The United States Ought to Provide a Universal Basic Income

Original file: Courtney Nilson, July 2017

2018 updates by Amanda Shepherd and Benjamin Mann

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Topic Overview

First introduced in the 1980’s in response to unemployment, a Universal basic income can be defined as a sum of money paid by the government to every citizen, either on a monthly or yearly basis. Universal Basic Income is controversial for a couple of reasons. First, because of its universality. Right-wing conservatives are not pleased with the idea of governmental involvement to this degree. Some conservatives however support the UBI in hopes that it will eliminate the rest of welfare programs in the United States. This hope is one not in favor of individuals who rely welfare programs whose purposes would not be fulfilled by a lump sum of cash (healthcare). Many studies have been conducted evaluating the effectiveness and the implementation of the Universal Basic Income. These studies have been conducted in places such as, Namibia, India, Finland, Kenya, and Ontario. Universal Basic Income is an interesting topic because at one point it was associated only with ideals for a utopian society. However as social progress occurs ideas such as these are shifted away from fiction and towards the political forefront. I think these debates can unfortunately begin to lean away from discussions of morality and overwhelmingly towards discussions of the economy and implementation which, while important, should not be the entirety of the debate. Below I try to provide evidence and arguments (for both sides) that address this discussion from an economic standpoint as well as a social or cultural one. The affirmative strategy provided in this brief is a generic, but likely effective one. It discusses some pretty concrete benefits of the UBI and also argues that now is the key time to enact the plan for a couple of reasons explained below. This means the job of the affirmative is really just impact calculus. The negative strategy is a fun one as it is essentially composed of a series of turns to the most common arguments one will hear from the affirmative. While generic strategies can be effective, this topic also allows for debaters to get really creative when evaluating the potential option of running a counterplan. Some counterplans that would be worth reading into are the Negative Income Tax, the Working Income Tax Benefit, and the Universal Dividend. Overall, I think this is the epitome of an LD topic in its purest, most value based, form and I encourage you to take advantage of the types of debate these topics allow for.

Affirmative Case

#### I stand in affirmation of the following resolution: The United States ought to provide a universal basic income

**For the sake of clarity in today’s debate I will provide a definition Universal Basic Income.**

 **Sage and Diamond 2017** (Daniel and Patrick [Patrick is co-chair of Policy Network. He is lecturer in Public Policy at Queen Mary, University of London, Gwilym Gibbon fellow at Nuffield College, Oxford, and a visiting fellow in the Department of Politics at the University of Oxford. Daniel Sage is a research associate at Policy Network, and a senior lecturer in social sciences at Edge Hill University] “Europe's New Social Reality: the Case Against Universal Basic Income” Policy Network Paper)

Amidst the range of proposed solutions, one policy stands out as acquiring new followers and mounting support during the past two years: a universal basic income (UBI). Although present in social policy debates on the left and right for many decades, rising and falling in popularity, UBI has recently emerged as a purported solution to the social democratic crisis. Defined as **a universal, unconditional payment by the state to every citizen,** UBI has unique advantages over other ideas it competes against: it is simple to understand, radical, wide-ranging in its appeal and supposedly holds the capacity to remedy an extensive list of social and economic ills.

**My value for this round will be: equity**

Equity refers to “justice according to natural law or right; specifically: freedom from bias or favoritism.” This is an appropriate criterion because it investigates how a universal basic income might promote equity.

Equity. (2018.). Retrieved February 03, 2018, from https://www.merriam-webster.com/dictionary/equity

**And with this my value criterion will be: maximizing opportunity**

Opportunity refers to “a good chance for advancement or progress.” Therefore, my case demonstrates how a UBI promotes equitable access to provide the most opportunities.

Opportunity. (2018). Retrieved February 03, 2018, from https://www.merriam-webster.com/dictionary/opportunity

## **Contention 1) UBI empirically provides mental and behavioural and other health benefits**

## **Subpoint A) Behavioural benefits have been shown to exist as a result of the implementation of a UBI**

**Standing 2017** (Guy [Guy Standing is professor of development studies at the School of Oriental and African Studies, University of London, and author of The Precariat: The New Dangerous Class] “Universal basic income is becoming an urgent necessity” The Guardian January 12)

**A well-known experiment in the Canadian town of Dauphin** in the 1970s **showed that recipients of the basic income suffered less from ill-health and mental stress**. In negative income tax experiments in the US in the 1970s, children from recipient families were less likely to drop out of high school. And **in a**n "accidental" **basic income pilot in North Carolina,** where a longitudinal study of child development coincided with the decision of a Cherokee community to distribute casino profits to all tribal members, **children in recipient families had fewer behavioural disorders, performed better in school, and were less likely to drift into crime. This was attributed to more economic security and better family relations, partly because parents spent less time arguing about money and more time with their children. Alcohol and drug abuse also fell.**

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## **Subpoint B) The benefits of UBI vary and are diverse**

**Standing 2017** (Guy [Guy Standing is professor of development studies at the School of Oriental and African Studies, University of London, and author of The Precariat: The New Dangerous Class] “Universal basic income is becoming an urgent necessity” The Guardian January 12)

**In developing countries, experiments** coming closest to a test **of basic income have been conducted in Namibia and, on a larger scale, in India.** In the largest Indian pilot, about 6,000 men people in eight villages received a small basic income for 18 months, and their experience was compared with what happened in 12 similar villages where nobody received the basic income. **Four positive effects were observed: First, there were benefits to welfare - improved nutrition, better health, improved schooling. Second, there were positive equity effects; the basic income helped the disabled more than others, women more than men, and scheduled caste households more than high-caste ones. Third, there were positive economic effects; having a basic income led to more work and labour, raised productivity and output, and reduced inequality. In particular, there was a growth in secondary, self- employed work.**

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## **Contention 2) Now is key for the UBI**

**Matthews 2017** (Dylan [A.B., Social Studies from Harvard University] “A basic income really could end poverty forever” Vox.com July 17, 2017)

Boy was that wrong. **As of 2017, basic income** — often referred to as unconditional basic income or UBI — **is a big enough deal that President Obama’s chief economist felt obligated to release a case against it, Facebook CEO Mark Zuckerberg praised it in a widely viewed Harvard commencement speech, the ruling party’s nominee in the French presidential election made it his main campaign proposal, and the Indian government could enact it within the next year. There’s also a bevy of experiments evaluating basic income and related ideas by groups like GiveDirectly in Kenya, the investment firm Y Combinator, and governments in Ontario, Finland, and elsewhere.**

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## **Subpoint A) Traditional welfare states are failing now**

**Sage and Diamond 2017** (Daniel and Patrick [Patrick is co-chair of Policy Network. He is lecturer in Public Policy at Queen Mary, University of London, Gwilym Gibbon fellow at Nuffield College, Oxford, and a visiting fellow in the Department of Politics at the University of Oxford. Daniel Sage is a research associate at Policy Network, and a senior lecturer in social sciences at Edge Hill University] “Europe's New Social Reality: the Case Against Universal Basic Income”

**Given its wide appeal across the political spectrum, the problems that UBI will solve often appear breathtaking in range. Yet the case for UBI on the centre left has been strengthened by some of the social and economic challenges identified in this report and its predecessor. In particular, rising social and economic insecurity across Europe has highlighted the inadequacy of welfare states in providing adequate social security. In the English-speaking welfare states, the benefits system is derided as stigmatizing, punitive and overly complex, while the continental insurance-based systems have been criticized for preserving ‘insider’ and ‘outsider’ labour market divisions. Since it is universal and unconditional, UBI could solve these problems, ensuring all citizens have sufficient income without subjection to means tests or sanctions. UBI would also replace what Opielka (2008) calls the “increasing irrelevance of the work-centred welfare state” that characterizes continental European systems.**

## **Contention 3) UBI allows for a better work-life balance**

**Dimick, 2017**(Matthew [Associate Professor of Law, University at Buffalo School of Law] “BETTER THAN BASIC INCOME? LIBERTY, EQUALITY, AND THE REGULATION OF WORKING TIME”50 Ind. L. Rev. 473)

However, the recognition that basic income would have significant, if indirect, impacts on the employment relationship has made friends out of former critics of basic income. Erik Olin Wright, one of these former critics, wrote that "**[a] generous, unconditional basic income which would allow employees a meaningful exit option from the employment relation directly transforms the character of power within the class relations of capitalist society.**" n222 For one, **basic income would allow people to engage in "non-commodified forms of socially productive activity," such as care-giving labor, art, politics, and community service. n223 In addition, basic income would give individuals a more "realistic" exit option from the labor market, which would increase their bargaining power with respect to employers.** n224 It is worth emphasizing again that such bargaining power could be used to change any term in the employment contract upon which the employer and employee agree (and that is legally permissible). n225 And indeed, certainly **one term open for negotiation is the number of working hours and the extent of leisure time. Finally, Wright also argues that basic income could have other salient effects on workers' power within the employment relationship, such as the contribution to an increase in union density.** n226 Thus, **basic income can substantially alter the balance of class power in a society and therefore indirectly change the terms of the employment relationship.**

AFFIRMATIVE EXTENSIONS

## **A2: Working Hours Regulation CP**

**Dimick, 2017**(Matthew [Associate Professor of Law, University at Buffalo School of Law] “BETTER THAN BASIC INCOME? LIBERTY, EQUALITY, AND THE REGULATION OF WORKING TIME”50 Ind. L. Rev. 473) //

Moreover, there is a sharper conclusion one can draw from this view of the proper allocation of public policy. In this argument, basic income is superior to [\*502] working-hours regulation precisely because it respects this division between private market exchange and public redistribution. That is, public policy should not invade the market because this site should be left to individuals to bargain and contract on their own. In the case of basic income and working-hours regulation, this view implies the kind of evaluation that we encountered--and rejected--earlier. This evaluation is that basic income is more conducive to individual freedom than working-hours regulation. Basic income respects the right of each individual to decide--to contract--for herself about how much and even whether she should work. Basic income corrects for the inequalities created in the market while also respecting this freedom to contract. Working-hours regulation, on the other hand, seeks to remedy these inequalities directly, but at the cost of individual choice. Other arguments can be made in favor of a relatively strict separation between market freedom and government redistribution, including efficiency arguments. I responded to the basic argument earlier and responses to other arguments can be found elsewhere.

## **UBI allows for a better work-life balance**

**Dimick, 2017**(Matthew [Associate Professor of Law, University at Buffalo School of Law] “BETTER THAN BASIC INCOME? LIBERTY, EQUALITY, AND THE REGULATION OF WORKING TIME”50 Ind. L. Rev. 473) //

However, the recognition that basic income would have significant, if indirect, impacts on the employment relationship has made friends out of former critics of basic income. Erik Olin Wright, one of these former critics, wrote that "[a] generous, unconditional basic income which would allow employees a meaningful exit option from the employment relation directly transforms the character of power within the class relations of capitalist society." n222 For one, basic income would allow people to engage in "non-commodified forms of socially productive activity," such as care-giving labor, art, politics, and community service. n223 In addition, basic income would give individuals a more "realistic" exit option from the labor market, which would increase their bargaining power with respect to employers. n224 It is worth emphasizing again that such bargaining power could be used to change any term in the employment contract upon which the employer and employee agree (and that is legally permissible). n225 And indeed, certainly one term open for negotiation is the number of working hours and the extent of leisure time. Finally, Wright also argues that basic income could have other salient effects on workers' power within the employment relationship, such as the contribution to an increase in union density.

## **UBI would not carry the stigma typically associated with traditional welfare programs**

**Dimick, 2017**(Matthew [Associate Professor of Law, University at Buffalo School of Law] “BETTER THAN BASIC INCOME? LIBERTY, EQUALITY, AND THE REGULATION OF WORKING TIME”50 Ind. L. Rev. 473) //

Another feature of basic income that is frequently cited in its favor is its universality. n238 Under a basic income proposal, every person would receive a transfer, whether rich or poor. n239 Because it is universal, it has been assumed that basic income would not have the stigma associated with traditional, means-tested welfare programs.n240 The absence of stigma would have several salient consequences. First, the lack of stigma alone can be thought to benefit the poor insofar as they do not have to bear the social opprobrium associated with poverty programs. n241 Second, the take-up rate for basic income would be higher than for means-tested programs (and a higher take-up reduces the rate of poverty). n242 Third, because of its universality, basic income is claimed to be more politically sustainable. For instance, Eduardo Porter writes that basic income "would be politically secure. Programs for the poor are often maligned as poor programs. Indeed, defunding antipoverty programs rarely carries political consequences because the poor rarely vote. It's another story entirely when everyone benefits." n243

## **Traditional welfare states are failing now**

**Sage and Diamond 2017** (Daniel and Patrick [Patrick is co-chair of Policy Network. He is lecturer in Public Policy at Queen Mary, University of London, Gwilym Gibbon fellow at Nuffield College, Oxford, and a visiting fellow in the Department of Politics at the University of Oxford. Daniel Sage is a research associate at Policy Network, and a senior lecturer in social sciences at Edge Hill University] “Europe's New Social Reality: the Case Against Universal Basic Income”

Given its wide appeal across the political spectrum, the problems that UBI will solve often appear breathtaking in range. Yet the case for UBI on the centre left has been strengthened by some of the social and economic challenges identified in this report and its predecessor. In particular, rising social and economic insecurity across Europe has highlighted the inadequacy of welfare states in providing adequate social security. In the English-speaking welfare states, the benefits system is derided as stigmatizing, punitive and overly complex, while the continental insurance-based systems have been criticized for preserving ‘insider’ and ‘outsider’ labour market divisions. Since it is universal and unconditional, UBI could solve these problems, ensuring all citizens have sufficient income without subjection to means tests or sanctions. UBI would also replace what Opielka (2008) calls the “increasing irrelevance of the work-centred welfare state” that characterizes continental European systems.

## **EXTRA READING FOR AFFIRMATIVE**

**Dimick, 2017**(Matthew [Associate Professor of Law, University at Buffalo School of Law] “BETTER THAN BASIC INCOME? LIBERTY, EQUALITY, AND THE REGULATION OF WORKING TIME”50 Ind. L. Rev. 473)

**Sage and Diamond 2017** (Daniel and Patrick [Patrick is co-chair of Policy Network. He is lecturer in Public Policy at Queen Mary, University of London, Gwilym Gibbon fellow at Nuffield College, Oxford, and a visiting fellow in the Department of Politics at the University of Oxford. Daniel Sage is a research associate at Policy Network, and a senior lecturer in social sciences at Edge Hill University] “Europe's New Social Reality: the Case Against Universal Basic Income”

**Standing 2017** (Guy [Guy Standing is professor of development studies at the School of Oriental and African Studies, University of London, and author of The Precariat: The New Dangerous Class] “Universal basic income is becoming an urgent necessity” The Guardian January 12)

NEGATIVE CASE

#### I negate the following resolution: The United States ought to provide a universal basic income

## **My value for this round will be quality of life**

Quality of life refers to “how good or bad one’s life is.” This relates to my case because it demonstrates how a UBI worsens one’s well-being.

Quality Of Life. (2018). Retrieved February 03, 2018, from https://www.merriam-webster.com/dictionary/quality%20of%20life

## **And with this my value criterion will be collective action**

**Widerquist 2013** (Karl [Associate Professor at SFS-Qatar, specializing in political philosophy, He holds two doctorates—one in Political Theory form Oxford University (2006) and one in Economics from the City University of New York (1996)] “Basic Income: An Anthology of Contemporary Research” Cambridge.org)

In this structural perspective, **it is implicitly accepted that most people would remain economically and socially vulnerable, and unfree, if they just received a basic income without other institutional changes. Full freedom requires strong collective and individual Voice,** or what can be called representation security. **We must return to the perspective of Aristotle and Hannah Arendt, in saying that freedom is only realised through collective action, and should not be seen solely in individualistic terms**. Put bluntly, the two meta-securities are basic income security and basic Voice security

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## **Contention 1) the UBI doesn’t aim to solve poverty, but just to end the welfare state**

**Matthews 2017** (Dylan [A.B., Social Studies from Harvard University] “A basic income really could end poverty forever” Vox.com July 17, 2017)

If Stern is the most notable left-of-center basic income advocate in America, then Charles Murray is his most notable counterpart on the right. The conservative public intellectual, who laid out a basic income proposal in his 2006 book In Our Hands, has an odd CV for a basic income supporter. Before dipping into race science in The Bell Curve, Murray made his public reputation with a book-length attack on welfare called Losing Ground. He sold the book to publishers with a proposal stating, “a huge number of well-meaning whites fear that they are closet racists, and this book tells them they are not.” Why would someone with those politics embrace a plan to eliminate poverty through welfare spending? The short answer is that Murray’s plan would do no such thing. **Rather than eliminate poverty, it’s designed to eliminate the welfare state. Murray specifies that he would have a universal basic income replace all transfer spending. And when he says “all,” he means all. As laid out in the new 2016 edition of In Our Hands, Murray's plan would eliminate:**

* **Social Security, both old age and disability**
* **Unemployment insurance**
* **Medicare, Medicaid, Obamacare subsidies, the Children's Health Insurance Program, and Indian health care**
* **All federal assistance to students, including veterans’ programs, Title I, and Pell Grants**
* **9/11 victim compensation (seriously, this is explicitly listed, despite raising a pittance)**
* **Food stamps, Section 8 housing vouchers, the earned income tax credit, Supplemental Security Income, and Temporary Assistance to Needy Families**

**The last category is a reasonable set of programs to replace with a basic income;** they all provide cash or a food/housing voucher that’s pretty close to cash, and there’s a good argument to be made that a basic income or negative income tax could do what they do better.

**The other categories, however, cannot be replaced with a basic income. Social Security and unemployment insurance are, well, insurance programs: They’re supposed to replace wages forgone due to retirement, disability, or unemployment. As such, they often provide benefits far exceeding Murray’s proposed $13,000-per-adult benefit. Social Security’s average annual benefit to retired workers is $16,400 a year; Murray’s plan would offer them a benefits cut of more than 20 percent. Medicaid and Medicare often pay for long-term care services for elderly, disabled, and mentally ill patients that cost tens of thousands of dollars annually, and are not covered by conventional health insurance. Murray would require everyone to spend $3,000 of their grant on health care, but that would pay for far skimpier insurance at best, with considerable cost sharing. $13,000 a year in UBI doesn’t mean much if you lose insurance that was paying $60,000 a year on chemotherapy. Murray’s basic income plan would leave millions of poor and sick people, especially seniors, worse off. It’s doubtful such a plan would even cut poverty.** So why do it? In his opening statement to the Intelligence Squared debate on basic income, Murray made his motivation very clear: He wants to make it easier for Americans to socially pressure their neighbors, to push them out of being “complete screw-ups”

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## **Subpoint A) UBI only increases poverty as it will only end up trading off with necessary social programs like those for disabled people, the elderly, and child care benefits**

**JAUHIAINEN and MÄKINEN 2017** (Antti and Joona-Hermanni [co-directors of Parecon Finland, an economic think tank, and the authors of the upcoming book “Hyvinvointivaltion vastaisku”] “The Welfare State Strikes Back. Why Finland’s Basic Income Experiment Isn’t Working” )

HELSINKI, Finland — **Universal basic income is generating considerable interest** these days, from Bernie Sanders, who says he is “absolutely sympathetic” to the idea, to Mark Zuckerberg, Facebook’s chief executive, and other tech billionaires. **The basic idea behind it is that handing out unconditional cash to all citizens, employed or not, would help reduce poverty and inequality, and increase individual liberty.** This discussion is still largely theoretical, though, because universal basic income hasn’t been rigorously tested. Most experiments — in the United States in the 1970s; in the Dutch city of Utrecht today — have been local and based on small sample sizes. A nonprofit organization has run a larger program in Kenya. But that effort, which is aimed at decreasing poverty in a poor country, has little bearing for advanced economies and lacks the rigor of a state-mandated nationwide program. This is why eyes turned to **Finland at the beginning of the year,** when the government **initiated a national test run for universal basic income. As a rich country** in the European Union, with one of the highest rates of social spending in the world, **Finland seemed like an ideal testing ground** for a state-of-the-art social welfare experiment. **In reality,** the Finnish trial was poorly designed, and is little more than a publicity stunt. Kela, the national social-insurance institute, randomly selected 2,000 Finns between 25 and 58 years of age who were already getting some form of unemployment benefits. The subsidies were offered to people who had been unemployed for about one year or more, or who had less than six months of work experience. Participants in the trial would receive €560 (about $645) a month from January 2017 to December 2018, whether or not they came to earn any additional income. The trial size was cut to one-fifth of what had originally been proposed, and is now too small to be scientifically viable. Instead of giving free money to everyone, the experiment is handing out, in effect, a form of unconditional unemployment benefits. In other words, there is nothing universal about this version of universal basic income. THE FUTURE OF WORK The Future of Not Working FEB. 23, 2017 And so even when the experiment’s official results are known, in 2019, they will reveal little — and far less than they could have — about the effects that universal cash payments could have on income inequality or people’s attitudes toward work and their quality of life. The shortcomings of Finland’s universal basic income experiment are best understood against the backdrop of the country’s lackluster economic performance and the resulting political developments. At the time of the 2015 parliamentary election, the Finnish labor market had experienced three recessions since the 2008 financial crisis. The public debt level increased from more than 38 percent of G.D.P. in 2008 to 75 percent in 2015. The Center Party, traditionally an agrarian party with broad support from rural areas, won the election on a conservative platform promoting public-debt reduction and tough reforms to boost the economy. The party leader, Juha Sipila, a wealthy former tech C.E.O., formed a government with the conservative National Coalition Party and the populist, nationalist Finns Party, based partly on their shared commitment to austerity. The Center Party’s manifesto called for reducing wages and raising the retirement age. It also briefly mentioned testing a system of universal basic income. Starting in the 1980s, Finnish progressives began discussing how distributing unconditional income might be a way to combat poverty and inequality resulting from declining employment in the industrial sector. The theory was that receiving a guaranteed income could free all citizens and allow groups like the jobless, students, stay-at-home parents and the elderly to meaningfully contribute to society through, say, caretaking, charity or artistic projects. But **by the time Finland actually attempted the experiment, a conservative government committed to economic austerity was in power.** How could it spearhead a leftist benefits program in the midst of economic hardship? It didn’t. The government has made no secret of the fact that its universal basic income experiment isn’t about liberating the poor or fighting inequality. Instead, the trial’s “primary goal” is “promoting employment,” the government explained in a 2016 document proposing the project to Parliament. Meaning: The project was always meant to incentivize people to accept low-paying and low-productivity jobs. **At the same time that the government has begun testing a universal basic income, it has been tightening the requirements for receiving unemployment, disability and child care benefits. Yet according to a recent report by the Organization for Economic Cooperation and Development, replacing existing social support with a stingy, or even modest, universal basic income, as in Finland, may actually increase poverty rather than alleviate it.** An article in The Economist last month quoted Olli Kangas, who helped design the Finnish program and coordinates it for Kela, complaining about the politicians’ lack of follow-through with the trial. He compared them to “small boys with toy cars who become bored and move on.” A second, expanded experiment was supposed to start in early 2018, but there are signs — like silence — that the government may renege on that plan. **The universal basic income program** in Finland **is being whittled down before it even properly begins.** So what can we learn from all of this so far? How not to conduct a trial of this kind. Universal basic income can only succeed if the effort is sustained and widespread — and not available only to the unemployed. The program should not be intended to force people into low-paying jobs. The Finnish government has a chance to correct its course. It should expand the trial in early 2018, as originally planned, and steer it back to its original ideals: a bold experiment to collect hard data about how a much-debated idea actually works in practice. Only that would honor Finland’s tradition of experimenting with innovative social policies.

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## **Contention 2: Immigration talks surrounding the UBI will spur backlash**

**Matthews 2017** (Dylan [A.B., Social Studies from Harvard University] “A basic income really could end poverty forever” Vox.com July 17, 2017)

For instance, **in a 2006 paper the researchers Ann-Helén Bay and Axel West Pedersen polled Norwegian voters on the idea of a basic income; most expressed broadly positive opinions. But they also find that support and opposition to the idea are immensely sensitive to whether immigrants are benefiting. A third of supporters switched to opposition when the proposal was modified to have non-Norwegians receive the benefit. This fits into a broader literature showing that increasing racial and ethnic diversity can prompt backlash by native white voters, who resent the newcomers and vote for right-wing parties in response. The right-wing governments they elect then enact welfare cutbacks, both to punish the immigrants whom their voters fear and because right-wing parties love welfare cuts in general.**

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## **Subpoint A) Loss of public support is inevitable leading to increasingly conservative policies in the future**

**Morales 2015** (Leticia [Institute for Health and Social Policy and Faculty of Law, McGill University, Canada] “The stability of basic income: a constitutional solution for a political problem?” Journal of Public Policy (2016), 36:4, 521–545 © Cambridge University Press, 2015)

In addition to the absence of positive feedback, **we also must consider the presence of negative or self-undermining feedback effects that play out over time as “initially bearable irritants may remain in place for a long time – and may grow in their impact until they do undermine the stability of a policy regime”** (Weaver 2010, 139–140; also Jacobs and Weaver 2014). **One way in which negative feedback can affect basic income’s resilience is when costs associated with basic income progressively become more salient to, or more concentrated within, the population. Costs may become more salient where supporters of basic income come to realise (or perhaps mistakenly believe) that they are no longer benefiting from a basic income. Early supporters may have initially accepted the basic income scheme under the assumption that it would protect them against particular social risks, but over time find themselves in a position where they appear no longer vulnerable to such risks. Alternatively, the basic income may turn out not to protect against as broad a range of social risks as initially thought, perhaps because the level of the grant has considerably depreciated. The perceived concentration of the costs of a basic income scheme among “well-defined and tightly networked groups”** (Jacobs and Weaver 2014, 10) **will likewise increase political opposition.**

NEGATIVE EXTENSIONS

## **A2: Other places are doing it**

**Standing 2017** (Guy [Guy Standing is professor of development studies at the School of Oriental and African Studies, University of London, and author of The Precariat: The New Dangerous Class] “Universal basic income is becoming an urgent necessity” The Guardian January 12)

This interest has prompted the launch of several basic income pilots around the world. One started on 1 January in Finland with others planned in Ontario, Canada, Oakland, California, Aquitaine and Catalonia, and discussions are ongoing in Fife and Glasgow. A US NGO, GiveDirectly, is raising $30m for a 12-year experiment in Kenya. It is important to stress that pilots can only test certain behavioural aspects of paying a basic income and seeing what people do differently, whereas its proponents rest their case on more fundamental justifications - social justice, freedom and economic security. None of these can be tested by pilots, which by definition are short-term and involve relatively small numbers of people. Most pilots do not conform to a universal basic income system, in which everyone in a given community receives it, so these benefits cannot be tested. And if only a few people are given a basic income, recipients may soon find themselves under pressure from relatives and neighbours to share it. For these reasons, some see pilots simply as a way of avoiding other important policy decisions. But once results start to come in, they may help to "win the argument", as John McDonnell, Labour's shadow chancellor has put it, by showing that basic income is both feasible and does not have the negative behavioural effects commonly attributed to it. At the moment, Finland's pilot is receiving global attention. It is not a true basic income experiment, which is not to imply it will have no value. Instead, 2,000 randomly selected unemployed people aged between 25 and 58 have started to receive (EURO)560 (£475) as a tax-free monthly unconditional benefit, paid for two years. It will not be reduced if they earn income, and they will not be obliged to search for jobs.

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## **A2: UBI helps gender equality**

**Sage and Diamond 2017** (Daniel and Patrick [Patrick is co-chair of Policy Network. He is lecturer in Public Policy at Queen Mary, University of London, Gwilym Gibbon fellow at Nuffield College, Oxford, and a visiting fellow in the Department of Politics at the University of Oxford. Daniel Sage is a research associate at Policy Network, and a senior lecturer in social sciences at Edge Hill University] “Europe's New Social Reality: the Case Against Universal Basic Income” Policy Network Paper)

Given its wide appeal across the political spectrum, the problems that UBI will solve often appear breathtaking in range. Yet the case for UBI on the centre left has been strengthened by some of the social and economic challenges identified in this report and its predecessor. In particular, rising social and economic insecurity across Europe has highlighted the inadequacy of welfare states in providing adequate social security. In the English-speaking welfare states, the benefits system is derided as stigmatizing, punitive and overly complex, while the continental insurance-based systems have been criticized for preserving ‘insider’ and ‘outsider’ labour market divisions. Since it is universal and unconditional, UBI could solve these problems, ensuring all citizens have sufficient income without subjection to means tests or sanctions. UBI would also replace what Opielka (2008) calls the “increasing irrelevance of the work-centred welfare state” that characterizes continental European systems. On a country-by-country basis, the scale of progress is more mixed than the EU-level analysis suggests. Although the overall EU female employment rate rose by 1.5 per cent between 2008 and 2015, female labour market participation has slowed down or fallen in many countries since the crisis. Figure 4.1 shows the percentage change in female employment between (a) 2000-2008 and (b) 2008-2015. In the first period, every EU country (with the exception of Romania) saw female employment rise, while in the second, post-crisis period female employment fell in 11 member states. Further, the number of countries achieving a female employment rate of over 65 per cent rose from 2 to 7 up to 2008; since 2008, only 3 additional countries have reached 65 per cent female employment. Although the relative position of women has improved, overall progress in female labour market participation has slowed down in most parts of the EU.

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## **A2: the UBI has bipartisan support**

**Matthews 2017** (Dylan [A.B., Social Studies from Harvard University] “A basic income really could end poverty forever” Vox.com July 17, 2017)

“We should be careful of the illusion of bipartisan agreement on the issue, even among its advocates,” Tanner notes. “Free market advocates see the UBI as a replacement for the existing welfare state. Many on the left call for a UBI as an additional benefit on top of existing programs, funded through new taxes on carbon, natural resources, businesses, or ‘the rich.’ Bridging those differences will likely be much harder than advocates on both sides may believe.”

## **The UBI would actually hurt the poor**

**Sawhill 2016** (Isabel V. [Senior Fellow - [Economic Studies](https://www.brookings.edu/program/economic-studies/), [Center on Children and Families](https://www.brookings.edu/center/center-on-children-and-families/)] “Money for nothing: Why a universal basic income is a step too far” Brookings.edu)

Robert Greenstein argues, however, that a UBI would actually hurt the poor by reallocating support up the income scale. His logic is inescapable: either we have to spend additional trillions providing income grants to all Americans or we have to limit assistance to those who need it most. One option is to provide unconditional payments along the lines of a UBI, but to phase it out as income rises. Libertarians like this approach since it gets rid of bureaucracies and leaves the poor free to spend the money on whatever they choose, rather than providing specific funds for particular needs. Liberals fear that such unconditional assistance would be unpopular and would be an easy target for elimination in the face of budget pressures. Right now most of our social programs are conditional. With the exception of the aged and the disabled, assistance is tied to work or to the consumption of necessities such as food, housing, or medical care, and our two largest means-tested programs are Food Stamps and the Earned Income Tax Credit.

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## **Money only treats the symptom not the cause**

**Sawhill 2016** (Isabel V. [Senior Fellow - [Economic Studies](https://www.brookings.edu/program/economic-studies/), [Center on Children and Families](https://www.brookings.edu/center/center-on-children-and-families/)] “Money for nothing: Why a universal basic income is a step too far” Brookings.edu)

Liberals have been less willing to openly acknowledge that a little paternalism in social policy may not be such a bad thing. In fact, progressives and libertarians alike are loath to admit that many of the poor and jobless are lacking more than just cash. They may be addicted to drugs or alcohol, suffer from mental health issues, have criminal records, or have difficulty functioning in a complex society. Money may be needed but money by itself does not cure such ills. A humane and wealthy society should provide the disadvantaged with adequate services and support. But there is nothing wrong with making assistance conditional on individuals fulfilling some obligation whether it is work, training, getting treatment, or living in a supportive but supervised environment. In the end, the biggest problem with a universal basic income may not be its costs or its distributive implications, but the flawed assumption that money cures all ills.

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## **UBI only increases poverty as it will only end up trading off with necessary social programs like those for disabled people, the elderly, and child care benefits**

**JAUHIAINEN and MÄKINEN 2017** (Antti and Joona-Hermanni [co-directors of Parecon Finland, an economic think tank, and the authors of the upcoming book “Hyvinvointivaltion vastaisku”] “The Welfare State Strikes Back. Why Finland’s Basic Income Experiment Isn’t Working” )

HELSINKI, Finland — **Universal basic income is generating considerable interest these days, from Bernie Sanders, who says he is “absolutely sympathetic” to the idea, to Mark Zuckerberg, Facebook’s chief executive, and other tech billionaires. The basic idea behind it is that handing out unconditional cash to all citizens, employed or not, would help reduce poverty and inequality, and increase individual liberty.** This discussion is still largely theoretical, though, because universal basic income hasn’t been rigorously tested. Most experiments — in the United States in the 1970s; in the Dutch city of Utrecht today — have been local and based on small sample sizes. A nonprofit organization has run a larger program in Kenya. But that effort, which is aimed at decreasing poverty in a poor country, has little bearing for advanced economies and lacks the rigor of a state-mandated nationwide program. This is why eyes turned to **Finland at the beginning of the year, when the government initiated a national test run for universal basic income. As a rich country in the European Union, with one of the highest rates of social spending in the world, Finland seemed like an ideal testing ground for a state-of-the-art social welfare experiment. In reality,** the Finnish trial was poorly designed, and is little more than a publicity stunt. Kela, the national social-insurance institute, randomly selected 2,000 Finns between 25 and 58 years of age who were already getting some form of unemployment benefits. The subsidies were offered to people who had been unemployed for about one year or more, or who had less than six months of work experience. Participants in the trial would receive €560 (about $645) a month from January 2017 to December 2018, whether or not they came to earn any additional income. The trial size was cut to one-fifth of what had originally been proposed, and is now too small to be scientifically viable. Instead of giving free money to everyone, the experiment is handing out, in effect, a form of unconditional unemployment benefits. In other words, there is nothing universal about this version of universal basic income. THE FUTURE OF WORK The Future of Not Working FEB. 23, 2017 And so even when the experiment’s official results are known, in 2019, they will reveal little — and far less than they could have — about the effects that universal cash payments could have on income inequality or people’s attitudes toward work and their quality of life. The shortcomings of Finland’s universal basic income experiment are best understood against the backdrop of the country’s lackluster economic performance and the resulting political developments. At the time of the 2015 parliamentary election, the Finnish labor market had experienced three recessions since the 2008 financial crisis. The public debt level increased from more than 38 percent of G.D.P. in 2008 to 75 percent in 2015. The Center Party, traditionally an agrarian party with broad support from rural areas, won the election on a conservative platform promoting public-debt reduction and tough reforms to boost the economy. The party leader, Juha Sipila, a wealthy former tech C.E.O., formed a government with the conservative National Coalition Party and the populist, nationalist Finns Party, based partly on their shared commitment to austerity. The Center Party’s manifesto called for reducing wages and raising the retirement age. It also briefly mentioned testing a system of universal basic income. Starting in the 1980s, Finnish progressives began discussing how distributing unconditional income might be a way to combat poverty and inequality resulting from declining employment in the industrial sector. The theory was that receiving a guaranteed income could free all citizens and allow groups like the jobless, students, stay-at-home parents and the elderly to meaningfully contribute to society through, say, caretaking, charity or artistic projects. **But by the time Finland actually attempted the experiment, a conservative government committed to economic austerity was in power. How could it spearhead a leftist benefits program in the midst of economic hardship? It didn’t. The government has made no secret of the fact that its universal basic income experiment isn’t about liberating the poor or fighting inequality. Instead, the trial’s “primary goal” is “promoting employment,” the government explained in a 2016 document proposing the project to Parliament. Meaning: The project was always meant to incentivize people to accept low-paying and low-productivity jobs. At the same time that the government has begun testing a universal basic income, it has been tightening the requirements for receiving unemployment, disability and child care benefits. Yet according to a recent report by the Organization for Economic Cooperation and Development, replacing existing social support with a stingy, or even modest, universal basic income, as in Finland, may actually increase poverty rather than alleviate it.** An article in The Economist last month quoted Olli Kangas, who helped design the Finnish program and coordinates it for Kela, complaining about the politicians’ lack of follow-through with the trial. He compared them to “small boys with toy cars who become bored and move on.” A second, expanded experiment was supposed to start in early 2018, but there are signs — like silence — that the government may renege on that plan. **The universal basic income program in Finland is being whittled down before it even properly begins.** So what can we learn from all of this so far? How not to conduct a trial of this kind. Universal basic income can only succeed if the effort is sustained and widespread — and not available only to the unemployed. The program should not be intended to force people into low-paying jobs. The Finnish government has a chance to correct its course. It should expand the trial in early 2018, as originally planned, and steer it back to its original ideals: a bold experiment to collect hard data about how a much-debated idea actually works in practice. Only that would honor Finland’s tradition of experimenting with innovative social policies.

## **UBI will stifle growth and ultimately cause itself to collapse, it is economically devastating in both the short and long term, econ collapse and rich-poor stratification become inevitable**

**Grant 2017** (Tyler [Lawyer/writer for Daily Caller] “Universal Basic Income Is A Lazy Solution To The Oncoming Labor Crisis” Daily Caller .com 06/26/**2017)**

Silicon Valley has looked into the future and seen what many of us are seeing – automation and technology are replacing jobs faster than businesses are creating them. What started as a mere murmurings has reverberated louder into an open call from some of the wealthiest businesspeople in the United States including Mark Zuckerberg and Elon Musk for universal basic income. Universal basic income is a stipend paid by the government to individuals simply for being alive. The idea began in Europe and has been gaining momentum in several countries. The principal behind the idea is that it serves as a safety net for unemployment due to market forces such as automation. Several countries have begun experimenting with a basic income including an experiment run in Ontario, Canada, which distributed a stipend of $12, 616 as its basic income. The idea has started to gain traction in America. Hawaii recently became the first state to make a major push towards a universal basic income. As of this May, the Hawaii state legislature adopted HCR 89 calling for the Department of Labor and Industrial Relations and the Department of Business, Economic Development, and Tourism to convene a basic income economic security working group to begin to structure a universal basic income. The relevant text from the resolution gives the group’s focus: WHEREAS, while the United States is the wealthiest nation in the world, many families, individuals, and businesses in Hawaii have been struggling to keep pace with the increasing cost of living as economic inequality widens the gap between a few top earners and the middle and lower class, the latter of which has seen its overall share of income decline in recent decades; and WHEREAS, efforts to increase wages, benefits, and working conditions are important steps to assist local families in the short-term, but a paradigm shift in policy will soon be necessary as automation, innovation, and disruption begin to rapidly worsen economic inequality by displacing significant numbers of jobs in Hawaii’s transportation, food service, tourism, retail, medical, legal, insurance, and other sectors … Hawaii state representative Chris Lee led the push towards a basic income and predicted that Hawaii’s future economic troubles due to Silicon Valley innovations like self-driving cars and Airbnb to be potentially hazardous to Hawaii’s tourist-dependent economy. Though this seems to be an anticipatory measure, however; as of April 2017, Hawaii’s unemployment rate was at a ten year low. This fact didn’t stop the Democrat dominated state legislature from approving the measure. In other parts of the country, calls in for universal basic income are growing. In California, Silicon Valley has made well known their support for a basic income citing the necessity of social security from the jobs they will take away with their businesses. In the media, a cursory search of liberal publications reveals a bolder comfort with an idea of providing a stipend to people for doing nothing. In Georgia, former documentary assistant turned congressional candidate, Jon Ossoff, went above and beyond agreeing to a $15 minimum wage and instead gave a nod to his California benefactors by saying he would push for a “living wage” in the final debate for the Georgia Sixth Congressional district special election. It’s easy to see the sly rhetorical distinction between “living wage” and “basic income.” There is very little hope that this trend will change without forward-thinking leaders who will refuse to rest on lazy ideas like the universal basic income. Our politicians have been able to see technology replacing jobs for decades now and made little adjustments other than to make more individuals reliant on the government for their economic well being. I echo what I wrote in The Hill last September that automation would require lawmakers to be innovative in their approaches for creating jobs. Many lawmakers and those in the best position to see automation replacing jobs, such as CEO’s in Silicon Valley, it would appear are opting towards a more top-down income redistribution in the form of a universal basic income rather than wrestle with retraining workers, re-calibrating the economy, or encouraging innovation to offset job loss. This is to simply say: universal basic income is a lazy, socialist solution to future unemployment problems. There are dozens of issues with universal basic income, but I will list some of the bigger issues below. As to avoid being an armchair critic who only points out mistakes, I will also offer up some of my own solutions or alternatives to reposition our economy.
**First, universal basic income stifles economic growth through exorbitant tax rates. To pay for a basic income that would be a living income or sustainable income requires taxation of wage earners well above 50% for the highest and second highest tax brackets. Offsetting high cost of living cities like New York, San Francisco, and Washington, D.C. would necessitate a tax rate unsustainable for most Americans. This leads to either a subsidy for poor Americans, or force many low-income individuals to relocate out of major cities. Needless to say, this exodus hampers innovation.** With our current immigration debate, this analysis presumes a comparable rate of illegal immigration and immigration as we have seen in recent years. If history is any indication, the moment a universal basic income comes into law for U.S. citizens, Mayor de Blasio and Governor Cuomo will rush to the front of public debate to argue that universal basic income should be extended to undocumented workers as well since it’s a human right. If that happens, keep your wallets open because that’s going to hurt. Second, universal basic income is a mere proxy for socialism. The plan relies on the assumption that the income will be a social safety net to hedge against unemployment. In a perfect world, individuals would be able to save to offset economic unpredictability. This is an interesting argument to hear coming from a Left who finds the thought of alternatives to social security and Obamacare in the form of private savings account abhorrent. If liberals don’t trust Americans to allocate their money correctly, how can they reasonably suspect that this universal income will be treated differently to realistically serve as a safety net? **Finally, a basic universal income only hedges against future unemployment rather than creating opportunities in the present to anticipate economic changes. If automation continues to replace jobs, more Americans will shift from universal basic income being a subsidy to their earned wages towards it being a necessity in unemployment. It’s easy to see how this would spiral the economy into the garbage heap. As workers exit the workforce, fewer workers pay into the pool for distribution meaning that there is less money for the same amount of government handouts.** To accommodate the gap, either taxes would have to go up on higher income earners to account for a depleting workforce, or businesses and the government would have to create alternatives to get people to work, or the government would have to require businesses to hire individuals. (Beginning to sound a bit like Atlas Shrugged.) All are bad alternatives. Creating a safety net that promises no ability to put people to work is giving them $1,000, not teaching them to build boats or sail, and asking them to get off an island. There is still time to right the ship. As I said at the outset, nay saying without a solution is as empty as the politicians that will inevitably thrust the universal basic income upon us. There are many avenues to avoiding the calamity from unemployment Silicon Valley predicts from their innovation. I will list several here. First, public schools and innovative STEM charter schools need the resources to teach STEM subjects and trade skills. Understanding how the workforce is being educated and what they are learning are far too often overlooked. For one, a realistic alternative would be to increase trade skills education during high school education while it is cheaper in order to provide career paths for students that do not seek a college degree while equipping them with a skill. It will be a long time before a plumber or electrician can be replaced by a machine. Access to STEM early in education will also improve female participation in STEM fields which has been noticeably absent and will lead to greater market participation in a field that will continue to grow as automation boxes out other fields. Targeting areas that lead to innovation and businesses can allocate resources will put people to work. Please do not misinterpret me to suggest that we need more education. I’d wager there are less than 1,000 people in America using an art history degree for its intended purpose. Instead, this is a proposal to reallocate resources to target types of education where humans will be valuable – trades that machines have difficulty replacing and STEM fields where humans create the machines who replace them. My second proposal is to unburden small businesses. Legislators should be in the business of making it easier for small businesses to operate and comply with government regulation. If state and federal regulation is reduced, small businesses will be best situated to create jobs cheaply. Healthcare constantly being in flux, taxation changes, and legal hurdles make running a small business and creating jobs difficult and in an economy that many predict will desperately need to create employment, government doesn’t need to be a formidable burden in that process. My proposals are not perfect. There are plenty of holes in these proposals and many require intensive policy debates. The debates are worth having because a universal basic income is a road towards a dying economy – settling on a universal basic income is both lazy and simplistic. Without real ingenuity in the way we approach our workforce, we may be doomed to an economy bereft of innovation and liberty.

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## **UBI is inaccessible for those who need it and trades off with subsidies that allow people to survive**

**Shah 2017** (Shreya [writer for business standard]”Basic income could empower millions, but India may find cost too high The UBI amount would be greater than all current welfare programs of the government” business-standard.com)

In a country where 21% of the population lives below the poverty line (of Rs 816 per capita per month in rural areas, and Rs 1,000 in urban areas), where the top 10% of the population own 53% of its wealth, with worsening inequality over the last two decades, a basic income could empower millions, even as the government said the programme might not be politically or economically feasible. “A basic income’s emancipatory value is greater than its actual value,” said Guy Standing, a professor at the School of Oriental and African Studies, University of London, who also implemented a basic income pilot programme in villages in Madhya Pradesh (MP) from June 2011 to November 2012. Citing evidence from his study in Madhya Pradesh, he explains how extra money could reduce debt for the poor, and impact the scarcity mindset, which refers to people taking poor decisions because of a lack of money and hope for the future. Though a universal basic income (UBI)–a periodic, recurring, unconditional cash payment to every individual–could, in theory, help reduce leakages from current welfare systems and improve the quality of life of the poor, there is mixed evidence on its impact, the long-term effects of cash transfers are under-researched, and it would be challenging to implement, based on an IndiaSpend analysis of current evidence If 75% of the population received Rs 6,450 per capita per year, the UBI would cost India 4.2% of its gross domestic product–more than the 2016-2017 central government revised estimate for the department of food and public distribution, defense services, expenditure on departments of agriculture, farmers’ welfare, fertilizers, telecommunications, road transport and highways, and atomic energy put together. The UBI amount would be greater than all current welfare programs of the government including the Public Distribution System, the Sarva Shiksha Abhiyaan, the Integrated Child Development Scheme, the Mid Day Meal scheme, the Pradhan Mantri Gram Sadak Yojana, the Pradhan Mantri Awas Yojana, and the Swachh Bharat Mission, according to the 2016-2017 economic survey. UBI not a magic bullet, limited long-term evidence “If you can reliably get cash to people, it is one of the most effective interventions to improve people’s lives,” said Paul Niehaus, professor of economics at the University of California, San Diego, and co-founder of GiveDirectly, an organisation which advocates giving cash to the poor. “But the debate (over UBI) is occurring in a vacuum, and there is a need for hard facts and rigorous evidence on the long term effects of a UBI.” Two reviews of conditional and unconditional transfers (the closest to a UBI) found that both increased school enrollment but not learning outcomes in beneficiary families, compared to a situation when there were no cash transfers. Similarly, cash transfers can improve use of health services and dietary diversity but might not improve the weight and height of children. “Complementary interventions and supply-side services can strengthen the impacts of cash transfers,” according to the 2016 review, such as better health infrastructure and communication programmes about the importance of using these services. A basic income should be a right: Experts It is “wrong for anyone to come between anyone and the resources they need”, said Karl Widerquist, associate professor at School of Foreign Service – Qatar, Georgetown University, and a proponent of the UBI. For him, the UBI amount should cover an individual’s basic needs–food, clothing, shelter–and provide a cushion for emergencies, so that people do not struggle in their daily lives. “In Utopia, published in 1516, Thomas More suggests a basic income as a way to help feudal farmers hurt by the conversation of common land for public use into private land for commercial use. In ‘Agrarian Justice’ published in 1797, Thomas Paine supported it for similar reasons, as ‘compensation for the loss of his or her natural inheritance, by the introduction of the system of landed property,’ It reappears in the writings of French radicals, Bertrand Russell, and of the the Rev. Dr. Martin luther King Jr.”, wrote Annie Lowrey in an article published in the New York Times Magazine in February 2017. A basic income would be different from a payment for work done under the National Rural Employment Guarantee Scheme (NREGS) because it does not have a work requirement, or from a payment made to mothers choosing to deliver in a hospital as the UBI isn’t for a specific category of people. It is also different from a payment made to only those below the poverty line because the income is meant for everyone, irrespective of the level of income. A universal basic income promotes “liberty because it is anti-paternalistic, opens up the possibility of flexibility in labour markets, promotes equality by reducing poverty, efficiency by reducing waste in government transfers, and it could, under some circumstances, even promote greater productivity”, said Chapter 9 of the 2016-2017, economic survey released in February 2017. UBI as an alternative to current programmes: could correct faulty targeting, reduce leakage The 2016-2017 economic survey highlights the misallocation of funds in current programmes: it concludes there is little overlap between the share of poor in a district and the share of overall funding it receives from current welfare programs, suggesting the poorest districts do not receive the most money. Share Of Poor Across Districts Supporters of the UBI point toward evidence that India’s current welfare programmes, such as the public distribution programme (PDS), have several problems including low quality in-kind products, and incorrect targeting, with many benefits reaching the non-poor and excluding the poor. The proportion of households holding ‘below poverty line’ (BPL) or Antyodaya Anna Yojana (AAY) cards, which qualify them for subsidised food from the PDS, increased from 36% to 42% between 2004-05 and 2011-12, because of an expansion of the programme, found a 2016 study by the Development Monitoring and Evaluation Office of the NITI Aayog, the government’s think tank. But “the programme has failed in efficient targeting and an increased proportion of cards have been distributed to the whole population”, and not only the poor, the study found. While 29% of BPL cardholders were poor, 71% were not poor. In contrast, about 13% of ‘above poverty line’ cardholders were poor while 87% were not, the study found. A welfare system that does not need targeting, such as the universal income, could, in theory, avoid the cost of targeting, and errors in targeting. But detractors of the UBI as a replacement for other welfare schemes point out the continuous improvement made in the implementation of such schemes. “…out of system leakage for the PDS overall could have reduced further to 20.8 percent,” from 54 % in 2004, the economic survey estimated. A cash transfer could give beneficiaries greater freedom to spend the money on what they deem important. A PDS of in-kind transfers could reduce choice of food. Rising income of households was more likely to result in dietary diversity, (for example through increased milk consumption) for those that did not have APL or BPL cards, as cardholders were more likely to depend on cheaper cereals which were part of the PDS, the NITI Aayog study found. “The transparency of a cash transfer would also reduce corruption. Everyone would know what everyone is supposed to be receiving,” said Standing, the researcher who was part of the MP basic income experiment. Proving conditionality to become eligible for transfers can be an additional burden on the poor, with many opting out because they are unable to secure the necessary documents, such as proof of income or proof of an institutional delivery, Standing added. UBI would cost 4.2% of GDP if 75% of the population received Rs 6,450 per capita per year “There isn’t much quibble about the desirability of a UBI proposal that does not come at the cost of existing social benefits (health, education and social security),” wrote Reetika Khera, an economist at the Indian Institute of Technology in Delhi, for the The Wire. But **the government currently does not have the resources to implement a basic income along with other welfare programmes, which together cost about 5% of the GDP by 2016-2017 budget allocations, the economic survey said.** The economic survey 2016-2017 pegs the cost of a universal basic income in India at 4.2% of the GDP, assuming a payment of Rs 6,450 per person per year, if 75% of the population avails of the transfer. At Rs 7,620 per year, a more apt basic income amount if only consumption levels of 2011-2012 are taken into account, the UBI would cost 4.9% of the GDP. A study on cash transfers in African countries concluded that the cash transfer would impact food consumption if the value of the transfer was at least 15-20% of the value of existing consumption. It further said that timely and predictable payments facilitate investment and better planning by households. An amount of Rs 6,450 per person per year would be equivalent to 37.5% of the 2011-2012 average yearly per capita consumption expenditure of Rs 17,159 in rural areas, and 20.4% of the expenditure in urban areas, based on data from the National Sample Survey Office. Poorer families would have lower consumption expenditure than the average. Source: National Sample Survey Organization Challenging to implement a basic income **To free money for UBI,** the **economic survey suggested removing subsidies that primarily benefit the middle and upper income population such as a subsidy for cooking gas or liquified petroleum gas (LPG), aviation turbine fuel, gold and fertilizer subsidies. India’s finance minister Arun Jaitley said a basic income programme might not be politically feasible in India, because people will continue to demand existing subsidies even after a UBI, which would be unaffordable** for the Indian economy, as reported by Livemint in June 2017. “The government could unquestionably convert fuel (LPG) and electricity subsidies into a basic income,” says Niehaus, because these subsidies benefit the wealthy, who use more fuel and electricity, more than they benefit the poor. But to replace other welfare programmes, such as the PDS, by a basic income, or to raise revenue for UBI by increasing tax rates, needs more research, he explained. Some said that the poor already receive too little. A UBI “doesn’t mean shuffling around the pittances we give the poor right now,” said Widerquist, the Georgetown University professor. Instead of removing current programmes and implementing UBI, first maternity benefits and pensions should be universalised, which would cost 1.5% of GDP, suggested Khera, the IIT Delhi economist. **It might also be difficult for people to access the UBI. More people live closer to a fair price shop than a banking correspondent or an ATM, said Niehaus, which means that accessing cash transfers might be costly for people both in terms of the money to reach a bank, and in the time spent on accessing the money.** Niehaus gives the example of a successful project in Andhra Pradesh which provided cash payments to beneficiaries of the NREGS, and pensions, through a village-based payments system. The intervention included posting a banking correspondent in every village, and taking the payments system closer to the people rather than asking them to go to a post office. “This was a big reason for people preferring cash over in-kind transfers,” Niehaus said. It would be better for the government to work with non-governmental agencies that have a local connection rather than implementing UBI alone, suggested Standing, based on his experience with the basic income pilot in Madhya Pradesh. The study found that basic income linked with activities of a local NGO “produced better results vis-à-vis families using health and education services”, and also made households less averse to taking risks. It also made the process of connecting with villagers, and convincing them to participate in the pilot easier. Not everyone wants a cash transfer A high proportion of Indians use welfare systems such as the PDS, with use growing from 27% of all households purchasing cereals from the PDS in 2004-2005 to 52.3% by 2011-12, found the NITI Aayog study. Any new system would have the ensure that all eligible beneficiaries can access the new programme. “India’s size and diversity warns against adopting a one-size-fits-all cash policy that risks leaving India’s poor with cash in hand but nowhere to spend it,” wrote Saksham Khosla, a research analyst at Carnegie India in 2017, citing factors such as “socio-cultural norms, demographic idiosyncrasies, the efficiency and presence of local markets, and access to banking facilities” as reasons why some people prefer in-kind transfers and some cash payments. For instance, he explained, a survey of rural households conducted in nine Indian states in 2011 found that nearly two-thirds of all respondents preferred in-kind food transfers over cash, as did a 2012 survey of the Mukhyamantri Balak and Balika Cycle Yojana in Bihar. On the other hand, a nationally representative household survey conducted 2016 found that about 53% of households preferred cash transfers in comparison to 29% in favour of in-kind foodgrain transfers. The economic survey also suggests a “give-it-up” option for the rich who do not want to avail the UBI, similar to the LPG scheme enacted by the BJP government. A form of self-targeting might work–the time of the rich is too valuable to go through the process of getting a small cash payment. India’s universal basic income pilot: Improved nutrition, no rise in alcohol use.

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## **UBI is inaccessible for those who need it and trades off with subsidies that allow people to survive pt. 2**

**Shah 2017** (Shreya [writer for business standard]”Basic income could empower millions, but India may find cost too high The UBI amount would be greater than all current welfare programs of the government” business-standard.com)

A group of researchers, along with the Self-Employed Women’s Association (SEWA), a trade union, implemented a basic income pilot in eight Madhya Pradesh villages (while keeping 12 villages as control villages for comparison), one tribal village and control village, and paid Rs 200 per adult and Rs 100 per child per month from June 2011 to May 2012 (between 20 and 30% of the income of lower income families there). At the end of the pilot, more households in the basic income villages had improved toilet facilities, access to better lighting and cooking facilities, household assets such as vehicles, televisions, dish TVs and furniture, greater food security, higher school enrolment, especially of girls in secondary school, fewer dropouts from school, reduction in child wage labour, and higher improvement in nutritional status of children measured by weight for age, according to the study’s findings. The cash transfers under the project were not given in lieu of other welfare programmes, such as the PDS, so the experiment cannot conclude whether cash is better or subsidies, the authors cautioned. The basic income also resulted in slightly lower borrowing for hospitalisation, and smaller increases in general debt of the household. In the tribal villages, the basic income enabled small farmers to invest extra funds into seeds and fertilizers, and spend more time on their own farms, rather than working on other people’s farms. The basic income also led to higher consumption of fresh vegetables and milk. The change in consumption was greater in tribal households, which reported a substantial rise in consumption of more nutritious food such as pulses, vegetables, eggs, fruits, fish and meat, according to the study. Contrary to popular belief, use of alcohol did not rise in either the general or tribal households. Further, instead of making people lazier, households receiving basic income had nearly 32% higher odds of working more hours than households not receiving the payments. Several countries are implementing UBI pilot programmes There is no country which provides a universal basic income, but the state of Alaska, in the United States, since 1982, provides all its citizens, including children, a permanent dividend from mining income to the state. Each person received $1,884 in 2014 and $2,072 in 2015. In 2016, Switzerland voted against a proposal to provide a basic income to every Swiss and foreigner who had resided in the country for five years, The Guardian reported in June 2016.

## **UBI is championed as being the ultimate answer, however it only places a thin veil on more intensified poverty without any support to escape**

**CHANG 2017** (Clio [staff writer at The New Republic] “What Mark Zuckerberg Gets Wrong About UBI” New Republic)

Like other tech moguls dabbling in politics, the Facebook founder has shown little interest in actually shoring up the welfare state. It’s no secret that tech bros love universal basic income. Sam Altman of Y Combinator is funding a UBI pilot program in Oakland, California, in part because he was inspired by Star Trek. Tesla’s Elon Musk supports the policy because he realizes that the aggressive automation caused by the tech industry will make UBI “necessary.” This week, as part of his “I’m-not-running-for-president” tour around the country, Mark Zuckerberg visited Homer, Alaska, which resulted in him writing a Facebook post lauding the merits of the state’s Permanent Fund as a model for a national form of basic income. UBI, a concept that dates back centuries, is the idea that every person should receive some amount of money so that no one dips beneath a basic standard of living. For those on the left, it’s seen as an alternative to our country’s woefully limited cash welfare system. For libertarians, a basic income is lauded as a slimmer, less intrusive way to deliver government benefits. It is the rare utopian idea that people of different political stripes can agree on—Zuckerberg himself made sure to note the “bipartisan” appeal of the policy in his post. But Zuckerberg reveals exactly why the left should be alarmed that Silicon Valley is taking the lead on this issue. First, **the idea that UBI has bipartisan appeal is disingenuous. The left would have a policy that redistributes wealth by funding UBI through a more progressive tax scheme or the diverting of capital income. But libertarians like Charles Murray argue for a UBI that completely scraps our existing welfare state, including programs like Medicare, Medicaid, and housing subsidies. This would be extremely regressive, since money currently directed towards the poor would instead be spread out for a basic income for all. And certain benefits like health insurance can’t effectively be replaced with cash.**Zuckerberg’s advocacy of UBI “bipartisanship” starts to look more like a veiled libertarian agenda. Second, Zuckerberg asserts that Alaska’s Permanent Fund—which uses the state’s oil resources to pay a dividend to each Alaskan and is seen as one of the few examples of an actual UBI-like policy—is advantageous because it “comes from conservative principles of smaller government, rather than progressive principles of a larger safety net.” But a UBI policy can only reflect small government principles if one envisions it eating into the country’s existing welfare state, rather than coming on top of it. In this respect, Zuckerberg’s advocacy of UBI “bipartisanship” starts to look more like a veiled libertarian agenda. This attitude echoes other pro-UBI tech lords like Altman, who sees basic income as providing a “floor” but not a ceiling. In his ideal scheme, no one will be very poor, but people like Altman will still be free to get “as rich as they fucking want.” The tech vision of the world is one where it can wash its hands of the rising joblessness it will generate through automation, but where those at the top can still wallow in extreme wealth. As Altman told Business Insider, “We need to be ready for a world with trillionaires in it, and that’s always going to feel deeply unfair. It feels unfair to me. But to drive society forward, you’ve got to let that happen.” **This is deeply telling of the tech UBI mentality: driving society forward doesn’t mean reducing inequality, but rather fostering more entrepreneurship. The former is viewed as unnecessary and the latter as an inherent good.** Zuckerberg also compares Alaska’s Permanent Fund to running a business—a very specific one: Seeing how Alaska put this dividend in place reminded me of a lesson I learned early at Facebook: organizations think profoundly differently when they’re profitable than when they’re in debt. When you’re losing money, your mentality is largely about survival. But when you’re profitable, you’re confident about your future and you look for opportunities to invest and grow further. Alaska’s economy has historically created this winning mentality, which has led to this basic income. That may be a lesson for the rest of the country as well. The idea that a “winning mentality” is what is going to lead to a basic income in the United States reveals how little Zuckerberg understands about politics. This is a pervasive ideology among tech leaders, who believe the lessons that they have gleaned from their own industry are applicable to all of the country’s problems. But remember the last time a disrupter said he was going to step into the political arena and run our country like a business? Remember the last time a disrupter said he was going to step into the political arena and run our country like a business? **For moguls like Zuckerberg, there is never any deep consideration of, say, the fact that racism, sexism, and classism are deeply intertwined with our country’s policies and are some of the biggest obstacles to implementing a highly redistributive policy like a UBI. Nor is there any attempt to consult with lifelong organizers and activists on the issue. At the end of his post, Zuckerberg states that the “most effective safety net programs create an incentive or need to work rather than just giving a handout.” This echoes the “personal responsibility” rhetoric that drove workfare policies in the 1990s, which ended up kicking millions of people off of welfare rolls, leaving them in extreme poverty. The line also directly undermines the push for a UBI,** which is quite literally a handout that can help liberate people from the “need to work.” It would appear that Silicon Valley’s support for a basic income comes from self-interest. As Jathan Sadowski writes in the Guardian, “the trouble comes when UBI is used as a way of merely making techno-capitalism more tolerable for people, when it is administered like a painkiller that numbs the pain and masks the symptoms of economic injustice without addressing the root causes of exploitation and inequality.” Tech moguls may seem like tempting allies for UBI advocates, but their vision of an ideal social safety net does not look anything like the left’s. If it did, they wouldn’t be pushing just for a basic income, but also for things like universal health care, free public education (not just for engineers!), and strong labor unions. For Silicon Valley, UBI is a sleek technological means to a very different end.

**EXTRA READING FOR THE NEGATIVE**

**JAUHIAINEN and MÄKINEN 2017** (Antti and Joona-Hermanni [co-directors of Parecon Finland, an economic think tank, and the authors of the upcoming book “Hyvinvointivaltion vastaisku”] “The Welfare State Strikes Back. Why Finland’s Basic Income Experiment Isn’t Working” )

**Morales 2015** (Leticia [Institute for Health and Social Policy and Faculty of Law, McGill University, Canada] “The stability of basic income: a constitutional solution for a political problem?” Journal of Public Policy (2016), 36:4, 521–545 © Cambridge University Press, 2015)

**Sawhill 2016** (Isabel V. [Senior Fellow - [Economic Studies](https://www.brookings.edu/program/economic-studies/), [Center on Children and Families](https://www.brookings.edu/center/center-on-children-and-families/)] “Money for nothing: Why a universal basic income is a step too far” Brookings.edu)

**Shah 2017** (Shreya [writer for business standard]”Basic income could empower millions, but India may find cost too high The UBI amount would be greater than all current welfare programs of the government” business-standard.com)

**CHANG 2017** (Clio [staff writer at The New Republic] “What Mark Zuckerberg Gets Wrong About UBI” New Republic)