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Equality in Entrepreneurship: UBI's Role in Fostering Inclusive Startups

So you're an aspiring entrepreneur. You have a concept that you believe will add value to a sector of the market, the passion to set out on your own, and the know-how to make a dream into a small business.

However, as you venture into a field with many competitors, large and small, you've likely come up against a core truth in a capital-driven economy. While in theory, anyone can start a successful business and achieve success, some are more likely to succeed than others. The gulf between resources available to a first-time entrepreneur who left their minimum wage job to make something of themselves and a seasoned businessperson with several success stories under their belt is – well, it speaks for itself.

Anyone can start a business. But not everyone is equally matched, and few entrepreneurs will have the resources to compete with their more established counterparts at the outset. This is a deep, complex issue caused and impacted by various socioeconomic factors, and it has no easy answer.

That being said, universal basic income (UBI) may act as a salve for this issue, [addressing many of the concerns](#) that prevent small entrepreneurs from becoming competitive forces in the market. Let us briefly examine the concept of UBI and its potential to foster a healthier economy, one that more closely aligns with the values we hold dear.

Basic Income: Developing the Concept

Firstly, we should acknowledge that the idea of UBI has been around for a while. Philosophers have been noodling with the concept of minimum income [since the late 1400s](#). Humanist Johannes Vives developed a working plan for the idea in the early 1500s. But this wasn't basic income as we know it. Thomas Spence was the one to outline UBI as a concrete, practical ideology in the late 1800s.

A central concept of UBI is the government as a force for good. The government is responsible for the health and welfare of its people, and should then be given to public exercises of compassion toward those who, for one reason or another, do not have the same resources as others.

This idea went on to influence a wide variety of social reform attempts, from the School of Salamanca in Spain to England's Poor Laws of the 1500s. UBI has caught fire in recent decades, however, as people see it as a feasible response to:

- Rising income inequality
- Prohibitively expensive healthcare
- Decreased market competition and monopolies
- Lack of income security for entrepreneurs
- Stagnating innovation and creativity

Recent attempts to [practically implement UBI](#) range from proposals in France to 2020 US presidential candidate Andrew Yang's proposed Freedom Dividend.

The point regarding prohibitively expensive healthcare is especially salient in the United States. With even common maintenance procedures like [oral health exams and eye checkups](#) being on the expensive side, UBI presents a promise of relief.

However, UBI is an idea that garners a lot of resistance around the globe, mainly due to fearmongering about people being less incentivized to work. This could not be further from the truth. Let's talk about how UBI can drive entrepreneurship, provide opportunities for success, and help heal our struggling economy.

Eradicating Barriers to Entry

Though some entrepreneurs have ideas that could make waves in the market, limited resources often either prevent them from investing in the business entirely or kill the concept halfway through its journey to a marketable product. UBI would address this by serving as a steady stream of investable income, providing a foundation for small businesses that they could use for:

- **Office supplies:** Even cost-saving measures like [converting your garage into an office](#) won't negate the need for office supplies. A working PC, printer, and fax machine are all necessary, as well as an office phone, document storage options, and furniture.
- **Design drafting and sample production:** A free trial of AutoCAD will only last so long, and even that won't give you access to prototype production. Capital is necessary not only to put the bare bones of a product together, but to ship it off to manufacturers that can put samples in your hands and ideate refinements for your product.
- **Marketing and advertising:** If you want to truly compete in your sector, word-of-mouth advertising simply won't cut it. Paid social media campaigns, consulting an SEO strategist, and advertising on market-relevant sites all take capital; capital that a UBI could provide at no additional stress for you.

In short, UBI could cover a significant portion of the costs required to get a small business off the ground. Moreover, UBI would do so by default; anyone could use their UBI to convert their entrepreneurship dreams into reality, without having to eat ramen and leave their home's lights off all month.

Additionally, UBI can be used to cover a variety of external costs that limit potential investment – hospital and utility bills, healthcare costs, and food and clothing expenses are all significant stressors for lower-income households, and UBI can essentially bulldoze those obstacles to investment for many.

Together with [universal healthcare](#), UBI can create a healthy socioeconomic foundation that encourages a less stressed population to engage with the market. Without a vast majority of the population being limited by factors that don't apply as much to the wealthy, you may be assured that the proverbial playing field will get quite a bit busier.