

URL: <https://ecorner.stanford.edu/in-brief/security-breeds-opportunity/>

Stockton mayor Michael Tubbs describes how, far from disincentivizing people from seeking new opportunities, Stockton's universal basic income pilot has allowed participants to think in entrepreneurial ways, and pursue opportunities that may have previously seemed out of reach.



Transcript

- You mentioned the basic income program 00:00:04,750 that you put in place.. I know that's been such a revolutionary project that a lot of people are looking to Stockton to get some insights.. Can you tell us a little bit about it? Some people might not be as familiar.. - So one of the first things I did as mayor 00:00:19,760 was identifying the issue of poverty and economic insecurity being kind of intersectional and the crux of a lot of issues we're facing in the city.. So I learned about basic income through studying Dr.. King at Stanford.. He talked about this before he was murdered.. And we decided to do a pilot called SEED, Stockton Economic Empowerment Demonstration.. And I know Stanford students love to research.. If you stocktondemonstration.org, you can see all the data..

But essentially, for 18 months, and we have just extended it for another six, we were able to give 125 randomly selected families that live throughout our city \$500 a month.. And what we found is that \$500 is not enough to replace work or to make people stop working or to make Stockton not part of the United States of America but it has been enough to make work pay, to provide an income floor, and to provide peace of mind and the ability for people to take risks.. One of my favorite stories is from one recipient named Tomas, who told me that with his first \$500, he went to an interview.. Now first I was amazed when he told me that.. I was like, "You're feeding into all these stereotypes.. "Why would you pay money to be interviewed, Tomas? "That makes no sense." And he said, "No, mayor, I work hourly, "which means I don't have paid time off, "which means if I take time off to interview, "that's \$200 out of my pocket.. "And when you live paycheck to paycheck, "I can't take that risk, but with the \$500, "I was able to be entrepreneurial.. "I was able to take time off work, take a risk, "bet on myself, and now I have a better job "with more benefits, less hours, "and I'm able to do more with my kids." And stories like that have been so inspiring to me.. I think, again, particularly during this time with COVID-19 and people unable to work, or people being told if you're coughing or have a fever, don't work, but also being told you have to pay your bills and don't have paid time off, or their wages haven't increased with inflation, that I'm just more resolute than ever that we have to have some form of a guaranteed income, an income floor if not for everyone, for the vast majority of people.. To allow people to build a resilience, but also to allow people to be entrepreneurs in their lives, to make decisions about whether to pay for the car note, to pay for tutoring, to start that business..

So it started with a deep design session for a year with community groups listening, and that's what made me a believer, Tina.. Just realizing that folks know how to spend money.. I can trust the people who I trusted to vote for me to know how to spend money.. But a lot of it, again, came from listening and sitting with people in their environments and hearing them tell me how they would use \$500, before we even dispersed any money...