Flash in the pan or eureka moment? What can be learned from Australia's natural experiment with basic income during COVID-19

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Abstract The COVID-19 pandemic led to widespread social and economic policy experimentation as governments sought to protect household finances while locking down economies. Cash transfers emerged as one of the most popular policy measures, leading many to reflect on new possibilities for enacting universal basic income through temporary or emergency interventions. We take Australia's pandemic response, and particularly its Coronavirus Supplement, as an example of this broader experimentation. We analyse the Supplement through the lens of an emergency basic income, arguing the measure reflected existing institutional structures and norms, forms of national and international policy learning, and vulnerabilities in Australia's liberalized housing and labour markets. While temporary, we consider how its apparent success might suggest ongoing policy relevance, either as a form of capitalist "crisis management" or as an alternative pathway for implementing forms of basic income.

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Introduction

Basic income has long been a policy proposal in search of institutional and social support. While various policy entrepreneurs have advocated for the idea, basic income has failed to win the sustained support of a national government or powerful political constituency. More recently, basic income researchers and advocates have increasingly looked to how a viable policy pathway might be built, focusing on the implementation and analysis of pilot schemes, entrenching and phasing up small-scale permanent programmes, and launching various political campaigns (see Widerquist, 2018; Gama, 2023).

The COVID-19 pandemic introduced a new potential implementation pathway in the form of the "emergency", "temporary" or "pandemic" basic income. The number and scale of cash transfer schemes initiated during the pandemic suggests some degree of openness to basic income-like payments amongst the international policy community. While these interventions proved temporary, the potential for financial, public health and ecological crises to increasingly require similar policy action suggests the experience is unlikely to be unique. Reflecting on the pandemic response thus offers a potentially fruitful new avenue for imagining a realistic pathway to a basic income future.

This article seeks to understand COVID-19 social policy responses through the analytic lens of emergency basic income (EBI) as a strategy for reflecting on the opportunities and limitations for mobilizing emergency policy responses as a pathway towards implementing basic income. It takes Australia's flat-rate Coronavirus Supplement benefit and related changes to its unemployment benefit, JobSeeker, as its focus. Australia provides a useful case study in two respects. First, its use of temporary cash payments can be more readily considered a reasonable approximation of an EBI, particularly when compared to its own social assistance traditions of targeting and conditionality, and against the many one-off as well as extremely short-lived payments implemented by other countries. Second, Australia's reliance on temporary cash payments reflects an evolving policy practice that prioritizes cash payments to households during economic crises, which has also informed broader international policy thinking, and provides insights into the dynamics driving the use of basic income-like payments during emergencies.

The article proceeds in four parts. The next section provides an overview of the international policy context by outlining the scale of cash transfer use during the COVID-19 pandemic and situating these measures in relation to the extant EBI literature. We then describe Australia's "natural" or "accidental" experiment with a quasi-basic income during the pandemic. We provide an overview of Australia's pandemic response, centring the Coronavirus Supplement and reforms to the non-contributory unemployment benefit and similar social payments, which we argue combined to approximate an EBI. Australia's pandemic response in then discussed in the context of the previous crisis experience of the global financial crisis of 2007–08, and the path dependence of Australia's distinctive non-contributory social security system. The payments not only reflect this policy legacy, but also respond to emerging policy challenges caused by financial instability and Australia's unusually high levels of household debt and insecure employment. The article concludes by considering the likelihood that EBI-type interventions will be incorporated into the "firefighting" response of capitalist states facing future crises and may potentially provide a new implementation pathway towards permanent basic income schemes.

The great COVID-19 cash splash and emergency basic income

The COVID-19 pandemic constituted a massive global health crisis that triggered a profound economic shock. In 2020, as in many countries, Australian politicians implemented strict measures, such as lockdowns, mask mandates and the shuttering of entire industries, to control the spread of the pandemic. These health measures reduced the volume and velocity of the capital flows that drive global, national and sub-national economic activity. Consequently, "Global output declined about three times as much as during the global financial crisis in half the time" during the first half of 2020 and it was only "swift action taken by policy makers" in response to the massive supply and demand shock that "cushioned household income and firms" cash flow, improved confidence, and prevented a rapid amplification of shocks through the financial sector and further demand channels (IMF, 2021, pp. 43–45). In short, policy makers were forced to use fiscal, monetary and labour market policy levers to offset "a sudden and far-reaching contraction of the private sector" through "an unprecedented, though temporary, expansion of the public sector" (Spies-Butcher and Bryant, 2023, p. 7).

A key part of this "swift action" took the form of the biggest cash transfer programme in human history. In 2020–2021, the World Bank's contemporaneous policy analysis identified an additional 3 trillion US dollars (USD) of expenditure on social protection and labour measures by national governments, or an average 2 per cent of national GDP, with large inter-country, inter-regional and intra-regional variation (Gentilini et al., 2022). The 962 conditional and unconditional cash transfer programmes in 203 countries implemented in this period accounted for around 25 per cent of the aggregate spending on social protection and labour measures (Gentilini et al., 2022, pp. 7–10). The coverage, duration, adequacy, targeting and structure of these cash transfers differed markedly between countries, although many, such as Australia, proved distinctive in substantially raising the incomes of many poor households during the crisis, rather than simply offsetting declines (Davidson, 2022). Gentilini et al. (2022, pp. 11–15) calculate that "Covid-related cash transfer responses increased average generosity by almost 70 per cent compared to pre-COVID levels and more than 1.2 billion people received at least some form of additional or novel cash transfer benefit during the pandemic" (Gentilini et al., 2022, pp. 11–15).

The scale and ubiquity of cash transfer programmes as pandemic policy response measures has impacted debate regarding basic income in several ways. First, these measures have been interpreted as contributing to a mounting body of evidence supporting cash transfers as efficient and effective poverty alleviation and human development tools (Gray Molina and Ortiz-Juarez, 2020; Banerjee et al., 2020; Klein et al., 2022a). Second, some basic income advocates have interpreted the COVID-19 experience as pointing to the necessity and inevitability of permanent basic income schemes (Standing, 2020). Third, a debate regarding emergency, temporary or pandemic basic incomes has developed that addresses both the utility of time-limited quasi-basic incomes to combat emergencies as well as their potential positive spill-over effects on campaigns to implement permanent basic income schemes (De Wispelaere and Morales, 2021; Klein et al., 2022b). We focus on this third debate.

De Wispelaere and Morales (2021, p. 249) have argued that "emergency basic incomes (EBI), paying each resident a monthly cash amount with no strings attached for the duration of the pandemic crisis, could play a critical and timely role in a robust ethical pandemic policy response". The authors differentiate EBI from other pandemic measures based on the nature of conditionality attached to the support (i.e., observing pandemic health directives being the sole condition for receiving EBI) and further distinguish EBI from universal basic income (UBI) in terms of duration and fiscal cost (De Wispelaere and Morales, 2021, pp. 249–250).

The authors set out three principal arguments for instituting an EBI in response to a global pandemic. First, it is an "immediate and agile" policy response. Second, by rejecting traditional bureaucratic screening, it "explicitly targets those most vulnerable to the economic fallout of pandemic lockdown measures". Third, it "expresses the core value of solidarity that underpins a sustained pandemic response" or "proportionate burden sharing" (De Wispelaere and Morales, 2021, pp. 250–252).

De Wispelaere and Morales also highlight the utility of an EBI as part of any future pandemic response package but point to the obvious demerit of having to renegotiate and re-implement the measure as circumstances dictate. A similar logic could be applied in other climate-related crisis contexts, whose timing is likely to become more frequent while remaining unpredictable. Having a "permanent, low-level basic income already in place that can be dialled up to the required payment level as the need arises" could be a more "robust option" than relying on a recurring ad hoc policy making process in emergency contexts (De Wispelaere and Morales 2021, pp. 252–253). This line of argument is buttressed by Prabhakar's (2022) Keynesian contention that permanent basic income schemes may function better in relation to demand and employment outcomes than EBIs (or vouchers) because they are better suited to function as automatic stabilizers during shocks and likely reduce leakages from the circular flow of income into savings by higher income earners.

Major international institutions, including the United Nations Development Programme (UNDP) and the Economic Commission for Latin America and the Caribbean (ECLAC), also put forward their own proposals for some form of temporary or emergency basic income (see Gray Molina and Ortiz-Juarez, 2020; and ECLAC, 2020). Other studies have found that support for basic income schemes may be linked to the conditions brought about by the pandemic. Nettle et al. (2021) found respondents were more supportive of a basic income during the pandemic than prior to it, arguing this could be "largely explained by the increased importance they attached, in the pandemic context, to a system that is simple and efficient to administer, and that reduces stress and anxiety in society" (2021, p. 1). There is evidence of a similar effect on public opinion in Australia (Patulny and Spies-Butcher, 2023, p. 11).

The emerging literature on the pandemic experience highlights the potential to advance forms of EBI, and potentially build these initiatives into a more permanent basic income framework (Klein et al., 2022b). While acknowledging none of the emergency cash transfer programmes initiated during COVID-19 fully satisfy the key criteria as defined by De Wispelaere and Morales (2021), we argue that analysing Australia's Coronavirus Supplement and other policy changes through the lens of an EBI remains useful. Understanding how specific emergency schemes reflected basic income principles, and the policy contexts that gave rise to EBI-like programmes can help identify more specific pathways for basic income to advance. While few programmes remained after the crisis conditions faded, and inflation instead came to dominate macroeconomic debate, the temporary nature of these measures aligns to the EBI model, suggesting the potential for longer-term implications. In the next section we focus on Australia, which implemented a raft of emergency cash payments, with at least one programme exhibiting key features of an EBI. We follow Klein et al. (2022b) and suggest this "natural experiment" with a quasi-basic income might offer insights into the ways forward for both EBI and basic income research and policy development.

Australia's natural experiment with basic income during the COVID-19 pandemic

Australia is a high income G20 country with relatively low social spending compared to many Member countries of the Organisation for Economic Co-operation and Development (OECD). It stands out internationally for its highly targeted and conditional social assistance system. Australia lacks social insurance schemes, instead providing non-contributory, categorical flat-rate and means-tested payments to those facing financial need, such as unemployed people, single parents and older people. Benefits are very low by OECD standards, means-testing for working-age payments is tight, and since the 1990s, working-age benefits are increasingly subject to strong forms of conditionality, such as jobs search, training and even work requirements (Marston and Zhang, 2019). Our analysis of pandemic cash support is made against this policy background, where emergency policy changes reworked existing social assistance towards key features of basic income.

The centrepiece of Australia's pandemic response comprised of two new schemes: i) JobKeeper, a wage subsidy paid at a flat rate close to the full-time minimum wage, and ii) the Coronavirus Supplement, also a flat-rate payment, disbursed to many on existing social assistance payments, including the JobSeeker unemployment benefit. Changes to JobSeeker simultaneously suspended conditionality and expanded eligibility (Klapdor, 2020a).[1]

The JobKeeper and Coronavirus Supplement (the Supplement) schemes were both flat rate, with payments made every 2 weeks. The Supplement, we argue, most closely resembled an EBI, although its lack of universality makes it closer to a guaranteed minimum income (GMI) version of basic income. It was received alongside the reformed JobSeeker unemployment benefit or Youth Allowance (which we call Supplement+JobSeeker). Between December 2019 and May 2020, the number of JobSeeker and Youth Allowance[2] recipients doubled and by "June 2020, 18.6 per cent of the total working-age population was receiving an income support payment" (Ferlitsch, 2022, p. 7), with 10 per cent of those aged 18–64 receiving the Supplement (Australian Bureau of Statistics, 2020). The economic crash caused by the pandemic was clearly the major driver of this spike in social assistance recipients but policy innovation, in the form of the Supplement, and policy tweaks to JobSeeker and other payments also played an important role.

1. A more targeted COVID-19 Disaster Payment and Pandemic Leave Disaster Payment was made available to regions where strict health restrictions remained after JobKeeper and the Supplement were withdrawn (Klapdor and Lotric, 2022).
2. The main youth unemployment and training benefit.

We evaluate the extent to which the Supplement+JobSeeker payment conforms to an EBI with reference to both a) commonly cited criteria of a basic income and b) the De Wispelaere-Morales EBI model. In relation to a), the key criteria for a basic income are that the payment must be made to individuals, be regular (rather than one-off), adequate to meet basic needs, universal (i.e., not means-tested or categorical), unconditional (i.e., not subject to activity-testing), simple to access and permanent (Martinelli, 2020). Under b), the De Wispelaere-Morales model, an EBI should largely satisfy these key criteria, except for permanence, as part of a "robust ethical pandemic policy response". The EBI is implemented for the duration of the pandemic at a minimum and the sole condition for receiving the payment is observing public health directives. The EBI is also underpinned by the principles of immediacy and agility, effective targeting of the most vulnerable, and solidarity (De Wispelaere and Morales, 2021). While the Australian experience does not fully meet these EBI criteria, we maintain that evaluating the scheme against the EBI model can inform our understanding of the potential for basic income to advance through emergency adaptation rather than planned experimentation.

The Supplement was initially provided for 6 months at 550 Australian dollars (AUD), paid every 2 weeks, and effectively doubled the payment rate for the JobSeeker unemployment benefit. The Supplement+JobSeeker payment roughly equalled the locally determined Henderson Poverty Line (Melbourne Institute, 2020, p. 1). The suspension of mutual obligation arrangements for JobSeeker, and other benefits, coupled with the relaxation of means-testing increased the real value of the payment, expanded access and lowered the opportunity cost of receiving it for a period of 3–6 months (Klapdor, 2020c). The Supplement +JobSeeker played a significant role working alongside other transfer payments and JobKeeper to provide an emergency income floor to millions of people during the acute phase of the crisis.

The Supplement, paid every 2 weeks, was reduced by AUD 300 to a rate of AUD 250 from 25 September to 31 December 2020, then reduced further to AUD 150 and ceased on 31 March 2021. On 1 April 2021, the Government instituted a small permanent increase to the 2-week payment of AUD 50 for JobSeeker while, at the same time, reinstating mutual obligations across most of the country (Klapdor and Lotric, 2022; Ferlitsch, 2022, p. 5), while separate changes were made in remote communities.

In relation to adequacy, immediacy, agility and effective targeting the Supplement+JobSeeker payment performed well for a relatively short duration. The policy change had very significant effects on the incidence of poverty and the lived experience of recipients. Early modelling showed that the cohort that had received the main unemployment benefits prior to the COVID-19 crisis experienced a poverty rate reduction from 67 per cent to 7 per cent as a result of the pandemic policy changes (Phillips, Gray and Biddle, 2020). A report by Davidson (2022, p. 11) corroborates the earlier modelling, finding that, "Poverty among people in households on JobSeeker Payment fell by four-fifths, from 76 per cent in 2019 to 15 per cent in June 2020" and 'Poverty among people in sole parent families (both adults and children) was reduced by almost half, from 34 per cent to 19 per cent". Qualitative research focused on the lived experience of Australians who received the higher payment while mutual obligation requirements were suspended found evidence of improved physical and mental well-being and highlighted the importance of a secure financial base to supporting diverse social contributions, including care work, advocacy and community building (Klein et al., 2022a).

The Supplement+JobSeeker payment did provide an individual, regular and (more) adequate transfer payment for part of the pandemic response. For at least 6 months, this combined payment paid every 2 weeks provided income above the most widely used poverty line and in June 2020, "2.2 million people on working-age income support payments (equal to 17 per cent of the labour force)" were receiving the Supplement (ACOSS and UNSW, 2023).

As for universality and unconditionality, the picture is mixed. Access was determined through eligibility for other payments. As mutual obligation for JobSeeker and Youth Allowance were suspended, there were effectively no activity requirements attached to the payment nor any requirement for past contributions. However, the payment remained categorical in that claimants were required to state they were unemployed (i.e., would be actively looking for work), and those on other categorical payments, such as people with disability, were excluded and risked their future access to more adequate payments by attempting to access JobSeeker (Klapdor, 2020a; Klapdor, 2020c).

Means-testing continued, although less strictly than before. For example, the income free area[3] for JobSeeker for a 2-week period was raised from AUD 106 to AUD 300 in September 2021. Liquid asset tests, applied to savings rather than income, were removed and various (although not all) waiting periods to access payments were waived. Access was simplified, including removing requirements to prove relationship status, and permitting ID verification over the phone and online. The Supplement itself was not means-tested, which meant all recipients received the full Supplement even if they were only eligible for a reduced rate of JobSeeker (even only AUD 1.00). In practice, this meant the Supplement was available to those earning up to AUD 28,250 per annum, which was slightly less than the full-time minimum wage. The household asset test was also relaxed so that a person with no income remained eligible until their partner earned over AUD 79,762 per annum, up from AUD 48,360 per annum prior to COVID-19,

3. The point at which benefit payments start being withdrawn.

well above the median full-time wage of about AUD 60,000 (Klapdor, 2020a; Klapdor, 2020c; Ferlitsch, 2022, pp. 8, 10, 13, 16, 14). Notably, citizenship and residency requirements remained, excluding most international students (Ramia et al., 2022).

Following the reinstatement of conditionality, and despite low unemployment, the numbers receiving JobSeeker remained well above pre-pandemic levels, suggesting the suspension of conditionality had encouraged many who were already eligible to apply (Whiteford and Bradbury, 2022). This reinforces the De Wispelaere-Morales (De Wispelaere and Morales, 2021) argument regarding the importance of removing, or in Australia's case reducing, traditional bureaucratic barriers to more effective targeting of the most vulnerable through an EBI or EBI-like policy intervention.

Taking these changes together, we characterize the Supplement+JobSeeker as a categorical EBI with much reduced conditionality. Unlike pandemic policy responses in most other countries, Australia's payment was regular and aligned with the Henderson Poverty Line, a widely used measure of adequacy as regards income poverty. Conditionality was nominal, with a presumption of compliance. The payment was reasonably simple to access. When considered alongside the JobKeeper wage subsidy and other existing income support schemes, the Supplement+JobSeeker was a key plank in a pandemic policy response package that covered most, though by no means all, of those at risk of destitution or economic exclusion. Means-testing allowed access to many middle-income households, and while taper rates and cut off points continued to create inequities, the payments broadly reflected a logic of "affluence testing", where those with significant means are excluded, rather than "means testing", where only the poor are targeted (see Spies-Butcher, Phillips and Henderson, 2020). We emphasize that this does not make the Australian payment an EBI in the De Wispelaere-Morales sense, rather pandemic policy changes moved Australian social security towards the key criteria and principles of an EBI. These changes had important consequences during the crisis, reducing poverty and promoting solidarity. Thus, understanding why policy moved in this direction, and its potential to inform more enduring reforms of this type, offers an important supplement to analysis of basic income policy trials.

Pandemic payments and crisis

Crises are often moments of policy innovation and learning (see Hulme and Hulme, 2012), providing "critical junctures" to adapt existing policy institutions (Ramia and Perrone, 2023). The 2007–08 global financial crisis saw novel monetary policy, initially introduced in the United States of America, diffuse internationally, and then expand during the COVID-19 pandemic. The framework of "fast" or "mobile" policies is a helpful lens for analysing Australia's embrace of an EBI-like payment during the pandemic. Australia's payment not only reflects global trends, but its own experience during the global financial crisis, which then also informed the international shift to cash payments. Unlike many other pandemic-era policies, Australia's model adjusted existing payment structures, moving them, at least temporarily, towards a basic income model, rather than creating stand-alone payments. Both the interplay of local and international experience, and the integration of that learning into existing welfare state institutions suggests a potential longer-term policy pathway to enduring change.

Fast policy "down under" – policy innovation and learning during the global financial crisis and the COVID-19 pandemic

Australia attracted international attention during the global financial crisis for avoiding recession, in part due to a large-scale and timely fiscal stimulus package focused on providing cash to households. As the scale of the financial crisis became clear, the centre-left Labour government gave up its efforts to balance the federal budget and instead introduced one of the largest fiscal stimulus packages by any national government (OECD, 2009). The change in approach reflected the strong advice of the Commonwealth Treasury, whose head, Ken Henry, famously argued to "go hard, go early and go households" (Walker, 2023; see also Buchan, 2020). Henry believed cash was the most effective fiscal tool because this could be delivered quickly (Walker, 2023). The cash transfer component of Australia's stimulus was the largest among OECD Member countries as a proportion of GDP (OECD, 2009, pp. 110–111). Both the International Monetary Fund and the OECD assessed Australia's response as amongst the best in the world due to the speed of implementation and the targeting of households.

While the centre-left Australian Labor Party had been in office during the global financial crisis, very similar policy thinking seems to have informed the centre-right Coalition Government during the COVID-19 pandemic. Australia's economic policy community, including the Treasury, saw the lack of speedy stimulus as a failing of policy in the recession of the 1990s, which Henry later commented on and then contrasted with the success of the global financial crisis response (Walker, 2023).

The Government's initial response, on 12 March 2020, directly mirrored the global financial crisis package, through one-off payments to most recipients of government benefits, which the Prime Minister compared directly to the global financial crisis payments (Klapdor, 2020b). As the scale of the pandemic deepened, the Government announced the more expansive JobKeeper and Coronavirus Supplement policies on 23 March 2020, suspending fiscal orthodoxy in favour of public spending measures that pushed the budget into a deficit equivalent to 6.5 per cent of GDP in 2020–2021, substantially higher than during the global financial crisis (Treasury, 2023a).

While the global financial crisis and the COVID-19 pandemic were different crises, the evolution of Australia's policy response suggests a process of policy learning. The responses were informed by both international and local policy trends, reflecting the kind of global policy learning processes identified by Peck and Theodore (2015) as "fast policy". The temporary suspension of orthodox fiscal norms (increasingly supported by unconventional monetary policy), a focus on cash transfers to quickly extend social support, and models of relatively simple, flat-rate and universal cash payments as a form of social assistance each reflect international policy trends across the two crises.

The application of these principles in Australia during the pandemic, however, also reflected vulnerabilities in Australia's policy model, as well as complementarities between Australia's minimalist social assistance model and global policy norms. The crisis exposed emerging challenges within Australia's traditional model of social protection, particularly risks associated with liberalized housing and labour markets. JobKeeper, we suggest, is an example of "fast policy" where the Australian government sought to emulate the pandemic wage subsidy programmes implemented by other governments around the world. To illustrate this point, the OECD reported in 2020 that: "28 of its 37 Member economies had used wage subsidies as the main support for workers facing reduced hours or the risk of being stood down because of COVID-19" (Reserve Bank of Australia, 2020). The Supplement+JobSeeker reflects similar principles to those underpinning Australia's global financial crisis response. Flat-rate cash payments inclusively targeted to lower-income households are now a key crisis policy tool. Despite their different origins, both COVID-19 response payments helped maintain liquidity to heavily indebted Australian households facing insecure employment.

Cracks in the system – fast policy as necessity

The traditional model of Australian social protection was built on full employment, high rates of home ownership and flat-rate non-contributory social assistance that reached its apex during the post-Second World War boom. Australia's low flat-rate unemployment benefit was less problematic in an era of full employment[4] and rising real wages. Similarly, high rates of home ownership made Australia's relatively low flat-rate Age Pension[5] more adequate in real terms by reducing housing costs for most older people (Yates and Bradbury, 2010).

4. At least for white males.
5. Still received, in some form, by around 70 per cent of retirees.

Since the 1980s, the three pillars of Australia's post-war model have been radically reshaped and substantially eroded during the period of liberalization and deregulation. While Australia has experienced relatively low unemployment and rising living standards in recent decades, around one in four Australian workers are presently employed as casuals with few rights and no paid leave entitlements (Carney and Stanford, 2018). Financial deregulation, generous tax concessions for homeowners and investors, and weak tenancy protection have combined to create expensive housing markets and heavily indebted households, while increasingly excluding more young people from home ownership altogether (Stebbing and Spies-Butcher, 2016; Adkins et al., 2020). Australia's system of flat-rate non-contributory social assistance largely remained in place during this period but with increasingly onerous conditionality for most working-age welfare recipients, a reduction in the replacement rates of unemployment assistance, and increased emphasis on the privatized superannuation system (mandatory occupational pensions) as the preferred pathway towards a comfortable retirement (Marston and Zhang, 2019).

The COVID-19 pandemic exposed cracks in Australia's system of social protection like those identified during the global financial crisis. Both crises threatened liquidity via contracted payments (rents and mortgages) in Australia's indebted housing sector. Social insurance models had proven more resilient to this threat during the global financial crisis, as income-linked benefits allowed mortgaged households to meet repayments even when their balance sheets were technically insolvent (Bryant, Spies-Butcher and Stebbing, 2022). Australia's more limited and conditional social security system failed both the public health and financial challenges presented by the pandemic. Australia instead used emergency cash payments and novel monetary policy to maintain liquidity (Spies-Butcher, 2020), responding to the systemic vulnerabilities of the country's system laid bare by the pandemic, without effecting any permanent structural change.

Fast policy, slow change – the mixed legacy of Australia's pandemic policy interventions

Australia's centre-right government was careful to structure its emergency assistance as temporary (Ramia and Perrone, 2023). From its inception the government anticipated a "snap back" to pre-pandemic policy settings once the initial emergency had passed. Both JobKeeper and the Supplement+JobSeeker payments were extended as the pandemic worsened, but just as quickly these would be wound back and/or phased out as political, economic and public health conditions improved and stabilized. Within a year, social policy had largely returned to pre-COVID-19 settings, unemployment was low, concerns over debt and inflation came to dominate political debate and the new centre-left government recommitted to fiscal orthodoxy.

Even so, Australia's pandemic policy response enjoyed broad public support and was deemed successful in policy circles. This is particularly true of the Supplement +JobSeeker, which cost a fiscally modest AUD 31 billion, or around 1.5 per cent of GDP, less than half the AUD 88 billion cost of JobKeeper[6] (Senate, 2022, Chapter 4; Treasury, 2021, p. 174), while also avoiding the political scandals associated with JobKeeper (see Treasury, 2023b).

Yet, the failure to translate crisis protection policies into permanent reform suggests a significant limitation of this approach for EBI and basic income proponents. As Klein et al. (2022b, p. 11) argue, whilst the Australian government demonstrated their capacity to swiftly implement EBI-like policy that dramatically reduced poverty, they showed no interest in making such interventions permanent. Moreover, through housing and tax policy, the Australian government "continued to provide avenues for the elite to maintain significant power and privilege – signalling government's ongoing commitment to uphold unequal structures pursued through neoliberal governance … rather than using the pandemic as an opportunity to restructure economies more equitably" (Klein et al., 2022b, p. 11). The emergency measures may have temporarily protected many vulnerable households, but the crisis also produced gendered and racialized inequalities in terms of job losses, increased unpaid care responsibilities and did nothing to address the enduring inadequacies of a policy system that fails First Nations communities (Klein et al., 2022b).

Alternatively, the lived experience of an EBI-like policy intervention did shift public and media discourse. Campaigns to make elements of the EBI model permanent have been adopted by The Australian Greens, who now occupy an influential balance of power position in the national parliament, and by community campaigns run by the Australian Unemployed Workers Union and, increasingly, by large and influential non-government organizations, such as Anglicare Australia (Azize, 2021). Media coverage also shifted to more sympathetically portraying benefit recipients. A modest backlash to the reimposition of conditionality and extended debates about the need to permanently raise the rate led to a second small increase in payments, and a new annual parliamentary process for considering benefit adequacy (IEIAC, 2023, p. 4). Many were particularly surprised and upset by the reintroduction of partner income tests, which enforced a degree of dependency within relationships that is increasingly poorly suited to the normalization of two-income households. These ongoing changes in policy discourse suggest some potential to build more

6. Figures are for financial year 2021–2022, the period that covered the acute phase of the pandemic.

durable policy structures, at least across crises. However, in the short run, this did not lead to permanent policy change beyond a small incremental increase in the ongoing benefit level.

Conclusion

The specific example of Australia's Supplement+JobSeeker intervention demonstrated what can be achieved in relation to improved human security and poverty reduction in an emergency context. What we have defined as a categorical EBI with loose conditionality was necessary due to gaps in Australia's system of social protection and economic restructuring that has increased the level of economic insecurity and inequality, while also reflecting emerging models of economic crisis management centred on cash payments to households. The certainty of future emergencies, particularly in relation to the impacts of climate change, suggests that this type of policy intervention will be required again. The need for some type of EBI in these, and other scenarios, is obvious and pressing.

The question of whether EBIs can form part of a bridge between the acute needs generated by emergencies and the chronic problems of poverty, insecurity and inequality is, however, far from clear. Returning to the De Wispelaere-Morales model (De Wispelaere and Morales, 2021), the implementation of a low-level permanent basic income that can be "dialled up" in emergencies would constitute a major step forward in this direction. Conversely, it is possible to foresee short-lived EBIs becoming part of the "firefighting equipment" of capitalist states that are quickly withdrawn once a particular crisis has passed, and the economic and political situation stabilized. Indeed, once the Supplement was unwound, ongoing financial support continued to be provided in areas subject to localized health measures through existing mechanisms for natural disaster payments that also, on a smaller scale, reflect elements of an EBI. This is not an argument against the merits of "firefighting" but simply to point to the obvious limitations of temporary measures in relation addressing structural problems and needs (Klein et al., 2022b).

The Australian Supplement+JobSeeker model raises several interesting questions regarding the relationship between EBIs – and emergency cash transfers in general – and implementation pathways for permanent basic income schemes. First, the Australian example clearly demonstrates that an individual, regular, adequate, broadly accessible cash payment with reduced conditionality is quick and affordable to implement using deficit financing. The political and economic feasibility of such a scheme over the longer term cannot be definitively stated based on the pandemic measure but its affordability should not be an obstacle for a high-income and relatively low-taxing country such as Australia.

Second, the Australian experience, and similar policy experiences in countries such as Canada, poses the question of whether such "natural experiments" with EBI-type measures may provide a more effective alternative implementation pathway to small-scale social scientific experiments that attempt to mimic the methods of the "hard" physical sciences. Introducing an EBI during an emergency has the advantage of exposing a much higher proportion of a population to the benefits of a cash transfer programme than a small-scale trial and provides a demonstration effect to mitigate concerns that such policies are impossible. Further, the shared experience of crises provides the context for fostering the solidaristic values[7], a key element of the De Wispelaere-Morales EBI model, necessary to maintain support for such a major social policy innovation. Finally, the Australian Supplement+JobSeeker policy highlights the importance of both policy innovation and policy learning in moves towards basic income. New policy measures such as the Coronavirus Supplement can make a big difference in terms of the adequacy and coverage of cash transfer payments. Experimentation also highlighted a series of smaller policy changes that expanded eligibility, made access easier and reduced conditionality that envision more gradual potential implementation pathways towards permanent basic income schemes. Emergencies can create the settings conducive to sudden – but often temporary – breaks with prevailing policy logics while seemingly technical tweaks to existing benefit programmes can play a role in incrementally embedding a shift towards a model of social assistance more closely resembling basic income.

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