

Unconditional Basic Income: Who Gets It? Who Pays for It? – A Social Accounting Approach to Distribution

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“Unconditional basic income” is a new topic in macroeconomics. The paper suggests a method of how to assess its feasibility and its consequences for a modern, open economy such as Germany and Portugal. It uses concept and statistics of a Social Accounting Matrix (SAM) as its main tool. A Social Accounting Matrix (SAM) is a statistical table with specific features for conducting studies in the area of income distribution, as well as for supporting policy decision processes. A SAM-based approach is proposed for studying, measuring and modelling the impact on the socio-economic activity of a country, and on the corresponding institutions’ income, of the introduction of an unconditional basic income. The socio-economic activities of a country involve the monetary flows exhibited in the National Accounts. So their underlying principles and definitions are adopted. Numerical versions of a SAM allow the identification of networks of linkages of the economic flows, as well as, the associated multiplier effects, from which the impact of the introduction of an unconditional basic income can be assessed. The impact can be quantified at the macroeconomic level, for macroeconomic aggregates and balances of institutional sectors.