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Addressing Misconceptions in 2024 Guaranteed Income Research

An overview of what we know from the data

INTRODUCTION

2024 marked the largest release of guaranteed income research to date, analyzing the effects of unrestricted cash on over 10,000 families nationwide through nine randomized control trials (RCTs) and dozens of corresponding quantitative and qualitative studies. The expansive research explored the impact of guaranteed income across different geographies, income levels, housing statuses, and caregiving roles, revealing clear trends and bright spots for policy refinement across ethnographic variables. These findings offer the movement an unprecedented opportunity to deepen our understanding of potential policy design and address the complexities of the new data.

Several media headlines have oversimplified or missed key insights from the research, leading to incomplete or skewed perceptions of guaranteed income's effectiveness, even among our own community. It's important to take a step back and collectively clarify these findings, helping to sharpen and inform the movement with a fuller understanding of the emerging research.

The data shows consistent trends: guaranteed income leads to better educational outcomes for youth, enhances housing mobility, boosts community well-being, supports career development, and helps families manage caregiving gaps. Guaranteed income is additive to people's lives, driving improvements in familial and community well-being.

We also know guaranteed income is not a catch-all solution to solve entrenched, complex challenges that policymakers have wrestled with for decades. It is important to contextualize the research findings within (1) an analysis of how essential goods and services – like childcare – are increasingly unaffordable for both low-income and middle-class families and (2) the limits of our existing public narratives on work, race and gender in the economy.

TRENDS ACROSS STUDIES

Misconception: *Guaranteed income leads to a decline in work.*

Insight: *Small dips in labor supply reflect increases in utility elsewhere, with parents increasing caregiving responsibilities and young people pursuing educational opportunities.*

[Open Research](#) findings revealed:

- **Guaranteed income did not affect employment of two-parent households over 30:** In Open Research and across all studies, there were no statistically significant effects on employment or hours worked for non-parents over 30.
- **Single parents took a more active role in caregiving:** Single parents worked 2.8 fewer hours per week and were 3.9 percentage points less likely to be employed. Qualitative interviews suggest that single parents were more active in caregiving and family support, whereas non-parents and two-parent households had no statistically significant effects on employment or hours worked. This finding skewed the average results of the total sample.
- **Guaranteed income enabled young people to pursue education:** Recipients under 30 were 4% less likely to be

employed and worked 1.8 fewer hours per week on average. Many used the guaranteed income to pursue post-secondary education, which likely contributed to the reduced work hours, but correlates to greater economic outcomes in the long term.

- **Guaranteed income increased the intentionality that participants approached their work with:** Participants were 5.5 percentage points more likely than the control group to say “interesting or meaningful work” was an “essential condition for any job they would accept,” leading to longer but intentionally chosen spells of unemployment. This trend mirrors findings from other American [guaranteed income studies](#) from the Center for Guaranteed Income Research (CGIR).

Misconception: *Guaranteed income is an individual policy intervention without generational benefits.*

Insight: *Guaranteed income positively impacts children's health and educational outcomes, namely leading to reductions in family violence, improved educational opportunities, and increased neighborhood and housing mobility.*

- **Children improved their academic performance:** The [Cambridge Rise](#)

[findings](#) show an increase in children achieving A and B grades along with higher parental expectations of college attendance compared to the control group. [The findings of the New Mexico Guaranteed Income Pilot Program For Immigrant Families](#) show that grade-level achievement and graduation rates increased by 9% in urban areas and 13% in rural areas.

- **Women reported less severe and less frequent intimate partner violence:** The [Los Angeles BIG: LEAP findings](#) showed a significant decrease in domestic violence both during the study and after the pilot concluded, with women being able to leave abusive relationships, begin emotional and physical healing, and escape abusive housing arrangements detrimental to themselves and other family members. The long-term social, health, financial, and emotional effects this has on children are writ large.
- **Families gained greater housing and neighborhood mobility:** Guaranteed income improves neighborhood mobility, with a 10% increase for participants reported in [Open Research](#). [Economists highlight](#) neighborhood mobility as the greatest predictor of future financial success for children, as safer

neighborhoods and better schools offer lasting advantages.

Insight: *Guaranteed income participants often “pay it forward,” helping extended family, supporting neighbors, and investing in their communities financially and socially. Examples of community effects include:*

- **Participants increased the amount of money they gave to families and community members in need:** [Open Research](#) found a 26% increase in spending on "gift giving," as participants provided financial help to family and community members.
- **Participants became more involved in the community:** Studies in [Los Angeles, California](#), and [Paterson, New Jersey](#), facilitated by CGIR, showed increases for participants in neighborhood involvement, community reciprocity, and financial support within their extended networks.
- **Black entrepreneurship grew:** [Open Research](#) found a 26% increase in Black participants starting or supporting entrepreneurial ventures in the program's third year, with a 15% increase specifically for Black women.
- **Daycare providers improved child care quality benefiting communities:** The [Thriving Providers Project Guaranteed Income Study](#), which analyzed a

guaranteed income initiative for in-home daycare providers, showed community benefits stemming from the providers' ability to remain open, engage with community-based organizations, and provide a higher standard of care through better classroom resources and professional development.

Misconception: *Guaranteed Income fails if it doesn't solve the nation's most intractable issues such as homelessness, community job disinvestment, and wealth creation for the most marginalized.*

Insight: *Guaranteed income can make meaningful progress against entrenched, deep-rooted societal problems, but expecting guaranteed income to be a silver bullet is unrealistic.*

→ **Guaranteed income showed varied impacts on housing status but did contribute to greater transportation security:** The [Denver Basic Income pilot](#) led to a 45% increase in housing among the unhoused, seen in both the control and treatment groups. Only the treatment group experienced an increase in transportation security after one year.

→ **Guaranteed income offers flexible economic support:** [Multiple studies showed](#) that guaranteed income can plug acute gaps for participants from improved housing stability to access to food, [reducing economic anxiety and stress.](#)

These improvements can fade without sustained policy interventions, indicating that long-term investment is necessary to maintain lasting change.

→ **Guaranteed income significantly increases savings for low-income participants. Still, long-term wealth building requires greater time and investment:** [Open Research](#) found that participants achieved a peak total savings of \$9,141, 35% higher than the control. In year three, the lowest-income recipients' savings grew to \$4,826, significantly higher than the control group's average of \$2,999. These savings differences remained substantial. In a separate pilot, the [BIG: LEAP](#) guaranteed income program in Los Angeles, participants reported double the rate of savings of the control group, starting 6 months after the first payment. This savings rate gradually declined as the study concluded, indicating the need for further exploration.

→ **Changes in disinvested communities vary widely by region:** In [Ulster County](#), where job opportunities have entirely diminished, guaranteed income alone could not reverse systemic disinvestment. Alternatively, in [rural New Mexico](#), immigrant employment increased by 14% despite job access challenges.

CONCLUSION

Discussions of new research have over-indexed on "increases" or "decreases" in activity, often oversimplifying the data and minimizing factors like a family's time tax or the societal benefits of caregiving and job training. The research shows a shift in how participants' behaviors evolve under guaranteed income policies. While guaranteed income is not a cure-all, it can drive meaningful change across personal safety, community belonging, and personal agency.

In addition to these statistically significant improvements, guaranteed income also provides dual-generational benefits for children and communities — effects evident in the short-term pilots *and* after the pilots conclude. Direct cash is the only policy that truly addresses a diversity of needs—whether you are escaping domestic violence in Los Angeles, or are an undocumented immigrant in Waco—yet it alone is not enough to fully address a nation plagued by decades of disinvestment.

Our ultimate goal remains permanent policy change that delivers lasting cash support to families. To move toward the northstar, ongoing pilots and new research are essential, especially those investigating model policy pairings to support specific populations such as new parents, foster youth, rural communities, survivors of intimate partner violence, and Black mothers

in the South. These pilots show the broader potential of guaranteed income and provide governments with implementation models. This work lays the foundation for cash policies nationwide.