POLIITIKAUURINGUTE KESKUS

PRAXIS

Minimum income protection: promoting convergence in times of crisis

Policy brief

CENTER FOR POLICY STUDIES

2020

Authors

Märt Masso

Kirsti Melesk

Kaupo Koppel

Merilen Laurimäe

Magnus Piirits

Merlin Nuiamäe

Praxis Center for Policy Studies
Tartu mnt 50, V floor
10115 Tallinn
phone +372 640 8000
www.praxis.ee
praxis@praxis.ee

Contents

Introduction

It is clear that the COVID-19 pandemic will leave an unprecedented mark in European history and on the European economies and labour markets. It is already projected that the European economies will suffer a 7.5% decline in GDP in 2020 with unemployment across the EU expected to rise to 9.2% - a steep fall for many EU Member States. On the background of all these trends, the welfare of European citizens will be hit in many spheres. Analysing trends from the past ten years, one of the spheres severely hit in economic cycles is the material well-being of individuals. Even though there are already several crisis measures adopted across the EU Member States to maintain jobs and incomes, it is clear that the material well-being will not remain untouched by the effects of the Covid-19 pandemic.

Upward social convergence is essential for a cohesive EU with balanced living standards. The EU is committed to balanced and sustainable economic growth, as well as social and territorial cohesion. The 2015 Five Presidents' Report acknowledges the need for convergence in social performance and social cohesion, with a 'social protection floor' to protect the vulnerable and a stronger focus on performance in education, pensions, healthcare and social security. Supporting upward convergence among Member States in socio-economic outcomes is the ultimate goal of the European Pillar of Social Rights and is central to the discussion on reforming the Economic and Monetary Union (EMU). However, the economic and labour market crisis that has set off in 2020 puts those long-term goals under serious strain. Still, working towards quick recovery and restoring growth and convergence across the EU remain at the heart of the EU recovery plan.

Analysis discussed in the current policy brief shows that material well-being of European citizens is severely hit by economic cycles - the situation is improving in periods of economic growth and EU countries converge. However, in periods of economic downturn, these positive trends are not resilient, and the opposite occurs – on the backdrop of overall downward trends, countries react differently to the crisis and tend to diverge rather than move closer to each other. Poverty risk, income inequalities and subjective assessment of financial stability are most hit in times of economic downturn.

This illustrates the importance of measures to prevent increasing poverty among European citizens in the context of the COVID-19 pandemic. Against this background, the current policy brief focuses on the issue of material well-being across EU Member States. The policy brief provides an overview of an analysis of upward convergence in material well-being. We look back at the trends from the past 11 years (2007-2018) and take note of the lessons that can be learned from the previous trends, including the effects of the financial crisis of 2008.

Next, policy measures that can prevent poverty and ensure minimum income for European citizens are discussed. This includes an overview of measures that are adopted before and in the current crisis as many EU Member States have reacted swiftly to the crisis and various measures have been adopted to protect the income of their citizens. The potential for a EU wide approach towards minimum income protection is also discussed, followed by some policy pointers from the analysis.

Key findings

- COVID-19 pandemic has had a severe impact on European societies. GDP is expected to decline across all Member States and unemployment is on the rise. However, countries will be impacted differently depending on the extent of the COVID-19 pandemic in the country, extent and length of containment measures and the economic policy structure in place (including the crisis measures adopted). This gives way to increasing divergence between EU Member States.
- Material well-being was severely hit in previous economic crisis. This shows that material well-being is particularly vulnerable to economic cycles. Poverty risk, income inequalities and subjective assessment of financial stability are most hit in times of economic downturn. As a result, there have been no (considerable) improvements on these indicators and upward convergence has not been achieved or has not been stable across the whole time period.
- It follows that the EU and its Member States have not been able to guarantee access to social minimum and ensure adequate income for all Europeans yet, and trend of convergence has been slow to improve the conditions considerably during the last decade. Resilience of the social Europe could be improved by reconsidering social policy. Arguments for prioritizing minimum income protection policies among other social policy measures stem from slow progress on poverty, insufficiency of social investment and employment protection policies in tackling poverty, providing social safety nets to those in new forms of work and employment, necessity and requirement for pan-European solidarity and joint effort and, legitimacy of the EU (Cantillon, 2019).
- The Member states have been introducing emergency measures to provide income support to those affected the most by the pandemic induced economic crisis. The emergency measures pave the way for evaluating and reconsidering what kind of minimum income protection system the societies need to recover from the crisis and also prevent divergence in living conditions across Europe. The emergency measures will be temporary as the generosity of the systems increases the risk of financial sustainability of the social safety nets. At the same time, making the existing minimum income systems more agile and responsive to the changing circumstances in the labour market and economy is required.
- The attention to the social dimension of European Union is required to help the Europeans to adapt to and overcome the hardship of deteriorating socio-economic conditions. Stalling or divergent patterns marked the performance of the European Union Member States after the past crises, the common concern could trigger steps towards converging performance.

Material well-being in EU countries

Trends in 2007-2018: where do EU countries stand?

Analysing convergence trends of material living conditions over the past 11 years (2007-2018), we can conclude that the material well-being of Europeans is strongly impacted by the economic cycles. This means that the situation is improving in periods of economic growth and EU countries converge. However, in periods of economic downturn, these positive trends are not resilient, and the opposite occurs – on the backdrop of overall downward trends, countries react differently to the crisis and tend to diverge rather than move closer to each other.

In 2020, Europe stands at the doorstep of a new economic and labour market crisis as the aftermath of the global Covid-19 pandemic. So what are the lessons that the past has taught us and what can these trends tell us about the future and the potential effects of the current crisis? In terms of material living conditions, we can differentiate between three main groups of indicators.

First, severe material deprivation has steadily declined in the EU. While the 2008 economic crisis delayed upward convergence, the process continued with the recovery. As a result, material deprivation has declined to the lowest in EU since 2007 and countries have become more converged than ever before. This shows that EU countries have mostly shown relative resilience in terms of severe material deprivation. This means that the share of Europeans who cannot afford at least four of the items identified in the indicator, has not increased remarkably in the previous economic crisis[1]. At the onset of the new economic crisis, this gives reason to expect that the ability of Europeans to afford some essential items that might be desirable or even necessary for satisfactory living conditions will remain resilient in the long term.

[Figure on severe material deprivation rate: mean and sd]

Still, there are dimensions of material living conditions that were strongly impacted by the economic crisis, although recovery has been strong and we have seen upward convergence overall comparing the situation between 2007 and 2018. This means that a period of downward divergence was set off by the crisis, although most countries turned towards recovery and by 2018 the situation has improved compared to the starting point in 2007 and cross-country differences have declined overall. This has been the case with the risk of poverty and social exclusion (AROPE), i.e. the sum of people who are either at risk of poverty, or severely materially deprived, or living in a household with very low work intensity. As the labour markets were severely hit by the crisis, in-work poverty and the share of households with very low work intensity were also strongly impacted. While these indicators show low resilience to economic shocks, it is noteworthy that the situation has improved overall and EU countries on average are in a better position than ever before since 2007. At the onset of a new economic crisis, this shows that most EU countries have more room for flexibility in case of downward trends. Whether this means that EU countries will be more resilient to the effects of the new economic crisis, will remain to be seen.

[1] The indicator measures the percentage of the population that cannot afford at least four of the following nine items: 1) to pay their rent, mortgage or utility bills; 2) to keep their home adequately warm; 3) to face unexpected expenses; 4) to eat meat or proteins regularly; 5) to go on holiday; 6) a television set; 7) a washing machine; 8) a car; 9) a telephone.

[Figures on AROPE, in-work poverty, very low work intensity: mean and sd]

Third, there are many red flags in terms of indicators that did not recover from the last economic crisis. These are the indicators where the situation has not improved in most EU countries over the period of 2007-2018 or improvements have been very small and countries have not converged upwards.

Analysis shows that the share of people at risk of poverty overall as well as among people with dependent children in more specific are some of the indicators that have recovered from the last economic crisis, although there have been no improvements overall (i.e. the initial situation is more or less restored, but there has been no further upward convergence). This is also the case with the differences between the population with the lowest and the highest income showing no decline in income inequalities across European societies. This is accompanied by a increasing cross-country differences in subjective assessment towards financial security and stability – cross country differences in inability to make ends meet and population in arrears have not converged considerably across the period.

[Figures on at risk of poverty, income quintile ratio, in work poverty of people with dependent children, inability to make ends meet, population in arrears: mean and sd]

At the onset of the new economic crisis in 2020, European countries once again face a fall on these indicators. It is clear that poverty will be hit by the crisis leading European countries towards a further downward trend, moving away from the aim to converge upwards. It is clear from the last economic crisis that EU countries on their own have not been able to build up resilience when it comes to poverty and income inequalities. There have been no considerable improvements overall and countries have not converged overall. Hence, interventions across the EU are called for to build up resilience, keep Europeans from declining into poverty as a result of economic shocks and turn the EU trends towards upward convergence.

Analysis shows that expenditure in EU countries on minimum income protection has been upward overall, but not uniform across EU countries. Hence, countries have diverged rather than moved closer together. On a positive note, expenditure on minimum income protection has not decreased in the recovery process but further increased instead. This shows that countries overall have not reduced their expenses on minimum income protection when times were improving in the economy and the labour market. However, this has also been accompanied by a constant increase in cross-country differences due to a group of countries outperforming and others falling behind. Hence, there is a need for a more uniform approach across the EU to improve the resilience of all EU countries and support catching up among those falling behind. This means that the EU countries should be more similar in their ability to avoid poverty in times of economic downturns. The measures that are already implemented by Member States and a discussion of potential interventions at EU level are discussed in the current policy brief.

What drives convergence in material well-being?

To understand the factors that influence convergence trends in material well-being, the conditional β-convergence of selected indicators was analysed between 2007 and 2018. The analysis reveals that in EU28, conditional beta-convergence takes place with all of the selected material living conditions indicators at 0.05 significance level, indicated by negative and statistically significant β coefficients. This means that, when taking into account all the conditioning factors included in the analysis, there is a catching-up effect where the poorest performing countries catch up and move closer to the best performing ones, reducing overall divergence between countries.

There is limited explanatory power of factors driving upward convergence and there are no common explanatory factors. Individual drivers vary in different models and in different subgroups. It follows that there are no clear group of explanatory factors that are drivers of material living condition indicators. The small number of countries and short time periods also contributes to limitations in identifying the underlying commonalities in the trends.

The findings reported in table below illustrate that demographic factors, labour market and social factors play a significant role when describing conditional convergence in material living conditions indicators, although individual factors vary in different models. In most models, the old-age-dependency ratio is statistically significant, promoting convergence. Regarding AROPE model, it is the only model where explanatory factors “minimum income protection scheme” and “social protection expenditure” are significant, although social protection expenditure is decelerating convergence. As social protection expenditure increases in difficult times with high unemployment, this conditions the adverse effect on convergence in AROPE. However, while in both AROPE and AROPE gender gap model the distinction between new and old member states is significant, the speed of convergence of AROPE is faster for old member states while opposite is true for AROPE gender gap.

The drivers of material living conditions are similar for old and new member states. However, the analysis suggests that regions with distinct social-economic systems and institutional framework – essentially, with different welfare model and minimum income protection scheme– differ for the margin of improvement and convergence in living conditions. While the Baltics have been catching up, Southern Europe has struggled in recovery. In between are Nordic and Benelux countries.

TABLE 1. CONDITIONAL Β-CONVERGENCE

Explanatory factors/ Indicator	AROPE	Severe material deprivation rate	In-work poverty	AROPE gender gap
Beta	-0.030***	-0.221***	-0.061***	-0.081**
Unemployment rate	0.216***	0.541***		
Social protection expenditure (% of GDP)	0.288*			
Old-age-dependency-ratio	-0.495**		-1.385**	-6.820***
Life expectancy at birth				
GDP	0.266**		0.570**	
Income distribution: S80/S20 income quintile share ratio			2.875**	
Labour participation rate	2.137***			9.717**
Infant mortality rate		0.300*	0.311*	
Intramural R&D expenditure (% of GDP)			-0.618***	
General government gross debt (% of GDP)	0.170**			
Final consumption expenditure of households	-0.109*			5.273**

Gini			-3.895**	
Health graduates			-0.339***	
Welfare state model			0.012***	
Old member state vs new member state (dummy variable 1 – old member state)	0.188***			-0.094**
Minimum income protection scheme	-0.002*			
R-squared	0.937	0.815	0.788	0.533

*Notes: Variables are expressed in log. ***, ** and *, denote significance at 1%, 5% and 10% levels respectively.*

Using regional level data instead of country level data and including spatial effects has an impact on both the list of driving factors and their marginal effects. This once again indicates that spatial analysis can potentially give insight to geographic spillover effects that can play a significant role in the analysis of dynamics of regional disparities. However, data availability at this level is inconsistent, as the gaps are widespread and vary over indicators and countries.

Where do we go from here?

Data shows that the effect of the current Covid-19 pandemic and the resulting economic and labour market effects have been severe. According to Eurostat, seasonally adjusted GDP decreased by 3.2% in the EU during the first quarter of 2020, compared to the previous quarter. These were the sharpest declines observed since time series started in 1995 (Eurostat 2020). This only covers the first month of the Covid-19 containment measures (March) while the rest of the period will reflect in the second quarter data. Employment turned to a small decline compared to the previous quarter, although labour market effects will most likely reveal more clearly over the following quarters (Eurostat 2020). There were also several crisis measures adopted which most likely postponed some of the labour market effects from the first quarter to following periods. The number of hours worked decreased by 2.6% in the EU in the first quarter of 2020, compared to the previous quarter (Eurostat 2020).

The initial results of the survey by Eurofound shows that 5% of respondents that were part of the EU27 labour force reported losing their jobs permanently due to the pandemic and 23% reported they had lost their contracts or jobs temporarily (Eurofound 2020). The same survey shows that 50% of the working population across the EU experience a reduction in their working time. The labour market impacts also reveal in widespread economic insecurity. About half of respondents (47%) state that their household has difficulties making ends meet (Eurofound 2020). A high proportion of respondents (38%) say their financial situation is worse than before the pandemic (Eurofound 2020). The same proportion of respondents express concern about their future believing that their financial situation will worsen in three months' time (Eurofound 2020).

While it is not fully clear how long will the working time and accompanying salary reductions last, it is already clear that the labour market and financial security will be extensively hit, 'experiencing a recession of historic proportions this year'(European Commission 2020). EU GDP growth projections have been revised from +1.5% to -7.5% with the spring forecast of the European Commission also projecting a steep rise in EU unemployment from 3.7% in 2019 to 9.2% in 2020, with effects persisting into 2021 (European Commission 2020). ILO estimates a decline in working hours of around 10.7% in the second quarter of 2020, relative to the last quarter in 2019, which is equivalent to 305 million full-time jobs (ILO 2020).

The European Commission spring forecast forecast also sees a diverging trend between EU Member States – while the shock to the EU economy is symmetric in that the pandemic has hit all Member States, countries still suffer effects to a different extent. Each Member State’s economic recovery will depend on the evolution of the pandemic in the country, but also on the structure of their economies and their capacity to respond with stabilising policies (European Commission 2020). This is once again an indication that the measures adopted across Member States to rebound from the crisis matter crucially for the restoration of the material well-being of Europeans in the coming years. This will also define the extent of the divergent trends that will come about in the period of economic downturn and the pace in which countries will be able to return towards upward convergence. All EU Member States are expected to face a recession in 2020, but the extent differs according to the spring economic forecast from -4% in Poland to -9% in Greece. Similarly, the labour market effects are expected to differ depending on the proportion of workers on short-term contracts and the proportion of workforce depending on tourism. Iti s also stressed that the spring forecast carries a high degree of uncertainty – it is based on an assumption about the evolution of the coronavirus pandemic and associated containment measures as the baseline assumption is that lockdowns will be gradually lifted from May onwards (European Commission 2020). Any following pandemic waves and reestablishment of containment measures can significantly alter the currently forecasted picture.

As shown above, economic cycles and level of unemployment are important factors conditioning the pace of convergence in material well-being among EU countries – upward convergence occurs in times of economic growth and low unemployment. Hence, the length and depth of the crisis in the labour market will define the growth (or decline) path among EU countries in material well-being. This illustrates the importance of measures to tackle the effects of the crisis and their enduring effects for the well-being of Europeans.

Promoting convergence: role of policy initiatives

The desire for upward convergence in material living conditions among EU Member States has been present in successive EU treaties. This is further highlighted and enforced with the recent European Pillar of Social Rights that put greater emphasize on the need to build Social Europe for all residents and to that end promote upward social convergence, as well as economic convergence.

At the start of the new economic downturn due to Covid 19, preventing divergent developments and recovering social convergence is of particular importance. The challenges our societies are facing show how well we are prepared for the disruptions that affect our course and model of Social Europe. As upward convergence does not necessarily occur without deliberate policy making, the crises must be seen as an opportunity to evaluate the social safety nets we have designed and implemented and be agile at amending policy rules or introducing new measures to make sure that we recover from the crisis as individual societies and as a European community on the whole.

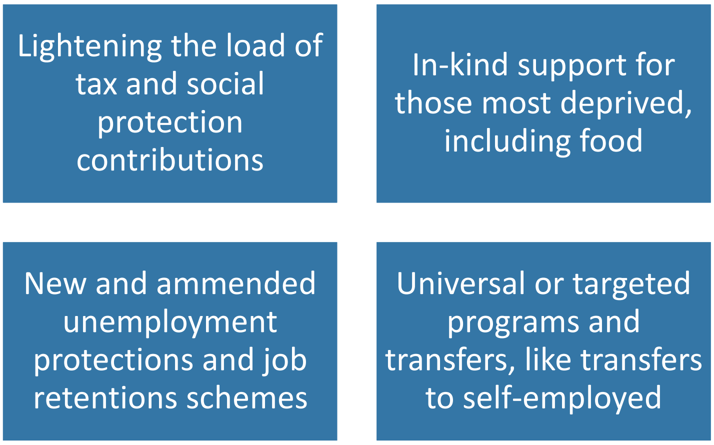
Our analysis points out that at the start of a new economic downturn, policy fields of particular vulnerability are those tackling poverty among EU citizens overall and among families with children in particular together with increasing income inequalities. Many countries have still not recovered from the effects of the last economic crisis and at the start of a new one, further downward trends will most likely occur before the expected recovery. EU countries need to focus altogether on the possibilities to raise resilience to each new economic downward cycle and to support fast recovery to prevent long-term effects of further deteriorating poverty and inequality trends.

Already during the dawn of the crises, the spectrum of policy responses has emerged that in different contingencies, including the cycle of the downturn and future recovery, could be crucial for preventing deficiency and inequality and moving forward to resumption. The income and well-being has been challenged and will be challenged with multitude of risks, including **health problems** directly due to the Covid-19 and indirectly due to the disruptions e.g. deprivation of mental health, **employment and income** related problems from increased unemployment to reduction of working hours due to lower demand, or precarious employment in general, and **work-life balance** issues due to availability of public services like school and preschool services.

During dawn of the COVID-19 health and socio-economic crisis, the EU in cooperations with its Member States have taken actions to (Eurofound 2020):

- support national health care systems and instituting co-ordinated research programmes seeking effective treatments for COVID-19 and fostering collaboration in the development of a vaccine that could help in solving both the public health crises and support recovery of economy and out way of life,
- relaxed EU state aid rules and the application of the full flexibility of EU fiscal rules to allow governments to provide liquidity to the economy to support businesses and jobs,
- introduced emergency rescue packages, including a pan-European Guarantee Fund to provide support in financing for companies (particularly SMEs) and upport Member States implementing short-time working schemes in an effort to safeguard jobs during the COVID-19 pandemic

FIGURE 1. EMERGENCY MEASURES DISCUSSED AND IMPLEMENTED



Source: Authors compilation based on Eurofound database, Worl Bank database and internet resources

The policy measures targeting these risks have included **in-kind benefits and social services**, including **food banks and other material assistance,** to people and their households of most deprived of access to support from tax-benefit system schemes. Here, also EU level program **FEAD** will evolve to meet the challenge of the crisis. In April, the amendments to the FEAD Regulation were adopted to meet COVID-19 related challenges, including through enabling voucher system so that good and basic material assistance can be delivered through vouchers, and the buying of protective equipment for those delivering aid. Also, in number of Member States, the provision of services in kind (e.g food vouchers) have received the required attention to guarantee the support to those the most deprived (e.g. Belgium, Spain, Italy, Croatia).

Tax system is one of the key pillars of policy options to provide direct financial support to individuals and households. During the crisis, emergency measures have been introduced in number of countries for job retentions and providing income security. That includes extending or delaying social security contributions or taxes (e.g. Finland, Spain, Estonia) that reduces or postpones obligations that in the immediate hardship could result in company closure and loss of employment and income for workers and their families.

The Member States focus have been job retention programmes, including lowering conditionality and extending the support provided by **sick-leave schemes and unemployment protection schemes**. The latter also includes introducing new temporary **wage subsidies** schemes that are expected to both enable quicker resumption of economic activities, especially of the SMEs, and also suspend entering into classical social protection schemes, including for instance unemployment insurance and benefits. Also, countries have changed the policy rules of the unemployment benefits and allowances, including eased requirements for benefit eligibility and relaxed enforcement of requirements (e.g. Finland, France, Sweden), extension of benefits (e.g. Germany, Slovakia, France, Austria), or simplified application process like distance application instead of personal application and automatic extension (e.g. Spain, Austria).

The job retentions programs are more fit to provide income support to dependent employees raising the question of how to support those in non-standard employment, i.e. those with not only with unstable employment histories that especially are in precarious situation during the turbulent time, but also in from of self-employment not covered with the job retention and protection schemes. In these cases **targeted programs** like time-limited or lump-sum support schemes might smoothen the urgent need (e.g support for self-employed in Austria, Germany) or support measures to this having to self-isolate or undergoing guarantee unable to work (e.g. Ireland, Lithuania, Portugal, Cyprys, Italy, Romania, Malta).

Minimum income protection schemes

The crisis has surprised us in its pace, scale and its essence – the economic effect and its effect on living conditions will likely be as severe but also different from the recent global recession about a decade ago. The challenge we are facing is likely long term and also the importance of different policy interventions might change. What could be foreseen that the importance of ad hoc emergency distributive policy efforts run out of oomph and public support, leading way to reforming the safety nets.

Well designed minimum income protection schemes with strong institutional and organization capacity increases the potential to have agile social protection system that is able to scale quickly the policy rules to improve the coverage and generosity as the economic and labour market trends unfold. In this regard, the income support schemes are susceptible to significant additional demand finding balance in the changing circumstances might require also scaling back the provisions. Providing social support and safety net using the existing social protection schemes like minimum income protection can be the most optimal as the societies and economies are moving away from the crises conditioned by the pandemic to the crises conditioned by the (structural) economic circumstances.

Over the coming months and years, policy efforts to adapt the **minimum income protection schemes** to the pre-existing and new gaps in the safety nets could be one of the attention points both on EU level and Member States level. Even with well-designed unemployment protection and paid sick leave protection schemes in place, providing a minimum level of assistance as the last resort safety-net for households without access to any other resources is required. That importance of being attentive to **minimum income protection schemes** is both due to the question of long term financial sustainability of the emergency policy measures, and issues of the sufficiency and coverage of the pre-existing income support schemes that are amplified in the crises, e.g. coverage of precarious and non-standard employment, i.e. those with unstable employment histories or self-employment (Spasova et al 2017, OECD 2020). Also, the first findings from the Eurofound ad hoc survey “Living, working and Covid19” has found that despite the widespread adoption of protections measures, many individuals and families self-report that they have suffered dramatic reductions in income (Eurofound, 2020).

EU role in minimum income protection schemes

Minimum income protection scheme aims to guarantee the basic and decent income floor for individuals and households and tackle poverty and exclusion. In most of its conceptualisations, it is part of more comprehensive social protection floors that are built on top of the minimum income protection. Hence, it is also one of the key measures to induce upward convergence in material living conditions and living conditions over the economic shocks and cycles.

In general, the European Union approach to social developments have been summarised as convergence, based on common objectives of the member states' various policies for social protection, while respecting the diversity of schemes (Chassard & Quintin, 1992, lk 92). It comes from EU limited legitimacy on social issues – the responsibility for social policies lies mostly with the member states and their governments (with strong collaboration with the social partners), that leave limited policy space for social policy making at European level. EU policies complement that of member states, and applying the principle of subsidiarity, EU level policy making intervenes legislatively only if this is necessary and cannot be better effected at national level. The governance of social issues and policies is thus not that extensively based on institutional compliance but structural coupling between the European and national level (Caminada et al., 2010). The social policy instruments that EU has developed through EU integration process, includes EU regulations, funds, coordination and monitoring national policies, and collecting and sharing best practices (see also (Milotay et al., 2017). In this vain, the Member States have accepted a certain degree of commitment in terms of social policy in general, and EU have accepted that the regulations and financing of social policy measures remains in the realm of national sovereignty in principle.

Most of member states have designed and implemented minimum income schemes (see also Box 1). EU role in coordination of minimum income protection has focused on laying down common policy objectives and sharing knowhow in designing and evaluating the minimum income protection systems. The renewed debate around socio-economic convergence has also prompted questioning how the European policy mix could be improved for upward convergence and to conceive and propose new measures. Mostly in the context of the Pillar of Social Rights the feasibility of number of policy options have been discussed. Also, the socio-economic stress and hardship the European community is currently experiencing has triggered recurrent discussions on how to address the minimum income guarantee.

Europeans' right to a minimum level of income is proclaimed in The European Charter of Fundamental Rights (European Parliament 2000). The article 34(3) states that "in order to combat social exclusion and poverty, the Union recognises and respects the right to social assistance to ensure a decent existence for all those who lack sufficient resources". The fundamental right is empowered via number of recommendations. In 1992, the Council Recommendation (92/441/EEC) (commonly known as the "Minimum Income Recommendation") on "common criteria concerning sufficient resources and social assistance in social protection systems" was crucial step forward in ensuring that anti-poverty and anti-exclusions schemes, including adequate income support systems are implemented in the Member States. As well as the Commission's recommendation (2008/867/EC) on Active Inclusion calls on Member States to combine adequate income support with access to quality services and inclusive labour market measures. The Europe 2020 strategy presented in 2010, set targets to reduce the number of people at risk of poverty and exclusion by at least 20 million by 2020. In 2013, EC introduced Social Investment Package: Towards Social Investment for Growth and Cohesion to address the growing risk of poverty and social exclusion arising from the economic crises. Europeans right to adequate minimum income protection was renewed with the adoption of the Social Pillar (art. 14, EU 2017). It is stated that "Everyone lacking sufficient resources has the right to adequate minimum income benefits ensuring a life in dignity at all stages of life, and effective access to enabling goods and services. For those who can work, minimum income benefits should be combined with incentives to (re)integrate into the labour market".

BOX 1. MINIMUM INCOME PROTECTIONS SCHEMES IN THE MEMBER STATES

There are three recent analysis by European Social Policy Network, European Minimum Income Network and European Parliament that comparatively analyse the Member States minimum income protection schemes (Crepaldi et al., 2017; Frazer et al., 2016; Van Lancker, 2015).

According to policy reviews, almost all member states have national minimum income protection schemes. Exceptionally, Spain has the scheme in all its regions, Italy has scheme in certain regions. The systems differ in coverage, adequacy and take-up.

Frazer et al. (2016) group the systems in five clusters:

I. simple and comprehensive schemes open to all with insufficient means to support themselves (BE, CH, CY, CZ, DK, EE, ES [Basque country], FI [Basic Social Assistance], IS, IT [Bolzano, Friuli Venezia Giulia, Molise, Sardegna, Valle d'Aosta], LI, LU, NL, NO, SE, SI, SK);

II. simple and non-categorical schemes but with rather restricted eligibility and coverage (AT, EL, ES [Asturias, Cantabria, Castile-Leon, Navarre, Rioja], HR, HU, LT, PT, RS);

III. general schemes of last resort with additional categorical benefits which cover most people in need -of support (DE, FI [Additional Social Assistance], IT [Basilicata, New Social Card, Puglia, Sicilia, Trento], LV, MK, PL, UK);

IV. complex networks of different, often categorical and sometimes overlapping schemes which cover most people in need of support (FR, IE, MT, RO); and

V. very limited, partial or piecemeal schemes which are restricted to narrow categories of people and fail to cover many of those in need of support (BG).

It is concluded that the generosity of transfers rarely exceeds the 'standard' poverty line (AROP), a majority of member states have eligibility conditions that guarantee a fairly comprehensive coverage of those at risk, while in some countries coverage remains extremely limited, experts found reasonable take-up levels in seven countries (BG, DK, EE, IE, MT, NL, SK) and only partial ones in all other member states, the schemes have limited or partial impact in most cases and a positive one in only three countries (IE, NL, UK).

Source: Frazer et al 2016

On the one hand, there is at least some proof that the EU coordination of national minimum income protection policies has had effect on coverage and adequacy of member state policies. For instance, Wang et al. (2018) have shown that after the re-launch of the Lisbon Strategy in 2015, there was a positive association between the strategy and social assistance benefit levels. On the other hand, according to Eurostat (2019), about one in four Europeans are still at risk of poverty and exclusion. The analysis above has shown that although some material wellbeing indicators like AROPE, severe material deprivation rate, ability to face unexpected financial situation, in-work poverty rate indicate weak upward convergence in living conditions during the last decade, other indicators like income quintile ratio, people at risk of poverty indicate weak downward convergence unfortunately. At the brink of the recession, we have seen raping destruction of jobs and increased hardship for less resilient social groups.

It follows that the EU and its MS are not be able to guarantee access to social minimum and ensure adequate income for all Europeans yet, and trend of convergence has been slow to improve the conditions considerably during the last decade. Even more, upward convergence in living conditions has been sensitive to economic cycles – the letup of the expected positive trend during and after the last economic crisis highlight the current risk that EU and its Member States shall tackle.

Resilience of the social Europe could be improved by reconsidering social policy. Arguments for prioritizing minimum income protection policies among other social policy measures stem from slow progress on poverty, insufficiency of social investment and employment protection policies in tackling poverty, providing social safety nets to those in new forms of work and employment, necessity and requirement for pan-European solidarity and joint effort and, legitimacy of the EU (Cantillon, 2019).

EU role in coordination of minimum income protection has focused on laying down common policy objectives and sharing knowhow in designing and evaluating the minimum income protection systems. The open method of coordination has been criticized for abstract objectives and non-binding coordination that might have slowed down the process of policy and outcome convergence (see for instance (Cantillon, 2019)). Yet, re-considering EU role in minimum income protection shall find balance between crucial policy contingencies, including the economic diversity of the Member States, diversity of social protection systems, the principles of subsidiarity that govern the exercise of the EU', the meaning of solidarity in the EU, complex balance between right and obligations of minimum income protection, and between policy inputs and outcomes (Vandenbroucke et al., 2013). These contingencies are relevant also for considering the future approaches to amplify the EU role in minimum income coordination.

From the perspective policy instruments, it has been summarised that there are three future options: i. sharpening the existing open method of coordination with improved guidance and knowledge sharing (e.g. additional Commission or Council recommendations, and Country Specific Recommendations), ii. converging not only objectives but also rights and principles regarding minimum income support (e.g. European framework direction on minimum income protection that outlines minimum standards and policy rules), or iii. taking the role of redistributor and guarantor of minimum income (e.g. introducing pan-European minimum income protection scheme) (Vandenbroucke, 2020). These policy options have also been considered in policy debates and analysis. On the one hand, European Anti-Poverty Network has stressed that The European Semester and Country Specific Recommendations should be used to make progress toward minimum income schemes that take people out of poverty (EMIN 2 Final Report, Lancker and Farrell 2018). It has been evaluated that as both the socio-economic conditions and policy instruments are divergent, the reigniting the coordination empowered by the European Pillar of Social Rights is potentially more impactful than possible effort to harmonise of overly divergent policy instruments (Cantillon 2019).

On the other hand, the proposals on coordination on guaranteed minimum income resurrect discussion on possible binding regulation and directive on minimum income schemes that would establish common principles of household-based, means tested, work conditional social assistance scheme (but not necessarily unvaried nor pan European scheme). The proposals for introducing binding regulation of policy rules via Directive on adequacy and accessibility of minimum income protection have been made several times by European Anti-Poverty Network (EAPN) (Van Lancker, 2010, 2015), and discussed by researchers (Marx & Nelson, 2013; Peña-Casas & Bouget, 2014; Vandenbroucke et al., 2013). Even more, different EU level institutions and stakeholders, that includes European Parliament (2016), the European Committee of Regions (2011), the European Economic and Social Committee (2019) and the

European Trade Union Confederation (2016), have seen at least some merit in co-regulating policy rules of minimum income protection in combating poverty and exclusion. One big step forward would be to argue for pan-European scheme where EU would organize transnational redistribution and guaranteeing income to tackle the institutional and socio-economic difference, and also possible improving coverage by dismantling eligibility rules. The idea of the pan European minimum income protection system goes back to at least at the beginning of 2000 when scholars (Schmitter & Bauer, 2001; Van Parijs & Vanderborght, 2001) discussed the feasibility of Eurostipendium and Euro-Dividends, and more recently in discussing pan-European unconditional basic income protection schemes (e.g. (Denuit, 2019; Parijs & Vanderborght, 2019)).

Though the policy instruments differ and arguments for and against are fierce, the debate ultimately centres around common understanding of adequacy and access that shall guarantee inclusion and participating in society. As prosperity and welfare models in the member states vary considerably also the minimum income protection schemes differ in terms of coverage and adequacy and common understanding needs to be found. The existing contingencies of the Covid-19 epidemia and economic recession will also shape the discussions.

Level of minimum income benefits improving adequacy

The first fundamental question of social protection measures is setting minimum standards for adequacy that would guarantee the transfers in amount of ensuring a life in dignity at all stages of life. The question of adequacy dynamic also over the economic cycles. For instance, during the current Covid-19 pandemic and recession, the most vulnerable groups were not able to get access to services and goods like food or other basic material assistance as social services were not accessible (including for instance free school meals). As in-kind social provisions were missing some countries tried to compensate it by increasing the minimum income protection adequacy (e.g. the United Kingdom). Also, it has been debated that employees and workers providing essential services during the crisis are oftentime both at health risk and also at risk of in work poverty suggesting that as emergency temporal income protections measure the policy rules shall be more generous to those allowing in-work benefits.

Targeting the future challenges over the life-course of the crises, more considerate approaches need discussion. In the context of current effective social open method of coordination, the unitary conceptualisation of adequate minimum income would signal to Member States the necessary target to upward convergence. In the context of stepping towards converging rights and policy rules, the conceptualisations would set the social protection floor that national systems shall account for. Currently, in evaluation of the social protection/tax-benefit system mostly the 60% of median equivalised income (AROP) and the material deprivation indicator is used. The EU-wide concept of what constitutes an adequate minimum income, does not exist despite numerous proposals. For instance, in 2010 European Parliament urges the member states coordinate the common standards across the member states and stressed that “adequate minimum income schemes must set minimum incomes at a level equivalent to at least 60% of median income in the Member State concerned”. The European Commission (2014) has been considering, in the context of the Europe 2020 strategy, whether it is desirable or even possible to set minimum standards of social protection above the (relative) ‘at-risk-of-poverty’ thresholds for EU Member States. Also, the European Minimum Income Network has argued that the 60% of median equivalised income and the agreed material deprivation indicator should be used for benchmarking the systems (EMIN 2018).

In spite of its strengths, the approach has attracted counter arguments, including that the 60% threshold is defined arbitrarily, it represents different purchasing power levels across countries, does not take into account varying consumption patterns across income distribution and across countries, and does not consider variations in the public provision or subsidization on essential services (Tim Goedemé et al., 2019). This has encouraged number of scholars to purpose a needs-based reference budgets as tool to assesses the adequacy of minimum income protection (Deeming, 2017; T. Goedemé et al., 2015; Penne et al., 2019). Reference budgets are illustrative priced baskets of goods and services that people need at the minimum to adequately participate. The Reference Budgets Project has shown that reference budgets are a promising instrument to build consensus in society about what is an adequate income. It helps in gaining more insight and contextualise the AROP threshold by taking into account living standards and social redistribution the threshold represents in different countries (EMIN). The cross nationally developed reference budgets is option for developments toward the minimum required for ‘adequate social participation’ in each country or region (Tim Goedemé et al., 2019). The coordination in adequacy level and evaluation could trigger the one step forward to convergence in policy outputs and outcomes and ultimately convergence in material living conditions.

Improving and balancing coverage

The right to adequate minimum income protection is highlighted in the social pillar. Access to minimum income protection depends on eligibility criteria, most importantly on the strictness of means-testing to target the benefits to those on low income or wealth (see e.g. Marchal et al 2020), and activity requirements to motivate households and individuals to employment or other desirable activities like skill development. In addition, the eligibility rules influence non-take-up - individuals and households that are entitled to the benefit might not take up the benefit due to asymmetry and inequality in information, knowledge, willingness (Dubois et al., 2015). It has been evaluated, that a majority of member states but not all have eligibility conditions that guarantee a fairly comprehensive coverage (Frazer et al., 2016). The authors conclude that systems with currently low levels of coverage should review their conditions to ensure that all people in need are covered, including covering a-typical risk groups like homeless people and should aim to clear and consisted process and decision making (Ibid.).

In the current state of developments, the COVID-19 crises has also triggered the discussion on reforming the coverage rules of the Member States minimum income protection schemes, for instance by changing the conditions related to income or asset testing to widen the coverage during the precarious employment and income time (e.g. the Netherlands, Germany). Especially changing the rules of income testing might be crucial as for those in precarious employment, including self-employed persons determining previous earning might be complex due to deferred, fluctuating or insecure payments. Alternatively, it has also triggered to question of necessity of time consuming income testing that postpones the payments or increases the non take-up. During the crises, some countries have thus rather requested the confirmation from the claimants for the applicability to the assistance (for instance Germany, Austria). In theory, this self certification could also be developed into institutional ex-post targeting where the means or asset testing is carried out after receipts of benefits and if required recovered later, for instacce, through repayment (Mankiw 2020).

The design of the work incentives shall also take into account the changing circumstances over the labour market and economic cycle. Activity requirements are reasonable motivators during the recovery and economic growth as it nudges individuals more quickly return to work. However, at the dawn of the crisis the quarantine rules make it possible to actively search for employment, and during the recession when more jobs are destroyed than created rigid enforcement of the activity requirement could result in further hardship and exclusion for those in need. To accommodate to the crises, in some countries (e.g. Italy, United Kingdom) the requirement to look for work was suspended (Italy).

Most of the pan European policy proposals are stressing the importance of finding the right balance in the spectrum of universality. The proposals presume that EU coordination could help in making the traditional non-contributory means-tested minimum income schemes universal for all the individuals and households who need support without undermining motivation to work or in balancing financial sustainability of social protection systems (EMIN 2 Final Report, Lancker and Farrell 2018). The policy proposals argue for gradually harmonising policy rules, including introducing benchmarking to evaluate the coverage and also introducing binding regulation on common principles and definitions of what constitutes universally accessible minimum income schemes (Mäkinen et al 2018, Van Lancker 2015).

At the same time, some policy proposals are debating whether minimum income protection schemes should move away from the classical schemes that are mostly household based and conditional, i.e. the transfers are means tested and the activity requirements are imposed.

FIGURE 2. MINIMUM INCOME PROTECTION SCHEMES COMPARED

	Guaranteed Minimum Income	Universal Basic Income
Universality	Selective	Universal
Individuality	Households	Individuals
Conditionality	Means tested Work conditional	Not-means tested Not Work conditional
Amount	Temporary or Permanent Differentiated	Permanent Uniform

Although the universality of minimum income protection was seen crucial for increasing resilience of the risk groups of poverty and exclusions in our societies, the public health emergency and rapid economic recession has also ignited the discussion on universal basic income. The debate has centred around three options (see for instance Terry 2020):

I. Emergency universal basic income to provide income support due to the public health concerns, including quarantine and social distancing

II. Recovery basic income to be implemented with a view to preventing a recession once the virus outbreak begins to subside

III. Permanent Basic Income scheme that is designed by the book.

On the member state level, the income support schemes have not been reformed to the extent that these could be called universal basic income schemes. However, in number of countries (e.g. Spain, Germany) there have been proposals in favour of universal basic income. The emergency or recovery basic income has also stepped from outlining theoretical pros and cons of different designs to simulations. In the recent analysis, Torry (2020) carries out microsimulation research on feasibility of a Recovery Basic Income and a subsequent sustainable revenue neutral Citizen's Basic Income in UK. He concludes that emergency basic income would not be administratively feasible and recovery basic income would require implementation of necessary administrative systems. Due to the cost of the universal income protection would have to be regarded as a short term economic stimulus measure rather than as a permanent fixture, and a permanent revenue neutral Citizen's Basic Income would be both feasible and useful once the coronavirus crisis had abated.

Before the current crisis, in parallel to discussion on pan European regulation of minimum income protection schemes, also proposals for European universal basic income (UBI) systems have emerged that propose solving the coverage and targeting buzzle buy making it fully universal (see for instance (Parijs & Vanderborght, 2019; Vandenbroucke, 2017)) (also similar alternative or complementary scheme have been discussed and proposed as described in **Error! Reference source not found.**). In contrast to classical guaranteed minimum income schemes, the UBI would be individual based, not income or asset tested, unconditional to work or other social participation social assistance scheme providing safety net for European residents.

Some policy rules that define the coverage need further discussion. First, the question of universality in the design needs to be addressed. Overall, it has been debated whether European universal basic income include only citizens (also whether or not are they living in EU or abroad), long-term legal residents, or fiscal residents (e.g. (Parijs & Vanderborght, 2019). However, some proposals have also discussed whether there shall be limitation to only guaranteeing basic income to specific group of individuals, for instance children (A.B. Atkinson, 2014) or to elderly (T. Goedemé & Van Lancker, 2009). Secondly, the distinguishing character of EUBI would be that in contrast to EU minimum income guarantee would be unconditionality, i.e. without assessment of income or assets and absence of conditions related to meaningful engagement. However, there are also proposals linking the income protection to participation in social useful activities that are currently considered outside formal economy, like informal care or voluntary work (Anthony B. Atkinson, 2015). Third, connected to adequacy the depth of coverage depends to what extent it replaces or complements the existing Member States tax-benefit system and social policy mix in general. Overall, it is argued that the social package shall require other social services (e.g. healthcare), social protection schemes (e.g unemployment protection) and regulations (e.g. decent minimum wage).

According to the program theory (and a few counter-factual studies -see discussion on UBI experiments by (Widerquist, 2019)) of UBI there are number of expected positive and negative impacts of the unconditional minimum income protection scheme relative to traditional conditional scheme outlined in the following Box 2.

BOX 2. PROS AND CONS OF UNIVERSAL BASIC INCOME RELATIVE TO CONDITIONAL MINIMUM INCOME PROTECTION

Positive arguments	Negative arguments
+ Might increase labour supply and participation in training, meaningful social activity due to increased discretion	- As the redistribution is not social risk or means tested, some disadvantaged groups income could decrease and income inequality might increase.
+ Discourages precarious employment, e.g. low wages	- Less cost-effective than targeted welfare programs as poverty and exclusion risk groups lack other factors that contribute to poverty
+ Unconditionality decreases poverty risk, also poverty or unemployment traps	- Might increase tax-burden in case the scheme is to large extent complementary to existing tax-benefit system
+ Could increase resilience of socio-economic systems and improve macroeconomic stability	- Possible tax increase might lead to the rise in the price of consumer goods that impacts in particular people with lower incomes
+ Reduces feeling of insecurity related to precarious employment and welfare stigma related to social assistance decreases	- Possible increase in tax burden might reduce tax compliance, increase informal economy
+ Universality improves the system coverage and take-up (also for non-standard and precarious employment)	- Might reduce work motivation and labour supply
+ The complexity and administrative burden of social protection system decreases if the scheme replaces existing system	- Might motivate immigration that causes in-balance in budgeting
+ The system risks and disincentives related to inter-scheme mobility and simultaneous eligibility and take-up	- Social justice decreases as people could live without their social contributions and participation
+ Could increase legitimacy of political institutions by providing welfare	
+ Could harmonise welfare provision across regions, systems	

Source: Compiled based on literature review; for further discussion see e.g. (European Parliament & Karakas, 2017; Gentilini et al., 2019; OECD, 2017)

Political feasibility of a scheme and positions of the main stakeholders

Debate on a European minimum income protection policies has outlined multiple options stressing that due to existing difference and modest input or output policy convergence there is no shared alignment to 'one size fits all' in Europe. Looking into the future, first and foremost, the political feasibility depends on citizens support. Evaluations on public support has shown that (Pfeifer, 2009) public attitudes are more polarized in generous welfare states than in less generous states, and in times of high unemployment the public sympathy towards minimum income protection schemes increase. Public support for increasing the universality of the minimum income guarantee, especially stepping forward unconditional minimum income protection varies also. It has been found (Vlandas, 2019) that on individual level support to universal and unconditional minimum income protections (i.e. UBI) does not vary across established differences between varieties of capitalisms or welfare state regimes (Baranowski et al., 2019; Vlandas, 2019). Also it is found that Left-leaning individuals facing high labour market risks and/or on low income brackets are more supportive of a UBI (Vlandas, 2019). However, on country level, countries with a strong welfare state tend to be less sympathetic to a basic income scheme, while countries with a weak safety net are more receptive to it, and stronger social protection and less economic insecurity are strongly associated with support for UBI (Lee, 2018).

Feasibility depends also on the debate whether there is a legal basis for EU legislation on a minimum income. On the one hand, as discussed above in general EU has limited legitimacy on social issues that holds back rapid policy making and introduction of binding regulation. On the other hand, proponents of the stepping forward to binding regulation find the legal basis in Treaty on the Functioning of the European Union - article 156 stipulates that the Union shall support and complement the Member States activities in social protection and integration of persons excluded. Similarly, it has been argued that the Treaty may provide a legal base of the establishment of the unconditional scheme, or alternatively through the procedure of treaty change or through intergovernmental agreement European Union and its Member states could move forward to unconditional guaranteed income protection (Denuit, 2019).

Revising the EU policy on minimum income protection does not have to exclude one or the other option, rather the long-term process that would gradually converge not only policy objectives like tackling poverty and exclusion to converging policy inputs and outputs. Based on the existing policy documents and stakeholder interviews the step by step process is feasible as it takes into account the existing socio-economic and institutional differences. Harmonisation and supplementation of the action of the Member States could be gradual from benchmarking sufficiency and coverage of the minimum income protection to introducing step by step binding policy rules to supporting funding the minimum income schemes. In that regard, depending on the rate and extent of converging policy inputs and outputs, the co-ordination in financing is required between Member States and EU.

Due to differences in socio-economic development and welfare level, financial sustainability, reaching adequacy level, increasing resilience to shocks and guaranteeing social justice setting up pooling and redistributive fund might be required (see for instance (Peña-Casas & Bouget, 2014)). Financially, it has been argued (Mencinger, 2015) that a universal basic income at EU level presumes the creation of a fiscal union, the distribution of tax revenues to EU citizens, the unification of tax rates or introducing pan-European tax (e.g. a financial transaction tax, a carbon tax, a VAT). Arguably this applies to all minimum income protection schemes that increase solidarity across the member states with different socio economic developments. Convergence in socio-economic conditions is both the requirement for harmonized policy responses and result from the gradual deliberate EU level action. The European common framework for accessible and sufficient minimum income protection shall also be flexible to different paths through the current recession and upcoming recovery, albeit shall also put pressure to improve the living conditions overall in different countries and welfare models.

Conclusions and policy pointers

- The European Union is committed to economic, social and territorial cohesion, balanced economic and social growth and upward convergence. Upward convergence towards more resilient and sustainable living conditions and social structures in Member States is an essential element for a long-term success of Social Europe as a whole. The lack of resilience and sustainability can have significant and persistent negative effect of quality of life and wellbeing over economic cycles, especially important at the verge of economic downturn, where wise foresight is required to manage the risks to the society and economy in Member States and EU as a whole.

- This report analyses trends in material living conditions since 2007 in European Union Member States mapping evidence on the presence or lack of upward convergence in quality of life. Contextualising and understanding these dynamics are further scrutinized analysing drivers of upward convergence. As upward convergence does not necessarily occur without deliberate coordinated action, the report also discusses EU social policy instruments to address disparities and promote upward convergence in living conditions in the EU.

- In our Social Europe, the Member States have designed their welfare systems and social safety nets that provide protection and manages risks related to socio economic developments. Minimum income protection schemes are the last resort safety nets for those individuals that are not covered by the other tax-benefit system measures and are at risk of poverty or exclusion.

- The Member states have been introducing emergency measures to provide income support to those affected the most by the pandemic induced economic crisis. The emergency measures pave the way for evaluating and reconsidering what kind of minimum income protection system the societies need to recover from the crisis and also prevent divergence in living conditions across Europe. The emergency measures will be temporary as the generosity of the systems increases the risk of financial sustainability of the social safety nets. At the same time, making the existing minimum income systems more agile and responsive to the changing circumstances in the labour market and economy is required.

- During the crisis, the core questions of the design of minimum income protection as coverage, including specificity of targeting and work incentives, and sufficiency is important both in short term to provide support to those in trouble during the extraordinary circumstances of the Covid-19 pandemic, and in long term, those that continue to need protection during the recovery. The past economic recessions remind us that there are risk groups and even countries are different in their resilience to the economic shocks. Successful recovery requires that vulnerable groups be not left behind, and Europe as a whole find way back to the upward convergence in living conditions.

- The attention to the social dimension of European Union is required to help the Europeans to adapt to and overcome the hardship of deteriorating socio-economic conditions. Stalling or divergent patterns marked the performance of the European Union Member States after the past crises, the common concern could trigger steps towards converging performance.

- Stepping forward in policy coordination, the EU must overcome the dilemma that more extensive convergence in social policies is feasible only if upward convergence in socio-economic and living conditions dimensions progresses that itself could accelerate from further EU coordination. It follows that the convergence in living conditions does not happen naturally, especially increasing resilience to economic downturn or preventing hiatus of convergence during the recovery. Stepping on the long journey of converging policy inputs and outputs might be feasible when the first step is sharpening the demand in open method of coordination, like setting coverage and sufficiency standards for benchmarking and then stepping forward to minimum requirements expressed in council and commission recommendations. These steps could improve social cohesion but also legitimacy of EU and its member states cooperation.

References

Eurofound (2020), Living, working and COVID-19: First findings – April 2020, Dublin. Link: https://www.eurofound.europa.eu/publications/report/2020/living-working-and-covid-19-first-findings-april-2020

European Commission (2020) Spring 2020 Economic Forecast: A deep and uneven recession, an uncertain recovery. https://ec.europa.eu/commission/presscorner/detail/en/ip_20_799

Eurostat (2020) GDP down by 3.6% and employment down by 0.2% in the euro area. News release 9.06.2020. https://ec.europa.eu/eurostat/documents/2995521/10294996/2-09062020-AP-EN.pdf/8a68ea5e-5189-5b09-24de-ea057adeee15

ILO (2020) ILO Monitor: COVID-19 and the world of work. Fourth edition. 27.05.2020. https://www.ilo.org/wcmsp5/groups/public/@dgreports/@dcomm/documents/briefingnote/wcms_745963.pdf

Bea Cantillon 2019. The European Pillar of Social Rights: ten arguments for prioritizing minimum incomes. EuVisions. http://www.euvisions.eu/ten-arguments-european-pillar-of-social-rights-principle-minimum-income/

Anne van Lancker, Fintan Farrell. 2018. Guaranteed Minimum Income Nobody deserves less, everybody benefiits. EMIN2 FINAL REPORT. https://eminnetwork.files.wordpress.com/2019/02/emin2-eu-final-report-jan_2018.pdf

Marchal, Sarah & Kuypers, Sarah & Marx, Ive & Verbist, Gerlinde, 2020. "Singling out the truly needy: the role of asset testing in European minimum income schemes," EUROMOD Working Papers EM4/20, EUROMOD at the Institute for Social and Economic Research.

Mäkinen, L., Report and Recommendations from the Peer Review on coverage and non-take-up of Minimum Income, Helsinki 13-14 March 2018, Department of Social Research, University of Turku, April 2018

Terry, Malcolm. 2020. Evaluation of a Recovery Basic Income, and of a sustainable revenue neutral Citizen's Basic Income, with an appendix relating to different Universal Credit roll-out scenarios. Euromod Working Paper Series, EM 07/20.

Ackerman, B., Alstott, A., & Parijs, P. van. (2006). Redesigning Distribution: Basic Income and Stakeholder Grants as Cornerstones for an Egalitarian Capitalism. Verso.

Atkinson, A.B. (2014). After Piketty? British Journal of Sociology, 65(4), 619–638. Scopus. https://doi.org/10.1111/1468-4446.12105

Atkinson, Anthony B. (2015). Inequality: What Can Be Done? (1st Edition edition). Harvard University Press.

Baranowski, M., Mickiewicz, A., & Jabkowski, P. (2019). Basic income attitudes and welfare regimes: A comparative case study based on the survey results from selected european countries. STUDIA SOCJOLOGICZNE, 2(233). https://doi.org/DOI: 10.24425/sts.2019.126139

Caminada, K., Goudswaard, K., & Van Vliet, O. (2010). Patterns of Welfare State Indicators in the EU: Is there Convergence? JCMS: Journal of Common Market Studies, 48(3), 529–556. https://doi.org/10.1111/j.1468-5965.2010.02063.x

Cantillon, B. (2019, jaanuar 14). The European Pillar of Social Rights: Ten arguments for prioritising principle 14 on minimum incomes. EuVisions. http://www.euvisions.eu/ten-arguments-european-pillar-of-social-rights-principle-minimum-income/

Chassard, Y., & Quintin, O. (1992). Social protection in the European Community: Towards a convergence of policies. International Social Security Review, 45(1–2), 91–108. https://doi.org/10.1111/j.1468-246X.1992.tb00905.x

Coote, A., Kasliwal, P., & Percy, A. (2019). Universal Basic Services: Theory and Practice A Literature Review. Institute for Global Prosperity. https://ubshub.files.wordpress.com/2019/05/ubs_report_online.pdf

Crepaldi, C., Da Roit, B., Castagnaro, C., & Pasquinelli, S. (2017). Minimum Income Policies in EU Member States. Study for the EMPL Committee, European Parliament. https://www.europarl.europa.eu/RegData/etudes/STUD/2017/595365/IPOL_STU(2017)595365_EN.pdf

Deeming, C. (2017). Defining Minimum Income (and Living) Standards in Europe: Methodological Issues and Policy Debates. Social Policy and Society, 16(1), 33–48. https://doi.org/10.1017/S147474641500041X

Denuit, F. (2019). Fighting Poverty in the European Union. An Assessment of the Prospects for a European Universal Basic Income (EUBI) (2013/284009; ULB Institutional Repository). ULB -- Universite Libre de Bruxelles. https://ideas.repec.org/p/ulb/ulbeco/2013-284009.html

Dowding, K., Wispelaere, J. D., White, S., & Wispelaere, J. D. (2003). The Ethics of Stakeholding. Springer.

Dubois, H., Ludwinek, A., & European Foundation for the Improvement of Living and Working Conditions (Toim). (2015). Access to social benefits: Reducing non-take-up. Publications Office of the European Commission [u.a.].

European Parliament, & Karakas, C. (2017). Basic income: Arguments, evidence, prospects. EPRS | European Parliamentary Research Service. https://www.europarl.europa.eu/RegData/etudes/BRIE/2016/586679/EPRS_BRI(2016)586679_EN.pdf

Frazer, H., Marlier, E., European Commission, Directorate-General for Employment, S. A. and I., Liser, Applica, & Ose. (2016). Minimum income schemes in Europe: A study of national policies 2015. Publications Office. http://bookshop.europa.eu/uri?target=EUB:NOTICE:KE0215950:EN:HTML

Friedman, M. (1970). The case for the negative income tax: A view from the right. The guaranteed income : materials for the Decisions for the Seventies discussion course.

Gentilini, U., Grosh, M., Rigolini, J., & Yemtsov, R. (Toim). (2019). Exploring Universal Basic Income: A Guide to Navigating Concepts, Evidence, and Practices. The World Bank. https://doi.org/10.1596/978-1-4648-1458-7

Goedemé, T., Storms, B., Stockman, S., Penne, T., & Van den Bosch, K. (2015). Towards Cross-Country Comparable Reference Budgets in Europe: First Results of a Concerted Effort. European Journal of Social Security, 17(1), 3–30. Scopus. https://doi.org/10.1177/138826271501700101

Goedemé, T., & Van Lancker, W. (2009). A universal basic pension for Europe's elderly: Options and pitfalls. Basic Income Studies, 4(1). Scopus. https://doi.org/10.2202/1932-0183.1119

Goedemé, Tim, Penne, T., Hufkens, T., Karakitsios, A., Bernát, A., Franziskus, A., Simonovits, B., Álvarez, E. C., Kanavitsa, E., Parcerisas, I. C., Romaní, J. R., Mäkinen, L., Matsaganis, M., Arlotti, M., Kopasz, M., Szivós, P., Ritakallio, V.-M., Kazepov, Y., Bosch, K. V. den, & Storms, B. (2019). What Does It Mean to Live on the Poverty Threshold? Lessons From Reference Budgets. B. Cantillon, T. Goedemé, & J. Hills, Decent Incomes for All: Improving Policies in Europe. Oxford University Press. http://www.oxfordscholarship.com/view/10.1093/oso/9780190849696.001.0001/oso-9780190849696-chapter-2

Lee, S. (2018). Attitudes Toward Universal Basic Income and Welfare State in Europe: A Research Note. Basic Income Studies, 13(1). https://doi.org/10.1515/bis-2018-0002

Marx, I., & Nelson, K. (2013). A New Dawn for Minimum Income Protection? I. Marx & K. Nelson (Toim), Minimum Income Protection in Flux (lk 1–27). Palgrave Macmillan UK. https://doi.org/10.1057/9781137291844_1

Mencinger, J. (2015). The Revenue Side of a Universal Basic Income in the EU and Euro Area. DANUBE: Law, Economics and Social Issues Review, 6(3), 159–174. https://doi.org/10.1515/danb-2015-0010

Milotay, N., European Parliament, Directorate-General for Parliamentary Research Services, European Parliament, European Parliamentary Research Service, & Members' Research Service. (2017). Social governance in the European Union: Governing complex systems : in-depth analysis. http://www.europarl.europa.eu/RegData/etudes/IDAN/2017/614579/EPRS_IDA(2017)614579_EN.pdf

OECD. (2017). Basic income as a policy option: Can it add up? OECD Publishing. http://www.oecd.org/employment/emp/Basic-Income-Policy-Option-2017.pdf

Parijs, P. V., & Vanderborght, Y. (2019). Basic Income: A Radical Proposal for a Free Society and a Sane Economy (Reprint edition). Harvard University Press.

Peña-Casas, R., & Bouget, D. (2014). Towards a European minimum income? Discussions, issues and prospects. D. Natali (Toim), Social developments in the European Union 2013. ETUI, OSE.

Penne, T., Cornelis, I., & Storms, B. (2019). All we need is…: Reference Budgets as an EU Policy Indicator to Assess the Adequacy of Minimum Income Protection. Social Indicators Research. https://doi.org/10.1007/s11205-019-02181-1

Pfeifer, M. (2009). Public Opinion on State Responsibility for Minimum Income Protection: A Comparison of 14 European Countries. Acta Sociologica, 52(2), 117–134. https://doi.org/10.1177/0001699309104000

Schmitter, P. C., & Bauer, M. W. (2001). A (Modest) Proposal for Expanding Social Citizenship in the European Union. Journal of European Social Policy, 11(1), 55–65. https://doi.org/10.1177/095892870101100105

Van Lancker, A. (2010). Working document on a Framework Directive on Minimum income. European Anti-Poverty Network (EAPN). https://www.eapn.eu/images/stories/docs/EAPN-position-papers-and-reports/Working-Paper-on-a-Framework-Directive-EN-FINAL.pdf

Van Lancker, A. (2015). Toward adequate and accessible Minimum Income Schemes in Europe, Synthesis report. European Minimum Income network (EMIN),.

Van Parijs, P., & Vanderborght, Y. (2001). From Euro-Stipendium to Euro-Dividend. Journal of European Social Policy, 11(4), 342–346. https://doi.org/10.1177/095892870101100404

Vandenbroucke, F. (2017). Basic Income in the European Union: A Conundrum Rather than a Solution. SSRN Electronic Journal. https://doi.org/10.2139/ssrn.3011847

Vandenbroucke, F. (2020). Solidarity through redistribution and insurance of incomes: The EU as Support, Guide, Guarantor or Provider? (SSRN Research Paper 2020/01). The Amsterdam Centre for European Studies.

Vandenbroucke, F., Cantillon, B., Van Mechelen, N., Goedemé, T., & Van Lancker, A. (2013). The EU and Minimum Income Protection: Clarifying the Policy Conundrum. I. Marx & K. Nelson (Toim), Minimum Income Protection in Flux (lk 271–317). Palgrave Macmillan UK. https://doi.org/10.1057/9781137291844_11

Vanderborght, Y. (2015). The tensions of welfare state reform and the potential of a universal basic income. E. Dermine & D. Dumont (Toim), Activation Policies for the Unemployed, the Right to Work and the Duty to Work (Kd 79, lk 209–222). Peter Lang B. https://doi.org/10.3726/978-3-0352-6495-1

Vlandas, T. (2019). The Politics of the Basic Income Guarantee: Analysing Individual Support in Europe. Basic Income Studies, 14(1). https://doi.org/10.1515/bis-2018-0021

Wang, J., van Vliet, O., & Goudswaard, K. (2018). Minimum income protection and EU coordination. European Journal of Social Security, 20(3), 253–271. https://doi.org/10.1177/1388262718798896

Widerquist, K. (2019). A Critical Analysis of Basic Income Experiments for Researchers, Policymakers, and Citizens. Springer International Publishing. https://doi.org/10.1007/978-3-030-03849-6