



Universal Basic Income and the Ethics of Redistribution: Moral Foundations and Policy Implications

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Abstract

Universal Basic Income (UBI) has emerged as a significant policy proposal for addressing persistent poverty, inequality, unemployment, and social exclusion. This paper examines the ethical foundations, economic implications, and political feasibility of UBI, with particular reference to Nigeria. Drawing on contemporary literature, the study analyses UBI through the lenses of justice, fairness, solidarity, citizenship, and wealth redistribution, while considering the influence of cultural values and moral reasoning on public support for redistributive policies. The paper further explores the potential economic and social benefits of UBI, including poverty reduction, improved social welfare, enhanced economic security, entrepreneurship, and greater social cohesion, alongside concerns relating to fiscal sustainability, inflationary pressures, governance, and political resistance. Particular attention is given to financing mechanisms, institutional reforms, pilot implementation strategies, and the need for public education and stakeholder engagement to strengthen policy acceptance. The analysis suggests that, although substantial fiscal and governance challenges remain, a carefully designed and transparently administered UBI programme could complement existing social protection initiatives and contribute to inclusive development in Nigeria. The paper concludes that successful implementation will depend on strong political commitment, sound fiscal reforms, institutional accountability, and sustained public support to ensure that UBI advances social justice, reduces inequality, and promotes long-term national development.

Keywords: Universal Basic Income, Social Justice, Wealth Redistribution, Inequality, Poverty, Social Protection.

Introduction

The moral foundation of Universal Basic Income (UBI) is rooted in its potential to promote equality, dignity, and social justice. Hauser et al. (2007) emphasise that moral judgments often depend on deeply ingrained principles that transcend immediate societal norms, thereby providing a strong ethical justification for redistribution mechanisms such as UBI. These evaluations align with the core objective of supporting underprivileged demographics while simultaneously fostering broader societal harmony.

Similarly, Henderson (2021) critiques the traditional capitalist wage structure, arguing that UBI challenges deep-seated work ethics by redefining labour's intrinsic value beyond narrow measures of economic productivity. Within the African context, this focus on communal well-being aligns cleanly with regional safety networks. For instance, Owusu-Addo et al. (2018) demonstrate that cash transfer programs in sub-Saharan Africa significantly improve the social determinants of health, highlighting the transformative effects of unconditional financial assistance. These findings underscore the cultural relevance of UBI in societies where collective responsibility is paramount, suggesting that UBI could strongly resonate in African nations like Nigeria, where social cohesion is highly valued.

Theoretical Framework

Ethical Framework for UBI

Universal Basic Income is anchored in several moral theories that advocate for fair resource distribution to enhance overall societal well-being. Hauser et al. (2007) examine the frequent disconnect between intuitive moral judgments and conscious justifications, suggesting that humans possess an innate sense of fairness that influences systemic choices independently of formal logical reasoning. This perspective provides a moral baseline for UBI, asserting the fundamental right of every individual to have their basic survival needs met, regardless of their direct economic productivity.

Furthermore, Prinzen (2019) notes that the justification for redistributive frameworks in modern societies is structurally rooted in the principle of solidarity. Solidarity is a foundational moral obligation that requires society to protect the welfare of its members, particularly the vulnerable. In environments characterised by vast socio-economic stratification, UBI offers a normative solution to address systemic disparities, correct historical inequities, and promote social justice.

Justice and Fairness

The moral argument for redistribution relies heavily on decoupling human survival from mandatory labor market participation. Henderson (2021) contends that UBI disrupts traditional capitalist wage relations by separating income from mandatory work, thereby directly addressing structural imbalances in wealth accumulation and access to opportunity. UBI serves as an instrument of economic justice by ensuring that citizens possess the material prerequisites for human dignity, independent of their participation in the formal labour market. This alignment with universal equity explains why civil society movements and trade unions frequently embrace universal transfers to advance economic justice. By guaranteeing a baseline income, the state satisfies the broader concept of justice, which demands an equitable distribution of resources and opportunities for all citizens. For populations navigating fragile economic conditions, a guaranteed safety net acts as a critical institutional defence against persistent structural inequalities.

Cultural Context and Moral Reasoning

Cultural context heavily influences how moral principles are interpreted and applied to redistributive public policies. Sachdeva et al. (2017) observe that while foundational moral impulses may be universal, their practical application is shaped by local cultural values. Western societies frequently justify UBI through the lens of individualism, personal liberty, and liberal economic citizenship rights.

Conversely, African societies emphasise community, collective well-being, and mutual reliance. In many African contexts, including Nigeria, communal values anchored in the philosophy of *Ubuntu*—the belief in a universal bond connecting all humanity—serve as a strong moral foundation for UBI. This value system frames the support of the economically disadvantaged as a collective moral duty. By framing UBI as a modern extension of indigenous traditions of mutual solidarity, policymakers can tap into a culturally resonant notion of collective responsibility, giving the policy greater moral weight.

Analysis

Ethical Justifications

Analyzing UBI through an ethical lens reveals that universal transfers fundamentally redefine contemporary citizenship. Zelleke (2021) argues that by ensuring a minimum level of economic security for everyone, the state moves beyond a simple regulatory authority and becomes an active partner in upholding human dignity. This arrangement reshapes the social contract, aligning state obligations with Rawlsian principles of justice by optimizing

conditions for the least advantaged.



Poudou and Roland (2021) support this view, showing that equity-based resource guarantees actively dismantle systemic inequities. Empirical data from cash transfer programs across sub-Saharan Africa demonstrate that unconditional transfers promote social equity without decreasing worker productivity (BMJ, 2020). In Nigeria, where wide income gaps persist, the ethical imperative to adopt UBI is strong, serving as a direct mechanism to correct regional disparities and build national cohesion.

Economic Implications

From an economic standpoint, UBI serves as a powerful mechanism to reduce poverty and narrow the wealth gap. Providing guaranteed financial security offers household stability, allowing individuals to invest in long-term goals such as education, healthcare, and micro-entrepreneurship. Henderson (2021) notes that UBI boosts local consumption by ensuring that all citizens possess steady purchasing power to spend on basic goods and services. Furthermore, in Nigeria's landscape where informal labor dominates, many citizens remain underpaid or unemployed despite actively participating in the workforce (Adebayo & Olayemi, 2020). UBI can help insulate these workers from extreme economic shocks.

Economic Factor	Impact of UBI	Empirical Reference
Poverty Alleviation	Enhances household resilience and economic stability in rural areas.	Renzaho et al. (2020)
Labor Dynamics	Induces minimal negative impacts on productivity or work intent.	Banerjee et al. (2017)
Human Capital	Empowers recipients to invest in education, health, and enterprise.	Zelleke (2021)

Critics frequently express concern that guaranteed income creates work disincentives and market inefficiencies. However, empirical studies by Banerjee et al. (2017) refute these claims, showing minimal negative impacts on labor supply. Instead, UBI enhances recipient agency, allowing individuals to contribute to the economy in diverse ways beyond precarious wage labor. This pattern aligns with performance data from Nigeria's National Social Safety Nets Project, which demonstrates that targeted financial transfers improve local livelihoods without significant risk of dependency (World Bank, 2020).

Social and Political Implications

The social and political effects of UBI are substantial, reordering the relationship between marginalised populations and the state. Cigna (2021) notes that universal transfers align with the goals of trade unions and social movements by protecting workers' rights and reducing structural disparities. In fragile political environments often impacted by corruption, UBI serves as a tool for structural reform.

Providing direct financial independence empowers marginalised groups, allowing them to challenge the rigid power structures that sustain poverty. Research from African contexts indicates that unconditional safety nets foster a sense of collective solidarity, reduce political unrest, and enhance civic engagement (BMJ, 2020). Furthermore, framing UBI as a strategic national investment, rather than a discretionary handout, helps build a broad policy coalition across diverse ideological factions.

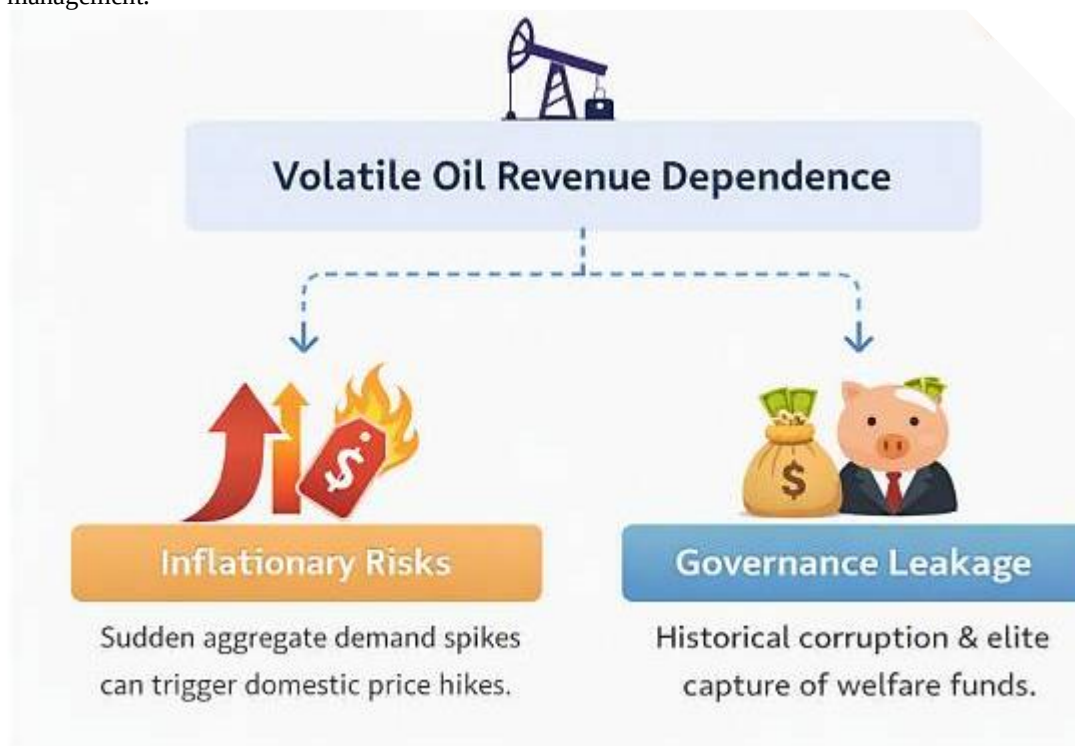
Psychological Implications

The psychological and behavioural impacts of UBI directly complement its economic benefits. Henderson (2021) notes that reliable economic safety nets reduce the chronic stress, anxiety, and depression tied to precarious work and unemployment. Research by Duflo (2017) confirms that unconditional transfers in developing countries, including Nigeria, are linked to improved psychological well-being. By eliminating the constant financial insecurity associated with absolute poverty, regular disbursements relieve the heavy cognitive load of survival. This mental decompression enhances cognitive capacity and long-term planning capabilities. Furthermore, Hauser et al. (2007) explain that moral emotions like empathy and compassion drive public support for redistributive policies. In communities with strong traditions of solidarity, these prosocial emotions reinforce public approval, making a state-led safety net a natural extension of shared social expectations.

Implementation Challenges

Funding and Fiscal Sustainability

Securing long-term funding is the main operational challenge for UBI, particularly in resource-constrained economies. Prinzen (2019) warns that without careful fiscal planning, universal programs can lead to unsustainable national debt. In Nigeria, where public finances rely heavily on volatile oil revenues, the country faces issues with inefficient public spending and high levels of corruption. Funding UBI without destabilising the macroeconomy requires careful management.



- **Inflationary Pressures:** Sudden increases in aggregate demand can trigger domestic price hikes, eroding the real value of the cash transfer (Prinzen, 2019).
- **Resource Volatility:** Relying primarily on volatile oil revenues exposes social protection budgets to unpredictable global price shocks (Zelleke, 2021).
- **Elite Resistance:** High-income earners and concentrated corporate entities may actively resist progressive tax reforms designed to fund redistribution (Henderson, 2021).

Discussion and Suggestions

To overcome these implementation challenges and ensure long-term viability, Nigeria should adopt a structured approach to fiscal policy and social program administration:

- **Implement Progressive Tax Reforms:** Revise the national tax system to target high-income earners and corporations, establishing a stable, non-oil revenue stream (Prinzen, 2019; Zelleke, 2021).
- **Eliminate Inefficient Subsidies:** Redirect public funds away from regressive, elite-biased programs—such as the fuel subsidy—and reallocate that capital directly into the universal safety net (Henderson, 2021).
- **Execute Phased Pilot Programs:** Launch localized pilot projects targeting vulnerable demographics, such as rural populations and unemployed youth, to collect logistical data and monitor local inflation before scaling nationally (Prinzen, 2019; Zelleke, 2021).
- **Deploy Transparent Distribution Networks:** Use secure, digital distribution systems to minimize administrative leakages and protect funds from corruption and elite capture.
- **Integrate Social Services:** Link universal transfers with broader human capital investments, such as subsidized healthcare and educational access, creating a comprehensive safety net (Prinzen, 2019).
- **Launch Public Advocacy Campaigns:** Partner with trade unions and civil society groups to address common misconceptions, framing UBI as a rights-based empowerment tool rather than a dependency-inducing handout (Cigna, 2021; Zelleke, 2021).

Conclusion

Universal Basic Income offers a promising, structurally transformative mechanism to address Nigeria's complex challenges of absolute poverty, systemic inequality, and chronic underemployment. As demonstrated by Zelleke (2021) and Prinzen (2019), the ethical defence of UBI is firmly grounded in principles of social justice, human dignity, and solidarity. While its macroeconomic and psychological benefits are significant, long-term viability depends on executing deep fiscal reforms, diversifying state revenues, and establishing transparent, corruption-resistant delivery systems. Building a resilient policy consensus across civil society and political elites remains a critical hurdle. However, by leveraging the advocacy power of labour unions and community organisations, regional policymakers can repurpose regressive state expenditures into a progressive, universal safety net. If supported by strong political will and transparent institutions, Universal Basic Income can serve as a cornerstone for building a more equitable, resilient, and socially cohesive nation.

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