



Americans deserve economic security, not anxiety

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Since Election Day, Americans have become more anxious than ever. People from across the political spectrum are concerned about each successive appointment announced by Donald Trump's incoming administration. Analysts and individuals are concerned by the influence of fake news and anticipated rollbacks in legislation ranging from healthcare to climate change to highway safety.

Whether they are U.S.-born residents or immigrants, Americans are concerned about what changes lurk in the new year. The greatest concern of all is an economy that has failed to open opportunities for working people—an economy on a path that threatens to leave all of us behind. Welcome to the United States of anxiety.

For far too many families, America has lost its promise. Only one in four Americans call the economy “excellent” or “good.” Nearly one in four lower-skilled men aged 21 to 30 have not worked in the last 12 months. Nearly half would need to take out a loan or sell something in the face of a \$400 expense. Moreover, 58 percent of Americans no longer believe in the American Dream. This is all little wonder when a single unexpected bill could mean financial collapse.

At the same time, the automation and technological advances that have helped make our society more efficient, enabled us to communicate and operate at light speed, and shaped the way we live have also signaled the end of an era of basic job security and peace of mind for many working people. While we have recovered from the Great Recession and experienced a historic 81-month streak of private-sector job creation under President Obama, there are still significantly more low-wage jobs now as a share of employment than ever before.

In the words of Buffalo Springfield, “There’s something happening here. What it is, ain’t exactly clear.” What is clear is that the jobs of today are unlikely to be around tomorrow. For all the talk

of international trade leading to job loss bandied about on the campaign trail in 2016, the bulk of jobs lost in America is actually due to automation.

As much as 45 percent of the activities individuals are paid to perform can be automated by current technologies, representing a potential loss of \$2 trillion in annual wages in the U.S., according to research by McKinsey & Company.

This month, Amazon announced plans for “checkout-free” retail food stores that replace cashiers with sensors. Transportation services companies from Uber to Otto have openly discussed how autonomous or “driverless” vehicles will be the norm in the near future. We know the tsunami of potential labor market disruption and despair for working people is coming.

After 38 years as a union member and 14 years leading the Service Employees International Union at the height of its influence, I’ve spent my life committed to helping working people. The best solution for maintaining economic security and rebuilding the American Dream is an old one: universal basic income.

Thomas Paine, Martin Luther King, Milton Friedman, John Kenneth Galbraith, Charles Murray, Angus Deaton and Robert Reich have all advocated for a basic income. So have countries ranging from Finland to the Netherlands, from Namibia to Canada. Organizations such as Y Combinator, GiveDirectly, the Cato Institute and the Roosevelt Institute have been actively debating or experimenting with the idea.

This month, I was proud to help launch the Economic Security Project, a two-year initiative to connect big thinkers in this area to resources so they can explore how we might design and implement a recurring cash payment program.

Sooner than we think, the shifts resulting from automation and digital innovation will hit all of us, including college-educated professionals, harder than we can imagine. The nature of work itself is changing from the employer-managed model of our fathers’ and grandfathers’ economies to a self-managed economy where major companies may no longer directly employ its producers or own property.

Already today, Facebook, the world’s most popular media company creates no content. Alibaba, the most valuable retailer, owns no inventory. AirBnB, the world’s largest provider of accommodations, owns no real estate. Uber, the world’s largest taxi company, owns no vehicles. The list goes on.

These forces of change are not stopping, nor should they. But if we want to address the concerns of working people in America—if we want to move away from a perpetual state of anxiety—we need dramatic change. That conversation should start now.

We know we have more questions than answers about universal basic income at the moment. But we also know we need to think outside the box if we want to renew our economy so it works for all of us. Through the Economic Security Project, we’ll work with people from a full range of perspectives to learn more about how existing programs, such as the Alaska Permanent Fund,

might be a model for a national fund. This will help us gather lessons from international efforts and research how we might pay for it here in America.

Trump's election shocked the world because it was so unexpected among elites and analysts. But it also shined a blinding spotlight on the plight and concerns of the working class voters who ensured his ticket to the Oval Office. It's time we listened.