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This town is giving families \$500 a month. The results are remarkable

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"With this extra \$500, the most valuable thing that people are buying is time. Time to parent, time to rest, time to be part of a community and time to figure out the next move."

Natalie Foster is the cochair and cofounder of the Economic Security Project, an initiative that supports a guaranteed income for all Americans and combats corporate monopolies. In the following viewpoint, Foster discusses the early results of the Stockton Economic Empowerment Demonstration (Seed) project, in which she is involved, which provides \$500 per month to struggling families in Stockton, California. The author describes the money as "no-strings-attached," asserting that giving the families control over what they do with the money sets the Seed project apart from government safety net programs. Foster contends that the Seed stipend allows families to "buy" time because poverty demands that people spend more time on things like working multiple jobs and using public transportation. The author dismisses concerns that people in cash programs like the Seed project will stop working, maintaining that most participants have jobs.

As you read, consider the following questions:

1. According to Foster, what distinguishes the Seed project from other social safety net programs? Do you agree with her?
2. How does the author use Tomas's experience to support her argument in favor of universal basic income? Do you find it effective?
3. In your opinion, would a monthly stipend like the one described by Foster be an effective anti-poverty measure on a nationwide scale? Why or why not?

On a recent Saturday morning, for the first time in months, Tomas had time to go to the pool with his kids. He sat at the edge of the water breathing in the smell of chlorine and realized suddenly that his kids had learned to swim, while he had been working. This poolside revelation was generated in no small part with the power of cash.

Since February, Tomas and more than 100 other families in Stockton, California, have been receiving \$500 a month with no strings attached. The policy experiment is part of the historic Stockton Economic Empowerment Demonstration (Seed) project, led by one of the youngest mayors in America, Michael Tubbs. As the name suggests, this guaranteed income program works to demonstrate what is possible when people who are struggling to make ends meet have the cash on hand they need to feel and be in charge of their own lives – and the Economic Security Project, the organization I co-founded in 2016, is pleased to be Seed's first backer. All told, the project will run for 18 months, but we have already gleaned useful insights.

With this extra \$500, the most valuable thing that people are buying is time. Time to parent, time to rest, time to be part of a community and time to figure out the next move. Tomas had previously been so busy working side gigs he had no time to spend with his kids at the pool. Another participant quit her second job driving for Lyft; simply having one job instead of two opened up all kinds of time and space in her life. That \$500 also afforded participants the time they needed to take big steps forward. One participant, Jovan, saved the \$500 month after month until he had enough for a down payment on a larger rental home for his family. Sheila used to describe her emotional state as the "straight line emoji". With that extra \$500 a month, Sheila says that her stress has reduced and her sleep has improved and now she's the "happy face emoji".

The "time tax" of poverty is not to be underestimated. People juggle the logistical chaos of holding down multiple jobs. They navigate the financial necessity of overtime. They lose hours to the inefficiencies of public transportation. Five hundred dollars a month doesn't fix income insecurity or solve important structural problems, but for the majority of families in Seed, that \$500 represents a 30% increase in monthly income, and that buys a lot.

A big, important and sometimes messy part of why guaranteed income works - and why it's working in Stockton – is trust. For the most part, trust in American society works in direct proportion to how much money you have; the larger your bank account, the more trust you are allotted. Our entire social safety net system is largely based on not trusting people who don't have financial resources. While there is next to no scrutiny about how wealthy people spend their money, there are elaborate rules and mandates about what you buy with your food stamps and who can live with you in government-subsidized housing.

The Seed project money comes with no restrictions. Our pilot project is predicated on the idea that people experiencing poverty know best what they need or don't need, and can be trusted accordingly. It would have been impossible to anticipate the incredibly wide range of things that people did with the money. People put extra food on the table, people moved, people worried a little less and they put in fewer hours at work and a few more hours with their family and friends. One mom bought her daughter a pair of shoes for her birthday, free from worry about whether or not she could afford it. For her, that purchase was about a lot more than shoes – it was about feeling like a good parent who provides for her child, and there is no government program for that.

People are working; the economy isn't. That imbalance came through loud and clear as we got more information about how the \$500 was impacting people's lives in Stockton. There has been much hyperbolic hand-wringing about how cash transfer programs like Seedwill spur everyone to quit their jobs and no one will work ever again. I think most people would be hard pressed to stand behind that position after hearing from the Stockton participants.

In fact, Tomas used the money to buy time to figure out his next career move. He not only spent more time with his kids, he researched, prepared, applied for and got a better-paying, salaried job with real advancement opportunities. There's no way that he would have had the hours in the day to do that if he didn't have the extra time and money that came with that prepaid debit card.

Monthly guaranteed income is a way to start to rebalance the economy. The majority of Seed participants are working. Of course, a monthly income floor doesn't solve all America's problems alone – it needs to be part of a larger reimagining of our social contract that includes high-quality jobs, stronger unions and reining in the cost of healthcare, education and housing.

Big solutions to big problems don't come out of white papers or speeches, they come from the hard work of organizing, advocating and demonstrating what's possible. Stockton is now a proving ground for innovative ideas that can be replicated across the country – keep your eyes on it.

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