

Introduction

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A few years ago, the idea of a universal basic income was widely dismissed as eccentric, as little more than a utopian pipedream. Since then, there has been a significant upsurge in interest, taking the idea from the fringes and up the political agenda in a number of countries.

A universal basic income (UBI) would see a tax-free, unconditional and non-contributory weekly income paid to every individual as of right, irrespective of how much they earned or their work status. Aimed at guaranteeing a no-strings-attached minimum, secure income for all, whatever their circumstances, a UBI would aim to replace at least part of existing national social security systems and would involve a profound revolution in the way income support is organised in most countries.

In the case of the UK, it would constitute a significant extension of the universal model of welfare and, by lowering dependency on means-tested benefits, would relieve the problems of low take-up, the poverty trap and stigma associated with the current system.¹ It would be cheaper to administer, and would save large sums currently spent on processing claims, policing benefit claimants and assessing eligibility.

The idea of a UBI has a long pedigree. The earliest known debate on its essential principles came in 483BC with the discovery of a rich seam of silver in ancient Athenia. The find triggered an intense public discussion about how the potential revenue stream should be spent. One proposal was that it should be distributed among all 30,000 citizens in a regular and equal

citizen's dividend, a move that would have transformed the nature of Athenian society. In the event, the Athenian Assembly voted against the path-breaking idea and, instead, the windfall was used to expand the Athenian navy.²

In 1516, the social philosopher, Thomas More, floated the idea of a regular basic income as of right in his fictional fantasy Utopia. In 1797 the British-born champion of democracy, Thomas Paine, called for every person to be paid, at the age of 21, a sum of £15 and for those over 50, the sum of £10. 'It is a right', he emphasised, 'and not a charity'.³ This sum, he argued, would come from a national fund financed from a charge on the ownership of land, thereby ensuring that part of the benefit of that ownership would be shared among all citizens.

Over the last century, a long list of leading economists, politicians and campaigners, of diverse views, have backed some form of basic income. They include Bertrand Russell, James Meade, JK Galbraith, Friedrich von Hayek, Martin Luther King Jr, Paul Samuelson, James Tobin, Milton Friedman and Charles Murray, a list that includes six Nobel laureates. More recently, Barack Obama has said it will be a central policy debate of the next two decades, while a host of Silicon Valley business magnates - including Facebook's Mark Zuckerberg - are also converts, some of them backing it through their own pockets. Sam Altman, head of the start-up incubator Y Combinator, is financing a UBI experiment in California and eBay founder Pierre Omidyar, is investing \$500,000 in an experiment in Kenya.

Significantly, and unusually for such a radical idea, UBI has gained support from pro-marketeters such as Hayek and Friedman as well as social democratic egalitarians such as Meade and Galbraith. In the UK there is longstanding support from the Green Party while the 2016 SNP conference gave it backing and the Labour Party is studying its potential.

The current groundswell of support follows a number of earlier waves of interest. The first of these came after the First World War with several UK thinkers calling for some version of a basic income as a way of tackling the severe economic insecurity of the inter-war years.

The next wave came in the second half of the 1960s in response to the call in the United States for a negative income tax (NIT) system by Milton Friedman. NIT and basic income are very different concepts. While a basic income is guaranteed, non-deductible and paid to individuals, a NIT is a means-tested system, paid to households and operated through the tax system. Nevertheless, both can deliver identical or very similar results, though through very different mechanisms, and embracing different underlying philosophies. A proposal for a form of NIT came very close to being implemented by President Richard Nixon in 1972. In the 1970s, there were four trials of local NIT schemes in the US, and one in Canada called Mincome. The third wave followed the 1986 formation of the cross-European (and later cross-world) network of supporters - BIEN (the Basic Income Earth Network) - which helped to build a basic income movement that spanned countries.⁴

Despite the ongoing interest, and two further trials - in Namibia in 2009 and in India from 2009-13 - only two variants of a scheme have been implemented on a permanent basis: in the state of Alaska in the early 1980s and in Iran in 2010. These offer very contrasting approaches, and both were implemented under somewhat special circumstances. Alaska has paid an equal annual social dividend (from \$400-\$2,000) to all citizens for the last 30 years, effectively implementing a variant of the idea floated in Athens 2,500 years ago and paid for from an oil-financed permanent wealth fund. Although this 'social dividend' approach - known as the 'third rail of Alaskan politics' - takes the form of an annual and not a weekly or monthly payment, it has proved hugely popular and, significantly, has helped ensure that Alaska is one of the most equal of US states.⁵ In 2010, Iran adopted an alternative approach - a nationwide, if modest, basic income also financed from oil revenues. The scheme was introduced to compensate for the withdrawal of generous fuel price subsidies.⁶

Nevertheless, despite the limited application to date, the principle of making payments to citizens as of right already exists in many social security systems. In the UK, child benefit is, in

essence, a basic income for children.⁷ The new flat-rate pension system – introduced in 2016 – bears some comparison with how a citizen's income could work, though low income pensioners are still entitled to receive means-tested pensioner credit.

The fourth wave

Today, we are in a fourth wave, one that emerged following the 2008 Crash and has been gathering pace over the past few years. This latest surge in interest can be seen most powerfully in the trials currently underway in Finland, Canada and the Netherlands. Although these trials, which began in 2017, have their critics – and mostly fall short of being full UBI experiments – they have fuelled momentum behind the idea.

This new wave is being driven by a variety of factors. The first of these has been the disruptive impact of ongoing social and economic change, from de-industrialisation to austerity, all contributing to significant shifts in the nature of work. For a growing proportion of national workforces, job markets have become much more fragile, leading in many countries to a stagnation in living standards and a sharp rise in in-work poverty.

A second driver has been growing concern about the impact of the 'new machine age'. The likely impact of the robotic revolution – from 3D printing and algorithms to driverless cars and machine-driven journalism – is hotly debated. Several studies have predicted that a significant proportion of today's jobs could be automated over the next two decades.⁸ Others accept that we are on the cusp of an IT revolution, but argue that the effect will be weaker than widely predicted.⁹ The full scale of the impact is inevitably uncertain, and there are big questions about how companies will adopt these new technologies in practice. What is likely, however, is widespread and prolonged job upheaval at every level – just think of the impact of prolonged deindustrialisation on livelihoods – from manual work through to the professions, as complex decisions are made better and faster by machines. What is likely is an even more polarised workforce, with, in particular, middle-paid jobs replaced by poorly-paid ones.

Added to this, the current system of social security – originally designed for a very different post-war world – is poorly equipped to deal with the growing insecurity and polarisation of the 21st century. In the UK and elsewhere, it has become more heavily reliant on means testing and less on universalism. In recent times, there has been an increase in the level of conditionality, with the obligations imposed for receipt of benefits often operated in a punitive and intrusive way.

By cushioning citizens from today's great winds of change, a UBI would be an effective tool for tackling growing economic risk. With its built-in income guarantee, it would bring a more robust safety net in a much more precarious and fast-changing work environment and would lower the risk of poverty among those in work. It would boost the universal element of income support, reduce dependency on means testing and bring an end to policing and sanctioning.

Despite the risk of significant disruption, the robotic revolution may have an important upside – a potentially sizeable productivity dividend (although it is yet to appear) and thus potentially new social and economic opportunities.¹⁰ But the risk is that such gains would be colonised by an elite of financiers and technologists leading to another hike in inequality along with a weakening of demand. In 1931, in *The Economic Possibilities for Our Grandchildren*, J.M. Keynes predicted that by 2030, the growth of productivity would have created a society sufficiently rich that most people would choose more leisure and less work. In the event, Keynes was right about technological progress, but wrong about leisure.

The new technological revolution opens up a possible route to the vision set out by Keynes. If the productivity boost from automation turns out to be as significant as some predict, and the fruits are harnessed for the benefit of all, there is the possibility of a fairer and less harassed society. But this vision can only be realised if any productivity gains are more equally shared, one of the great policy challenges of the future. One of the strengths of a UBI is its potential to help move to that vision, by ensuring redistribution from the winners of the tech revolution to the

rest, and helping to realise the new potential for choice offered by the new technology. Indeed, a basic income is part of the answer to the growing search for models of 'inclusive growth' in which the gains from economic progress are shared by all and not colonised by capital.

However, a UBI is not just about finding a practical solution to the rise of precarity and accelerating automation. Indeed, one of its galvanising forces has been the way a UBI would transform the nature of choice. Central to a UBI is that it is non-prescriptive: it would offer people greater flexibility between work, leisure (and let's not confuse leisure with idleness), education and caring. It offers everyone greater freedom and autonomy, progressive changes with transformative potential.

Some might choose to work less or take longer breaks between jobs. Others would be incentivised to start businesses, perhaps strengthening the potential of the gig economy. Some might take time to retrain, while others might devote more time to leisure, personal care or community support. Such a boost to choice has the potential to produce more social value, if currently unrecognised, than some paid work. To make this explicit, it is time that the national accounts recognised the economic contribution of such activity.

Implicit to the idea is that all lifestyle choices would be equally valued. A UBI would value but not over-value work. A UBI would, for the first time, both acknowledge and provide financial support for the mass of unpaid work from childcare to voluntary help - disproportionately undertaken by women and of significant, but too often unacknowledged value. As a UBI is paid to individuals, the opening up of greater choice would be especially beneficial to women. By providing basic security, a UBI would also help boost labour's greatly depleted bargaining power with employers, offering more choice over what jobs to take, and opening up the possibility that employers would need to offer jobs, that in the phrase of Bertrand Russell, are 'not disagreeable'.¹¹

The precise impact on work patterns and pay is unpredictable. A UBI would, over time, change behaviour, possibly significantly, and the results of the national pilots will provide important new

evidence of these dynamic effects on employment, earnings, and working age poverty. The net effect, supported in part by evidence from earlier pilots, is more likely to promote than weaken the incentive to work, as well as acting as an inducement to earn more. Indeed, incentives would be stimulated by lowering dependency on means testing.

Of course, there is no single model of UBI on offer. Advocates come from very different perspectives and levels of ambition. Most supporters accept that a UBI is not a silver bullet that would solve all today's problems, but see it as a source of empowerment that could lead to better work for many, while taking the sting out of a much more precarious and insecure future. They view a UBI as aiming to tackle the greater risks of a weakened labour market, not to promote an end to work.

Some see UBI as a way to rejig the present tax and benefit system to make it more progressive and build a firmer floor. The libertarian right see it as a substitute for large parts of existing welfare systems. A small group advocate basic income as an essential element of a utopian 'post-capitalist', 'post-work' world, well beyond the Keynesian vision.¹² Another approach - which can be traced in particular to Thomas Paine and, in the 20th century, to the work of James Meade¹³ - sees UBI as part of a package of progressive reforms that would aim to fund a generous scheme as part of a wider socialisation of the economy. In this model, UBI would take the form of a regular 'social dividend' - 'a people's stake' - paid from a collectively owned citizen's wealth fund formed at least in part from the better management of common assets. It is this approach that underpins the Alaskan social dividend.

Such an approach would be transformative and derives from the principle that a large part of modern physical and social wealth is inherited - 'gifts of society as well as nature' - and should be held in common with the benefits equally shared.¹⁴

Currently the only one of these models really on the political agenda is the first and, despite the recent surge in interest, the idea of a UBI remains highly controversial. Left and right supporters, for example, have very different visions. Left

advocates view such a scheme as part of a strong state, as a way of securing a robust income floor, of tackling poverty and as a means of promoting equal citizenship. They are clear that a UBI must be seen as a supplement to the wider public provision of services and not as a substitute.

The libertarian right, however, mostly favour a basic income as an opportunity to sweep away other forms of social protection and some welfare institutions. In both Milton Friedman and Charles Murray's formulations, it was designed to replace the bulk of America's welfare programme, and allow market forces much freer rein.¹⁵ The support coming from Silicon Valley enthusiasts, many of whom are driving the new gig economy and stand to gain substantially from the technological revolution, comes with a mix of motives. While some of these innovators see the idea as essential to create a fairer society, others favour it as a way of defusing potential opposition to the march of automation, or as a substitute for parts of the existing welfare structure. These contrasting positions are incompatible and it is inconceivable that a scheme could be devised that satisfied both sides.

But the idea of a UBI is also a 'Marmite issue' within the left. Opponents claim it is unaffordable and would undermine the work ethic, and are against the removal of conditions from the receipt of benefit. There is also concern about the shift in emphasis from the post-war principle of national insurance based on contributions and the sharing of risk, and how far 'a no strings attached' payment would gain a similar level of public buy-in. Left enthusiasts, on the other hand, claim that a modest scheme is affordable, that a UBI paid as a right would enhance freedom and promote greater social justice by the creation of a robust income floor, while conditionality is much less appropriate in an age of growing uncertainty. For them, it is a profoundly democratic and egalitarian concept, based on a recognition that all citizens have the right to some minimal claim on national income.

The contributions

All of these issues are covered in the chapters that follow. The chapters come from a diversity of contributors, offering a great range of views and insights from Canada, Uganda, Kenya and India as well as the UK, US and continental Europe. While most contributors favour some kind of UBI, though with differences of emphasis, and sometimes with questions, there are also a handful of voices making the case against.

Part I presents the multifaceted case for a UBI. Silicon Valley's Martin Ford sees a UBI as the only 'viable solution' to the impact of artificial intelligence. Eduardo Rodriguez-Montemayor, at Paris-based INSEAD, sets out the 'empowerment' arguments. Chris Oesteriech, founder of America's 'Wicked Problems Collaborative', shows how a UBI would provide 'financial padding for future downturns'.

Sharing his own experience of building a career, the musician and composer Brian Eno argues that a basic income would help to nurture and support creativity. For musician Toby Deller, a basic income would help 'keep music alive'. Ursula Barry from Dublin argues that as long as it is accompanied by other policies that challenge gender inequality, a basic income could promote greater economic independence for women. Vanessa Olorenshaw, a founding member of the Women's Equality Party, shows how a basic income would address the issue of unwaged work done by women in the home and the community. Karl Widerquist, co-founder of the US Basic Income Guarantee Network, makes a powerful personal statement about the merits of the idea, while Labour peer Ruth Lister CBE, a leading UK authority on social security, explains why she has finally 'come off the fence'.

Part II presents the arguments from a range of leading campaigning organisations and supporting politicians, who believe that a basic income is essential in building a bridge to the future with a new emphasis on empowerment, innovation and fairness. As Anthony Painter from the Royal Society of Arts puts it, 'We are trying to build tomorrow's society with the politics of today'. On this futuristic theme, Roope Mokka and

Katariina Rantanen from the independent think-tank Demos Helsinki argue that it offers citizens a new capacity 'to participate actively in society'. The contribution from Canada's *The Leap Manifesto* ('a roadmap for a better future') argues that a UBI offers the prospect of greater 'democratic control of resources and productive assets'. Brenton Caffin from UK innovation think-tank Nesta suggests that a UBI has the power to 'unlock a new economic and innovation revolution'.

Olivia Hanks from the online progressive publication Norwich Radical proposes that because most material wealth belongs to society as a whole, a UBI is needed to ensure such wealth is more fairly distributed. The political case is made by Jonathan Bartley and Caroline Lucas MP, joint leaders of the UK Green Party, the Labour MP Jonathan Reynolds and Uffe Elbæk, leader of Denmark's Alternativet Party.

Part III brings some counter-views. Francine Mestrum, chairwoman of the Global Social Justice network, argues that it would be better to strengthen existing systems of social protection. Ian Gough of the London School of Economics fears the UBI debate will 'divert' attention from wider progressive goals while citizen participation advocate, Peter Beresford, raises important questions about the top down nature of UBI. Ed Whitfield, co-founder of the American Fund for Democratic Communities, argues that basic income is not transformative enough and public policy academic Anke Hassel claims that a UBI is merely a 'dead end'.

Part IV offers a variety of perspectives on the politics of a basic income and how it could be made to happen. Belgian philosopher and longstanding advocate of a UBI, Philippe Van Parijs, argues that it is time that social democrats moved on from post-war models of social assistance to embrace this new approach. Malcolm Torry, director of the Citizen's Basic Income Trust, examines the recent history of the debate in the UK, while Louise Haagh, co-chair of BIEN, argues it should be seen as a way to 're-democratise the state'.

With the Indian government declaring it is time for a 'serious deliberation' on a national UBI,¹⁶ Sarath Davala and Soumya

Kapoor Mehta discuss the positive outcomes from the 2009-13 Indian pilot. Annie Miller, co-founder of the Citizen's Basic Income Network Scotland, looks at the options facing the three councils - Glasgow, Fife and North Ayrshire - that have declared an initial interest in hosting a pilot. Philosophy academic Matt Zwolinski puts the libertarian case and proposes a two-tier model, part universal, part means tested. Andrew Harrop, General Secretary of the Fabian Society, and economists Stewart Lansley and Howard Reed offer two different perspectives on how it could be made to work in practice.

Part V looks at a number of countries at the forefront of the action, including the state of play with the various trials under way or being planned. Otto Lehto, founder of BIEN Finland, discusses the Finnish trial, the first of the contemporary pilots, launched in January 2017. Campaigners Roderick Benns and Jenna van Draanen examine the latest on the Canadian trials, while Alexander de Roo, co-founder of BIEN in 1986, outlines the complex background to the Dutch pilots launched in late 2017.

As well as these state sponsored and funded trials, there are contributions from four of the smaller pilots financed by charities and individuals: Y Combinator's experiment in basic income in Oakland, California; the crowd-funded, small-scale project in Uganda, run by the Belgium charity, Eight; the Kenyan trial run by charity GiveDirectly and the small-scale project in Brazil launched in 2008 by the ReCivitas Institute. Finally, Part VI looks at 'the way forward'.

Despite the recent surge in interest, the debate has been mostly confined to a relatively narrow circle, with articles and books appealing mostly to academics and practitioners with an existing interest in the idea. In planning this book, our aim has been to feature a wide range of shortish pieces, offering an array of views - spanning activists, researchers, writers and some doubters - from across the world. By hearing of views and developments, past and present, across such a diversity of societies and nations, our hope is that the book will appeal more widely, and thereby help to spread the debate, a vital step if the idea is to become a reality.