



## **Universal Basic Income and Radical Populism: Making the Link**

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What are we utterly wrong about today? Think of the way we look back at practices like slavery and colonialism that were so commonly accepted in their time but were later rejected as offenses against basic morality. What is it about our time that will be recalled, centuries from now, with as much opprobrium and amazement? What do we take for granted that our descendants will renounce?

A good candidate is our general acceptance of extreme economic inequality—not so much extreme wealth, but extreme poverty. In a world as wealthy as ours, how can we still allow so many to exist in conditions of abject poverty?

In fact we are already on our way toward eliminating poverty. Much of the credit goes to China, where the number of those in extreme poverty dropped by 680 million between 1981 and 2010, from 84 percent of the population in 1980 to 10 percent today.

What about the rest of the world? Linda Oiu of PolitiFact writes: “According to the World Bank, 1.9 billion people (or 37.1 percent of the global population) lived on less than \$1.90 a day in 1990, compared to a projected 702 million (9.6 percent) in 2015. That’s a 74.1 percent decline in 25 years.”

What will it take to eliminate the poverty that remains? Given enough time, market forces might be sufficient. But another approach could accelerate the process: a guaranteed basic income.

Before rejecting this idea out of hand as a lefty redistribution scheme, consider that it has support from conservatives from Milton Friedman to Charles Murray. While hardly in the mainstream yet, the concept of a guaranteed basic income has a long history, and it is gaining adherents around the world.

### **A Utopian Notion**

The idea goes all the way back to Thomas More’s Utopia, published in 1516. And that is part of its problematic legacy: It seems so utopian. French philosopher Nicolas de Condorcet proposed a form of “social insurance” at the time of the French Revolution ... but he was imprisoned and sentenced to death. Thomas Paine, a political activist and a founding father of the United States,

took up his friend's cause, writing in 1796 that payments should be made "to every person, rich or poor," "because it is in lieu of the natural inheritance, which, as a right, belongs to every man, over and above the property he may have created, or inherited from those who did."

But even if this baffling and seemingly wasteful notion that payments should go to the rich as well as to the poor was easy to accept, its implementation was not. It turns out that trying to decide the difference between the rich and the poor, and who is therefore deserving of payments and who is not, is more difficult than it might first appear. Indeed, "means testing" requires a massive and expensive bureaucracy. As Matt Zwolinski puts it in a paper from the Cato Institute:

"Conditions are put on welfare in order to ensure that assistance goes to the deserving poor, and not to the undeserving. But distinguishing between the deserving and undeserving is difficult business, and requires a variety of invasive, demoralizing, and degrading inspections into the intimate details of applicants' lives. 'Fill out this form, tell us about that man you live with, pee in this cup, and submit to spot inspections of your home by our social workers, or else.'"

For those on the right, the main appeal of a basic income is the prospect of eliminating the welfare state bureaucracy and thereby reducing the size of government.

### **Three Waves**

During the 20th century there were three discernible waves of interest in basic income. The first wave started early, with philosophers and authors from Bertrand Russell to Virginia Woolf writing about the idea without actually giving it a name. In the United States, "share the wealth" was set to be a central plank in Huey P. Long's run for presidency in 1936 before his assassination in 1935. (Is this idea cursed?)

After the first wave of interest subsided, a second wave began in the 1960s. U.S. President Lyndon B. Johnson declared a "war on poverty." The Canadian government published several reports on "guaranteed annual income" in the 1970s. President Nixon supported a "negative income tax." In 1971, the U.S. House of Representatives passed a version of the negative income tax, but it failed in the Senate by 10 votes. (Cursed again.) By the time Ronald Reagan and Margaret Thatcher came to power in the 1980s, the second wave had subsided.

The third wave originates in Europe. A group of academics and activists interested in the idea of basic income created the Basic Income European Network, which internationalized itself in 2004 and became the Basic Income Earth Network. "Yet, as late as the 2000s, UBI [universal basic income] was so far out of the political mainstream that the movement felt more like a discussion group than a movement," writes Karl Widerquist in a 2016 paper titled "Basic Income's Third Wave." Widerquist continues: "To people who weren't paying any special attention, the third wave became visible in 2015 or 2016. Volunteers at Basic Income News had been noticing substantial increases in mainstream media attention every year since at least 2011."

### **Solution and Opportunity**

Michael Howard, coordinator of BIEN's U.S. branch, writes about his experience with the movement on the BIEN website:

During these roughly 25 years, I have seen basic income move from a novel idea, under discussion by academics and a few visionary activists in response to unprecedented changes in our world, to a policy idea being tested in South Africa, Brazil, the Netherlands, Finland, Switzerland, India, and Canada, and on the radar of mainstream policy makers in the US like Robert Reich and even President Obama.

Why the sudden increase in interest in an idea that's been around, as we've seen, for such a long time? Has the curse been lifted? The answer to this question is not simple. It is multifaceted, and precisely in its multiplicity lies its intrigue. Further from the BIEN website:

Many reasons have all been invoked in Basic Income's favor, including liberty and equality, efficiency and community, common ownership of the Earth and equal sharing in the benefits of technical progress, the flexibility of the labor market and the dignity of the poor, the fight against inhumane working conditions, against the desertification of the countryside and against interregional inequalities, the viability of cooperatives and the promotion of adult education, autonomy from bosses, husbands and bureaucrats.

To which we could add better parenting. Think about the unwed mother who will not have to look for that second or third job but will instead now have more time for her children.

Part of the excitement animating current interest in basic income lies in the fact that we still don't know what unpredictable consequences might come from its implementation. Would people use free cash to smoke pot and play video games? Or would they use their cushion of security to pursue riskier occupations in art or education? We simply don't yet know what might emerge from a range of tests about to get underway.

In addition to our ignorance, another part of the excitement animating current interest in basic income lies in a sense of urgency. Thought leaders like Elon Musk worry that advances in artificial intelligence, automation and robotics are about to put millions of people out of work. Futurists have worried in the past about the prospect of technology leading to unemployment. What would people do with all of their leisure time? In the past, their concerns were misplaced; new technologies created new and better jobs. But this time, Musk and others worry, the machines are getting so smart, mere humans may soon be redundant.

The prospect of looming unemployment is a problem to which basic income is not just an economic solution but a more radical opportunity. "Basic income is about wanting to embrace automation," said Albert Wenger, a partner at the venture capital firm Union Square Ventures. In a FiveThirtyEight essay titled "What Would Happen if We Just Gave People Money?", Andrew Flowers reports:

"Wenger wants less time spent on tasks that could be automated and more time spent on issues he thinks are insufficiently addressed: fighting climate change, exploring space, preventing the next global pandemic. Like the backers of basic income in Switzerland, he thinks providing for basic needs will allow innovation to flourish. With a basic income, he said, 'you're put in charge of your time. You'll have 100 percent of your time available to you.'"

So the concept of a universal basic income is not just the solution to the problem of poverty and unemployment. Precisely in the multiplicity of its rationales and implications, it holds out the

prospect of a radical paradigm shift in the way we understand the relationships among work, wealth and human flourishing.

Andrew Flowers also writes about Daniel Straub, one of the backers of a failed movement to initiate a basic income in Switzerland:

“Everyone, rich or poor, employed or out of work would get the same amount of money. This arrangement would provide a path toward a new way of living: If people no longer had to worry about making ends meet, they could pursue the lives they want to live ... ‘We limit ourselves too much,’ Straub said. ‘I’m interested in consciousness, expanding consciousness. And basic income is a wonderful tool for that — it challenges a lot of assumptions we have.’”

As expansive as Straub’s hopes may be toward higher human potential, it’s worth also noting how the implications of a basic income come down to earth to the fundamentals of geopolitics. Writing about Guy Standing, a British economist who co-founded BIEN, Flowers continues in his *FiveThirtyEight* essay:

“Basic income, Standing says, is more than good policy. He calls it ‘essential,’ given that more and more people in developed economies are living ‘a life of chronic economic insecurity.’ He sees this insecurity fueling populist politicians, boosting far-right parties across Europe and the rise of Donald Trump in the U.S. Economic stagnation increases the appeal of extreme politicians, and unless those insecurities are addressed, Standing said, that appeal is only going to get stronger.”

From a Dec. 17 *New York Times* article about a basic income experiment in Finland, we learn:

“The search has gained an extraordinary sense of urgency as a wave of reactionary populism sweeps the globe, casting the elite establishment as the main beneficiary of economic forces that have hurt the working masses. Americans’ election of Donald J. Trump, who has vowed to radically constrain trade, and the stunning vote in Britain to abandon the European Union, have resounded as emergency sirens for global leaders. They must either update capitalism to share the spoils more equitably, or risk watching angry mobs dismantle the institutions that have underpinned economic policy since the end of World War II.”

This brief column can’t begin to get into the issue of how universal basic income can be financed—that is a whole other subject. But a swing through the literature on basic income, plus a hard look at the imminence of technologically induced unemployment — according to a study from Oxford University and the Martin School, “47 percent of jobs in the US are ‘at risk’ of being automated in the next 20 years” — should be enough to explain why Jennifer Broadhurst wrote in *The Christian Science Monitor* just last week, “When it comes to ideas moving from the fringes to the political mainstream, this is one that is making the journey.”