). The concept's amplitude has been highlighted in many analyses. Indeed, Vandamme (2021), Eydoux (2017) or Allègre (2017) insist on the fact that there are at least two ideal types of UBI. One pole is neoliberal, the other includes both social-democrat and social-ecologist versions.

Several research have also demonstrated that left-wing voters were statistically more likely to be in favour of BI (Chrisp & Martinelli, 2019). Studies based on the European Social Survey tend to point at similar results at the European level (Roosma & van Oorschot, 2020; Vlandas, 2019). Empirical studies show that the traditional left-right cleavage does not seem to inform UBI's support in some national contexts, such as in the UK or Finland; in Belgium, left-wing voters are more supportive of all types of UBI than their right-wing counterparts (Laenen et al., 2022). One has, in addition, to acknowledge the importance of the context in the politics of BI. Indeed, it is needed in understanding complex phenomena such as parties' positions on social policies, to consider institutional and historical contexts (Chrisp, 2020).

Overall, we still lack systematic research exploring the positions of main political actors and decision-makers on UBI. There is a whole research field, at the juncture of party politics and UBI literature, waiting to be explored. As Chrisp (2020, p. 49) mentions: "there is a need for a systematic, comparative approach to explain political support and opposition to basic income…. Specifically, insufficient attention has been given to the role of political parties in basic income research." From another angle, academic literature has increasingly addressed the politics of welfare reforms, some research investigating public attitudes toward a reform (Brooks & Manza, 2008), others studying the position of organized interests or political parties on the issue (Häusermann, 2018). However, very few studies (see Ebbinghaus & Naumann, 2018) have attempted to bring these two strands of evidence together, and even less by investigating the positioning of main actors, such as trade unions, toward the potential UBI welfare reform. Identically, very few studies have focused on employers' organizations' positions towards UBI. Thus, the study of UBI politics still contains many investigation avenues.

[Conclusion: expected policy recommendations]

This state of the art review of the literature and past research on BI clearly shows that there are many unknowns. It is difficult to get better purchase on the actual outcomes, the political feasibility of BI since it

has never been introduced as a serious policy reform in developed welfare states. In the BABEL project, we take BI seriously, and empirically explore all different aspects covered in this overview in order to better understand the conditions in which BI might be a feasible alternative to the current Belgian welfare settlement. In doing so, we devote particular attention to actual implementation issues in the context of a fully-fledged and highly complex welfare state. Across the different work packages, one key theme will be explored which also emerged as a missing link in the existing body of evidence: the design specifics of BI. Across all research activities, we test the effect of different choices in terms of generosity, universality, conditionality and funding. In the end, the project will present a blueprint of pathways for basic income policy proposals that (1) are likely to garner sufficient support by the general public and by social partners; (2) lead to better outcomes in terms of social protection and work incentives; and (3) can inspire feasible welfare reform in Belgium.

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