

UNIVERSAL BASIC INCOME (UBI) Aka “free money”

Choose one:

a. Great idea, let's do it!

b. What moron came up with that idea? Get real....

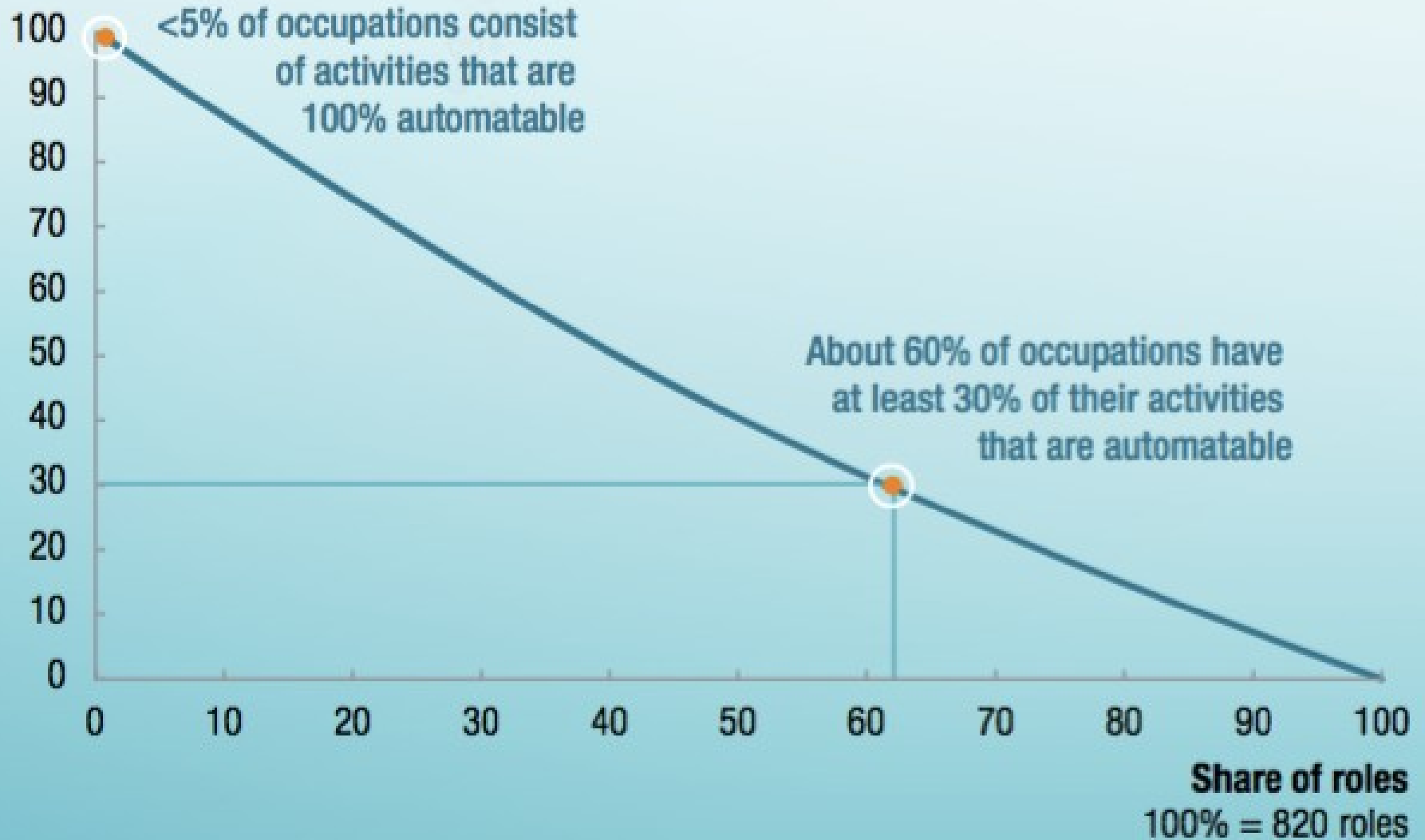
c. Whaaat????

“A famous Oxford study on the future of employment from 2013 estimated that up to 47% of American jobs may be automated by 2035; a brand new McKinsey study shows that current technologies could automate 45 percent of job activities; and the business mantra goes that if you can digitize, you should digitize to gain a competitive advantage.”

While few occupations are fully automatable, 60 percent of all occupations have at least 30 percent technically automatable activities

Technical automation potential

%



Late in 2016, Obama's White House released a report warning that measures needed to be taken to manage the millions of jobs that could be lost in the coming years due to technological advances. Despite societies having faced similar labor transitions in the past due to technological advancements displacing workers, we seem to be speeding through a transitional phase at a pace that may exceed our ability to naturally adapt. In an interview with Wired in 2016, President Obama expressed his concern saying, "I do think that we may be in a slightly different period now, simply because of the pervasive applicability of AI [artificial intelligence] and other technologies."

The two big solutions to our looming unemployment crisis currently hitting the mainstream conversation are the institution of a tax on robots and a universal basic income.

Elon Musk maintains that the idea of a universal basic income is the best solution, while Bill Gates advocates for a robot tax.

The White House, in a report to Congress, has put the probability at 83% that a worker making less than \$20 an hour in 2010 will eventually lose their job to a machine. Even workers making as much as \$40 an hour face odds of 31 percent.[46]

Wikipedia

Vanishing middle class

<https://www.rt.com/usa/385659-temin-vanishing-middle-class/>

Dismissing vague warnings that robots are coming for our jobs is pretty easy. Dismissing hard evidence that they've already arrived and are doing those jobs better and more cheaply than we ever could.

Those are the facts the workers of the world faced when news broke earlier this year that a Chinese factory increased its production by 250 percent and dropped its defect rate by 80 percent by replacing 90 percent of its human workforce with automated machines. In fact, the transition to machines has been so successful, the plant may soon cut its remaining workforce from 60 to just 20 human workers.

<https://futurism.com/3-tiny-robots-help-cut-chinese-warehouse-labor-costs-by-half-kelsey/>

<https://futurism.com/sally-can-create-and-serve-1000-different-meals-but-this-chefs-not-human/>

Burger machine

3,727,000 employees in fast food restaurants (2016 estimate)

<http://newatlas.com/hamburger-machine/25159/>

Brick-laying machine

<https://futurism.com/this-robot-works-500-faster-than-humans-and-it-puts-thousands-of-jobs-at-risk/>

Robotic bartenders

<http://newatlas.com/quantum-robot-bartender/34549/>

Farm Robots

<https://www.theguardian.com/environment/2016/feb/01/japanese-firm-to-open-worlds-first-robot-run-farm>

<https://gizmodo.com/13-fascinating-farming-robots-that-will-feed-our-future-1683489468>

AI bosses?

[//singularityhub.com/2017/01/09/one-third-of-americans-prefer-a-software-robot-over-a-human-boss/](https://singularityhub.com/2017/01/09/one-third-of-americans-prefer-a-software-robot-over-a-human-boss/)

<https://futurism.com/images/universal-basic-income-answer-automation/>

UBI Pilot Programs

<https://futurism.com/images/universal-basic-income-ubi-pilot-programs-around-the-world/>

Nixon proposes Basic Income Plan

<https://www.jacobinmag.com/2016/05/richard-nixon-ubi-basic-income-welfare/>

With 243 votes for and 155 against, the House of Representative approved President Nixon's Family Assistance Plan (FAP) on April 16, 1970. Most expected the plan to pass the Senate, too, which was even more progressive than the House.

But doubts from both sides of the aisle reared in the Senate Finance Committee. "This bill represents the most extensive, expensive, and expansive welfare legislation ever handled," one Republican senator said.

Most vehemently opposed, however, were the Democrats. They felt the FAP didn't go far enough, and pushed for an even higher income floor. The Senate and the White House batted the bill back and forth for months before finally giving up entirely.

Affordability

The affordability of a basic income proposal relies on many factors such as the costs of any public services it replaces, tax increases required, and less tangible auxiliary effects on government revenue and/or spending (for example a successful basic income scheme may reduce crime, thereby reducing required expenditure on policing and justice.)

The case for basic income affordability can be summarized this way:

1. Welfare substitution: Basic income would substitute for a wide range of existing social welfare programs, tax rebates, state subsidies and work activation spending. All those budget items (including administrative costs) would be reallocated to finance basic income

2. Auto-financing of basic income: although basic income is paid to everyone universally, most people whose earnings are above the median income are in fact net contributors to the basic income scheme, mainly through an income tax. In practice this means that the net cost of basic income is much lower than the raw cost calculated as a sum of monthly payments to the whole population.

3. More fiscal redistribution: in addition to reforming and optimizing the existing tax systems, additional taxations can be implemented to fully finance a basic income scheme. Some proposals frequently mention to this effect the need for a tax on capital, carbon tax, financial transaction tax etc. which do not currently exist in most jurisdictions.

4. Money creation: In addition to tax reforms, the power of central banks to create money could be used as one funding channel for basic income.

A commission of the German parliament discussed basic income in 2013 and concluded that it is "unrealizable" because:
[53][54]

1. it would cause a significant decrease in the motivation to work among citizens, with unpredictable consequences for the national economy

2. it would require a complete restructuring of the taxation, social insurance and pension systems, which will cost a significant amount of money

3. the current system of social help in Germany is regarded more effective because it's more personalized: the amount of help provided is not fixed and depends on the financial situation of the person; for some socially vulnerable groups the basic income could be insufficient

4. it would cause a vast increase in immigration
5. it would cause a rise in the shadow economy
6. the corresponding rise of taxes would cause more inequality: higher taxes would translate into higher prices of everyday products, harming the finances of poor people