FORTUNE

What it Takes To Get Workers to be Their Most Creative

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At a Future of Work <u>conference in Zurich</u> last week, much of the discussion turned, intriguingly, to a day when lots of people might choose not to work at all.

Or at least they might not do so in the way that many of us currently define "work."

"Most people in this world are doing work that they really would rather not do, but they have to do," Robert Reich, the former U.S. Labor Secretary, told an audience of about 300 or so. "Can't a rich country aspire to give more of its citizens the possibility of doing less of what they don't want to do and more of what they do want to do? Obviously, the answer should be, in my view, yes."

Perhaps, Reich continued, people "want to write music, or maybe they want to invent, or maybe they want to do something that is very deeply inspiring to them," like volunteering. But they can't, he noted, because they're totally dependent on pay from their employer.

As articulated by a striking array of voices in Zurich—including those from the Roosevelt Institute on the left and the Cato Institute on the right—the most effective approach for people to have more choice is through a mechanism that I've <u>written about before</u>: a universal basic income. Under such a plan, the government would give everyone, unconditionally, a slug of cash to cover his or her essential needs.

Whether you embrace this concept will likely hinge on what you fundamentally believe about human nature. Would most people on a basic income sit around and do nothing? Or would the vast majority seek a sense of purpose and fulfillment by being highly productive—in many cases, by doing wonderful things that we might not be ready to call "work" today?

My bet is squarely on the latter—and it's why I think that the idea of a basic income will ultimately move from the fringe to the fore.

Next month, <u>Switzerland will vote</u> whether the country should provide people with a monthly basic income—an as-yet-unspecified amount (to be figured out later by parliament) that will allow them "to live in a dignified manner." Meanwhile, parts of the Netherlands, Finland, and Canada are <u>starting to experiment</u> with similar schemes.

In the United States, the startup incubator Y Combinator <u>is sponsoring</u> a five-year research project to see if a basic income makes sense in a nation that cherishes individual freedom but, at

the same time, completely <u>overhauled its welfare system</u> two decades ago to try to push people into gainful employment.

Two factors are driving the basic-income movement. First, there's the fear that rapidly advancing technology is going to kill many more jobs than it will produce. Why not turn that problem on its head and unleash people to be more creative, especially if the robots are going to handle all of the menial tasks anyway? Second, there's a strong feeling that the developed world is enjoying an era of great abundance; it's just not being shared appropriately.

A host of sticky issues remain. How would a basic income be funded—with a broad-based consumption tax or a financial-transactions tax or through some other source? How basic is "basic"—just enough money to leave a recipient who has no other sources of remuneration right at <u>the poverty line</u>, or a sum that equates to a more generous <u>"living wage"</u>? Do you keep most other social safety-net programs intact, or should a basic income replace them all?

Yet as difficult as it will be to sort out the financing and framing, another question looms just as large: Can we reimagine what it means to be a contributing member of society?

"What is life for?" asks Andy Stern, the former president of the Service Employees International Union. "It could be doing something in the community or with family or for personal enrichment. All of that is 'working'—but not in a 'job' as we think of it."

The key to capitalizing on this tremendous "untapped opportunity," Stern told me, will be to "separate income and jobs. They're two very distinct things."

Of those in Zurich advocating for a basic income, Stern was arguably the most surprising, at least on the face of it. As a leader of organized labor, he spent a long career tightening the link between jobs and income by trying to make sure that the SEIU's rank-and-file—janitors, home healthcare workers, and security guards—were better and better compensated by their employers.

But Stern, who has just <u>written a book</u> promoting basic income called Raising the Floor, had an epiphany when Obamacare was signed into law. "I thought about how many hours I had spent at the bargaining table, and then in one fell swoop <u>20 million</u> got healthcare," he says.

In the same way that this single piece of legislation has made so many people stop worrying about what would happen if they got sick, Stern suggests, a basic income would allow folks to stop being so anxious about where their next paycheck is coming from. And that would liberate them to tackle all sorts of pursuits, including the entrepreneurial and the artistic. (Many, of course, would continue to work for a regular employer to supplement their basic income, but they'd still have much more flexibility than they do now.)

"I'm really curious," Stern says, "what would that security guard do? Who are the philosophers and the dreamers?"

There are plenty of critics who dismiss all of this as a <u>utopian fantasy</u>. Others hate that under a basic income, the lazy and irresponsible would benefit. In fact, proponents need to acknowledge

that some of the money is inevitably going to be handed "to the beach bums," remarked Yanis Varoufakis, the former Greek Finance Minister, who favors a basic income.

Because of these and other concerns, the Swiss referendum isn't expected to pass. But it is an important milestone nonetheless, as more and more people begin to reconsider what constitutes "work"— and who should pay for it.