

COMMENTARY

Basic income: How to help women and reduce gender disparity

Caitlin M. Lapine^{1*}, Aditi Rabindra Sachdev², and Sakshi Vaghani³

¹Touro College, ²PepsiCo Inc. and ³University of California San Diego

*Corresponding author. Email: clapine1@pride.hofstra.edu

Basic income (BI) is a contemporary political point of discussion, but it has been largely ignored by the industrial-organizational (I-O) community, even though our profession can bring a lot to the discussion (Hüffmeier & Zacher, 2021). Hüffmeier and Zacher assert that in addition to various other benefits, BI could help underprivileged groups in the workforce, such as women and racial minorities. However, for all the benefits BI may bring to women, it might also hinder gender equality. Thus, in this commentary, we discuss the advantages as well as disadvantages of BI, specifically for women in the workforce. We then suggest theoretical and practical implications for researchers and practitioners, respectively, to assist in the potential implementation of BI in the United States.

Advantages of BI for women

The most obvious benefit that BI would provide for women is more financial freedom. If women are compensated with \$1,000 per month without the need for work, they would be less reliant on a partner for survival and stability. In addition, they would be able to take bigger risks in terms of their career. Research suggests that women are more risk averse than men in experimental research, accounting for much of the present gender wage gap (Jung et al., 2016). If women feel that they have the responsibility to take care of their families and do so by providing a safety net for the potentially riskier jobs of their partners, this may keep them in more secure but less financially rewarding and satisfying occupations. By receiving BI payments, this safety net would be provided by society, allowing women to take more risks, including entrepreneurship. Of course, this financial freedom could also help women leave partners and/or low-paying jobs that are causing them dissatisfaction, and this can provide significant psychological benefits, which can translate into occupational improvement. Overall, women could get higher wages and be more satisfied, leading to a decrease in gender disparity in pay and leadership roles.

Furthermore, women are expected to take on additional roles in society as well as the family system. Whereas men perform most of the labor work, women perform most of the unpaid work (Elgarte, 2006). Even when women do the paid work, they typically accommodate their career for household demands, referred to as the “second shift” or “double burden” (Bratberg, et al., 2002). Therefore, women are at a disadvantage of earning lower income and/or not having a stable income (Alstott, 2001). BI can help meet women’s needs for income security, especially during the times of childbearing, child rearing, and other types of caregiving. On a similar and contemporary note, women have been disproportionately affected by the COVID-19 global pandemic (McKinsey & Company, 2021). The demand for unpaid care has inflated (80% to 90%) due to the pandemic, which affects women’s participation in the labor market (Madgavkar et al., 2020). Thus, the gender disparity in pay has further increased. BI could act as a stable income

for these women and help them be financially independent and contribute to the household demands.

Disadvantages of BI for women

Even though BI could help women, there may be unintended negative consequences. For instance, if BI allows families to return to a single income dynamic, women may feel societal pressures to follow more traditional gender roles and be homemakers even if that is not as satisfying to them as working in a formal job. Furthermore, in reference to women's previously mentioned unpaid work in the household (i.e., their "second shift"; Bratberg, et al., 2002), women are unlikely to reduce their household responsibilities regardless of income contribution (Ando, 2015). In some cases, women who make more money begin doing even more housework to potentially alleviate guilt from not spending enough time in their traditional roles (Ando, 2015). Therefore, BI could potentially result in women choosing household work.

Additionally, society has progressed to an acceptance of nontraditional gender roles, but this may be partially due to the economic need for women to work. Echoing this notion, Schober and Scott (2012) found that if women in traditional family dynamics were earning high salaries before having children, the couples are more likely to maintain nontraditional attitudes (i.e., women working and having childcare services) toward family structures. It is possible that men and women adapt these nontraditional gender roles to reduce cognitive dissonance; their financial circumstances require the mothers to work, so they psychologically justify it with an attitude of a desire to work. Therefore, if women do not have the strong financial need to work, they may feel guilty for working because it is unnecessary, and men may intentionally or unintentionally pressure their partners to not remain formally employed. It is important to note that some women may hold onto traditional gender attitudes and want to remain unemployed, but Schober and Scott (2012) found that only about one in four women hold onto these traditional gender role attitudes prior to giving birth. Implementation of BI could prevent the majority of women from feeling as satisfied and in-role in this new, more financially stable, society.

Implications

With these advantages and disadvantages in mind, we provide theoretical and practical recommendations to ensure that I-O psychologists can contribute meaningfully to the implementation of BI. We first outline how researchers can help understand the consequences of BI better, and then we discuss how practitioners can contribute to the implementation of BI in order to benefit underprivileged groups (e.g., women).

For researchers

Explore gender differences in work motivation

Research should explore whether there are differences in what drives women to work compared with men. Based on social role theory (Eagly & Wood, 1991), people are likely to act in accordance with traditional gender roles. Men are likely to feel satisfied from their work because it is in accordance with their role. However, many women are satisfied from their work even though working, and especially being strongly career driven, may go against societal expectations. So, besides financial necessity, I-O psychologists should focus on discovering what motivates women to work compared with men.

Help reinforce positive effects of BI

Implementing BI may reduce gender discrimination. Without the financial necessity of working, hiring managers may take women candidates more seriously. For example, they may not assume that a woman will quit her job after giving birth because married women would already have the financial stability to avoid work prior to starting a family. I-O psychologists should empirically explore how BI can help reduce gender discrimination.

Help combat negative consequences of BI

I-O psychologists should focus on exploring the psychological mechanisms that act as barriers for women to gain benefits from BI. For instance, experiencing cognitive dissonance may make women feel less satisfied or even guilty about working when it is not financially necessary. What other mindset blocks may prevent women from contributing to the workplace to the best of their abilities?

For practitioners*Ensure ethical implementation of BI*

I-O psychologists should help ensure that BI implementation is ethical. By monitoring the process and collecting data, we can use our skillset to assess potential adverse effects. We can also provide guidelines for organizations to ensure pay equity between men and women. Companies may unintentionally or intentionally use BI as a justification to pay employees less, especially women. This could increase the gender pay gap and reverse any progress that has been made.

Provide resources and toolkits

I-O psychologists can provide education services for women to (a) help them understand how they can use this safety net to better their careers and (b) reduce the stigma of women working under this new social structure.

Share best practices

I-O psychologists should continue to publish research that demonstrates the importance of gender diversity in the workplace and emphasizing that traditional gender roles are not necessarily better for family dynamics. This could help reduce the pressure to adhere to traditional gender roles if it is against one's own desires.

Conclusion

Overall, we feel that BI could benefit society and create a more communal society in the United States. However, without proper awareness and strategic tools, BI could obstruct progress that has been made in recent years. We caution I-O psychologists to prepare to use their expertise and skill set if BI is implemented for the betterment of people and organizations.

References

- Alstott, A. (2001). Good for women. In J. Cohen & J. Rogers (Eds.), *What's wrong with a freelunch?* Beacon Press. 186–188.
- Ando, J. (2015). Social norms, gender identity, and high-earning wives' housework behavior in Japan: An identity economics framework. *Japanese Political Economy*, 41(1–2), 36–51. <http://dx.doi.org/10.1080/2329194X.2015.1105675>
- Bratberg, E., Dahl, S., & Risa, A. E. (2002). "The double burden": Do combinations of career and family obligations increase sickness absence among women? *European Sociological Review*, 18(2), 233–249.
- Eagly, A. H., & Wood, W. (1991). Explaining sex differences in social behavior: A meta-analytic perspective. *Personality and Social Psychology Bulletin*, 17(3), 306–315.

- Elgarte, J. M.** (2006, November 2–4). *Good for women? Advantages and risks of a basic income from a gender perspective* [Paper presentation] The 11th Basic Income Earth Network Congress, Cape Town.
- Huffmeier, J., & Zacher, H.** (2021). The basic income: Initiating the needed discussion in industrial, work, and organizational psychology. *Industrial and Organizational Psychology: Perspectives on Science and Practice*, **14**(4), 531–562.
- Jung, S., Choe, C., & Oaxaca, R. L.** (2016). Gender wage gaps and risky vs. secure employment: An experimental analysis. *Institute for the Study of Labor (IZA) Discussion Papers*, No. 10132.
- Madgavkar, A., White, O., Krishnan, M., Mahajan, D., & Azcue, X.** (2020). *COVID-19 and gender equality: Countering the regressive effects*. McKinsey Global Institute.
- McKinsey & Company** (March, 2021). *Seven charts that show COVID-19's impact on women's employment*. <https://www.mckinsey.com/featured-insights/diversity-and-inclusion/seven-charts-that-show-covid-19s-impact-on-womens-employment#>
- Schober, P., & Scott, J.** (2012). Maternal employment and gender role attitudes: Dissonance among British men and women in the transition to parenthood. *Work, Employment and Society*, **26**(3), 514–530.

Cite this article: Lapine, CM., Sachdev, AR., and Vaghani, S. (2021). Basic income: How to help women and reduce gender disparity. *Industrial and Organizational Psychology* **14**, 593–596. <https://doi.org/10.1017/iop.2021.118>