

# reason

## Mitt Romney, Tulsi Gabbard Agree: The Federal Government Should Give Everyone \$1,000—or More

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To ease the economic pain of the coming coronavirus-induced economic contraction, a growing and eclectic group of politicians are floating the idea of an emergency universal basic income (UBI), arguing that it's the fastest, easiest way to get people immediate relief.

On Friday, gadfly anti-war presidential candidate Rep. Tulsi Gabbard (D–Hawaii) introduced a resolution in the House of Representatives calling for every American to receive \$1,000 a month indefinitely until the current pandemic has passed.

"Too much attention has been focused here in Washington on bailing out Wall Street banks and corporate industries, as people are making the same old tired argument of how trickle-down economics will eventually help the American people," Gabbard said in a video announcing her proposal. "Now is the time for action, to provide direct assistance and emergency relief to every single American through a universal basic payment of \$1,000 a month to every American during this crisis."

Today, Sen. Mitt Romney (R–Utah) endorsed the similar if less open-ended idea of sending Americans a one-time check of \$1,000.

Romney had already signed onto bipartisan legislation Thursday that would expand disaster unemployment benefits for those who have lost income because of coronavirus, including the self-employed and individual contractors. But targeted relief programs would still be difficult for many to navigate, said Romney today, arguing that direct, universal infusion of cash would be the best way to get people immediate aid.

"While expansions of paid leave, unemployment insurance, and SNAP benefits are crucial, the check will help fill the gaps for Americans that may not quickly navigate different government options," reads a press release from Romney's office.

Seeing as the entire public health response is centered around getting people to stay at home and not go to work, cutting checks to people to do just that could seem like a good idea. It's also true that many workers in the economy, including gig workers and the self-employed, will be ill-served by existing relief programs like unemployment insurance.

A UBI could also help forestall the need for more invasive policy interventions. If laid-off workers are getting \$1,000 a month to make ends meet, ideas like eviction moratoriums, debt forgiveness, and corporate bailouts become less attractive.

It's true that there are people suffering financially from the coronavirus who aren't covered by standard government relief programs, says Michael Tanner, a senior fellow at the Cato Institute, who agrees that a UBI would cut through existing bureaucracies to get these people needed relief.

That said, he thinks there's still "something of a tail wagging a dog here. The number of people who don't require this influx of cash greatly outweighs the number of people who do."

"People who have unemployment insurance, people who have their jobs still, salaried people who are being paid. Those people don't need a UBI," he tells Reason. The more money you spend on people who are still pulling paychecks or who are covered by existing programs, the less cash you have for the people who really need it, says Tanner.

And make no mistake, a UBI would be seriously expensive.

A Tax Foundation [analysis](#) of Andrew Yang's \$1,000-a-month proposal found that it would cost \$2.8 trillion per year. A temporary proposal, limited to the duration of the COVID-19 pandemic, would be cheaper. But even Romney's plan to cut a one-time \$1,000 check to every adult American would cost roughly \$230 billion.

There's also a possibility that it could undermine public health as well. If people are flush with cash, they might decide to go out and spend that money when they should be at home, practicing social distance. (Granted, they could just order more deliveries too.)

We're living in extraordinary times. Economic relief as part of a concerned public health response is not an ideal free market policy, but it's probably necessary. But there's a trade-off. A UBI would spend a lot of money on people who don't require it, while leaving fewer resources for the people and programs that are being seriously impacted by the current pandemic.