Radical transformation or technological intervention? Two paths for universal basic income

E. Fouksman \textsuperscript{a,1}, E. Klein \textsuperscript{b,1}

\textsuperscript{a} University of Oxford, United Kingdom
\textsuperscript{b} University of Melbourne, Australia

\textbf{Abstract}

Universal basic income – the idea of guaranteeing a minimum level of income for all – has a long history of being framed as a radical proposal, a way to address issues ranging from wealth distribution and economic justice through to degrowth and gender equality. Yet an increasing number of proponents, especially in international development and public policy circles, see basic income as an efficient technological solution to poverty and economic insecurity. Critical development studies scholars have overwhelmingly problematized such ‘rendering technical’ of complex social, economic and political issues. In this paper, we use a critical development lens to point to two areas of particular danger to the transformative potential of basic income: coloniality and class relations. We do so through two case studies: a proposed basic income for Indigenous Australians and the support of UBI by high-net-worth individuals in California’s Silicon Valley. Using these two cases, we argue that despite best intentions, without critical engagement and nuance around questions of power, the radical potential of basic income may be jeopardized, with basic income becoming another technological quick-fix of development and policy interventions.

\textsuperscript{1} Both authors have contributed equally to this paper.

\section{Introduction}

Universal basic income – the deceptively simple-sounding idea of providing every individual with enough cash to satisfy basic needs, with no conditions, pre-requisites or requirements attached – is in the midst of a surge of revived interest (Widerquist, 2017a). Variations of the idea are discussed at different levels of government in countries on every continent. Reports are being written, pilots designed, and randomized control trials run by intergovernmental development agencies and international and local NGOs, as well as charitable foundations and national poverty and social security ministries. Both universal basic income (UBI) and conditional and unconditional cash transfers (UBI’s conceptual cousins) have been promoted as a way to achieve a plethora of social and economic goods. These goods range from eradicating poverty, promoting growth and development, decreasing inequality and providing a solution to technological unemployment, to advancing gender parity, decreasing crime, supporting entrepreneurial risk-taking, strengthening collective labour bargaining, bettering health outcomes, shortening working hours, fostering ecologically-focused degrowth, increasing psychological wellbeing, and promoting better educational outcomes.\textsuperscript{2} Add to this list the argument that UBI would decrease welfare’s administrative costs and bureaucratic inefficiency, and it is no wonder that the idea has supporters from across the ideological spectrum, from far-left political parties to conservative and libertarian think tanks, from trade union leaders to IMF economists.

Yet this very broad base of ideologically divergent supporters – and the diversity and internal contradictions of the social and economic goods promised by UBI – should give us pause. In untangling such promises, two distinct threads emerge. The first points towards UBI’s long history of being seen as a radical or even utopian proposal (see for instance Van Parijs, 1992; Van Parijs & Vanderborght, 2017; Wright, 2010 – the words ‘radical’ and ‘utopian’ are in the titles of all three of these books). This thread is predicated on the justice-enhancing case for basic income, and promises to fundamentally shift the structure of economic and social power, and perhaps even challenge our underlying assumptions around the value of work.

\textsuperscript{2} For an excellent brief overview of the history, formulations of and debates around UBI, see Birnbaum, 2016. Some of the key arguments around UBI and the goods listed above have been made by Standing (2009, 2017), Van Parijs (1995), Widerquist (2013), Forget (2011), Ferguson (2010, 2015), Davala et al. (2015), Gorz (1999) and Weeks (2011), though this list is far from comprehensive, and all of these arguments have a long and rich history.
productivity and time-use – what Guy Standing (2014a) calls ‘revis [ing] our economic imagination’ (p. 316). Van Parijs and Vanderborght (2017) state that a basic income is needed ‘to restructu re radically the way in which economic security is pursued in our societies and in our world’ (p. 4, our emphasis).

This radical potential is underpinned by the premise that universal basic income would be generous enough in amount to significantly redistribute wealth, and to provide a feasible exit option from wage labour. UBI in this tradition would co-exist alongside the universal provision of public goods and services (such as education, health and infrastructure) – what some progressive UBI proponents call ‘basic income plus’ (Duffy, 2016), and others take as a core part of the UBI idea. Within this line of thinking, by guaranteeing a viable livelihood to all regardless of work-membership, UBI could challenge not only the injustice of the unequal distribution of wealth (in the tradition of Paine (1796) and Van Parijs (1995)) but also the power inequity between capital and workers (following the writing of Горз (1999) and Weeks (2011)). It would thus ultimately challenge the economic logic binding together labour, resource distribution, and productivism. This vision of UBI holds the promise of what Tanya Li has termed ‘the activation of a biopolitics that places the intrinsic value of life – rather than the value of people as workers or consumers – at its core’ (2010, p. 67–8).

However, there is another form of justification for UBI, found particularly within international development and public policy circles, that presents basic income as not necessarily systemically transformative, but rather as an efficient solution to poverty within the political economy of neoliberal capitalism. The logic of this justification is that by funneling money into cash grants, poverty can be effectively alleviated without structural economic reforms, while promoting economic growth and increasing labour force participation (Give Directly, 2018) – the unquestioned goals of neoliberal capitalism. Indeed, for some libertarian proponents, UBI and its variations (in particular, a small-scale negative income tax that could be decreased over time) has long been an intervention that would enable and underpin a competitive market economy while curtailing the reach of the welfare state (Friedman, 1962; Murray, 2008).

Indeed, basic income has long been understood and justified in distinct (and sometimes politically divergent) ways. Peter Sloman has made the case that historically, basic income has been framed either as a way to achieve transformative economic justice via the distribution of rightful shares of communal wealth or productive capacity, or as a technocratic and efficient revamp of tax and benefits systems (Sloman, 2018, 2019). These distinctions reveal fundamental tensions in both what a basic income is, and in its ultimate purpose. Is a basic income a rightful share of national wealth, a reparation for past and present social and economic injustice, or a form of charity? Is UBI an efficient poverty alleviation technology, or a radical way to empower populations to demand change in the structure of wage labour, resource distribution and, ultimately, power?

Basic income proponents have tended to gloss over these fundamental differences, choosing instead to celebrate the increasing attention given to the idea through recent experiments, international funding, and media coverage. In international development literature specifically, the term ‘basic income’ is often used interchangeably with unconditional cash transfers (see for instance Hanlon, Barrientos, & Huilme, 2010). Studies of both policies have focused on providing empirical insights into how these programs reduce different aspects of poverty. While these findings are significant, in this paper we argue that if basic income is to be radically transformative in the ways outlined above, then caution is needed to avoid basic income being rendered technical and void of considerations of broader relations of power.

Critical development studies scholars have overwhelmingly problematized what they term ‘technical solutions’ and fixes to complex social, economic and political issues (Escobar, 1995; Ferguson, 1994; Li, 2007). In this literature, development interventions are ‘rendered technical’. This is a term Tania Li, drawing on the writing of Nikolas Rose, describes as ‘the domain to be governed as an intelligible field with specifiable limits and particular characteristics... defining boundaries, rendering that within them visible, assembling information about that which is included and devising techniques to mobilize the forces and entities thus revealed’ (Rose, 1999, cited in Li, 2011, p. 100). This literature observes how development interventions ‘provide technical solutions to “problems” which [are] not technical in nature’ (Ferguson, 1994, p. 87). Rendering technical presents the development intervention as neutral and a source of inherent good, which can depoliticize and obscure social complexity or even further entrench poverty by sustaining the structural roots of economic, racial, gender and global inequality. In this sense, a development intervention is never neutral; rather, it is a tool that privileges particular meanings over others and reproduces embedded systems of power, which directly affects the lived reality and wellbeing of its subjects (Mosse, 2004; Olivier de Sardan, 2005).

While universalist redistributive interventions such as basic income could be the basis of radical economic and social transformation, they are no exception to this critique. Like other policy interventions before it, UBI too could become a poverty-alleviating technology that fails to fundamentally challenge (and could even help to uphold) regimes of power that produce the very inequalities and domination it purports to address. To illuminate this possibility, we focus on two different case studies of basic income debates. First, we explore the danger of coloniality to the policy implications of a UBI for Aboriginal communities in Australia. Second, we examine the underlying class relations beneath the enthusiasm and financial support of UBI (including various UBI trials) by high net-worth individuals in the technology world of the USA’s Silicon Valley. Building on these two case studies, we argue that despite best intentions, without critical engagement and nuance, the transformative potential of basic income may be jeopardized, and basic income could become another technological fix that fails to fundamentally challenge structural inequities of class, race, gender and neo-colonialism. If basic income is ‘a field of debate, rather than a settled programme’ (Purdy, 1994, p. 31), then the aim of this paper is then not a critique of basic income as a whole, but rather a critical analysis aimed at helping the basic income movement avoid some of the potential pitfalls and consequences of ignoring power, history and embedded social norms within this field through ‘rendering technical’ UBI interventions.

2. Basic income through a critical development lens

International development in the post-war period has ‘rendered technical’ interventions that aim to improve underdeveloped nations and their societies (de Sousa Santos, 2004). The argument that development projects can obscure the complexity of relations of power inherent in such interventions is now a well-worn critique penned by several schools of thought. In this paper, we will draw on two (overlapping) areas of critical inquiry: postdevelopment and coloniality. We build on this literature as a set of analytic tools to illuminate the complexities, power, tensions and divergent possibilities within the UBI movement.

Drawing on a largely poststructuralist critique of development, postdevelopment gained traction from the 1980s, identifying the large, professionalized and institutional network of the development industry and its depoliticization of structures of power.
Postdevelopment scholars have highlighted the way development programs overlook and marginalize pluraliversal and diverse ontologies within the ‘non-developed’ world, rendering them as repressive and non-credible, all while delivering Global North-centered prescriptions (de Sousa Santos, 2004). This literature and analysis are vast. Our focus here is on how postdevelopment brings attention to development’s most inconvenient truth: that the institutions, structures, economy and discourse that it promotes to better the world can in fact contribute to growing poverty, inequality, instability and oppression (Mignolo, 2011).

This aspect of the postdevelopment literature illuminates important insights when examining the operationalization of UBI into trials, pilots and poverty-alleviation programs. These have ranged from privately funded UBI trials in Namibia, India and Kenya, to government-run cash transfer programs in Mexico, Brazil, South Africa and other Global South countries. Trials have also been conducted across the global North, including pilots in Finland, Canada and the USA. These trials vary in scope and length, but are largely concerned with poverty-reduction, workforce participation, and, in the case of the India pilot, household debt and women’s empowerment. Such programs echo the technological expertise deployed in other projects of improvement within international development practice. Using a postdevelopment lens can help highlight several areas of concern with such experiments.

Policy experiments with impoverished and relatively powerless populations have a long colonial history, often underpinned by the assumption that the experiment is always beneficial to its subjects (Teo, 2010). This assumption raises questions about the effects of such experiments – for instance, what happens if this assumption is wrong? And even if the experiment does help people while it is underway, what happens to the populations when it ends? Such critiques are not suggesting that the researchers are acting with ill-will. Rather they build on a long tradition of pointing to the naiveté of thinking that experiments are neutral, apolitical, objective instruments, and underscore that experiments are within broader structures of power that can support some epistemologies and ontologies, and not others. Teo (2010) argues that experiments can also be a form of epistemological violence, as they are underpinned by unequal relations of power: one group is privileged enough to choose to intervene and interpret the life-worlds of another (Teo, 2010; see also Aguilar, 2005; Spivak, 1988). It is the interpretation of life worlds through the experiment that leads to the epistemological violence as ‘social-scientific data on the Other’ and is produced when empirical data are interpreted as showing the inferiority of or problematizes the Other, even when data allow[s] for equally viable alternative interpretations’ (Teo, 2010, p. 295).

For example, the metrics of basic income trials can reflect the cultural biases and racialized and class-based assumptions about those being experimented on. The Kenyan trial run by the US-based development NGO GiveDirectly has measured the impacts of the UBI on the consumption of alcohol and tobacco, which illuminates the Western, moral and colonially-rooted set of assumptions behind the experiment (Hausbofer & Shapiro, 2016). A large majority of experiments are also concerned with labour force participation rates, based on the implicit assumption that working less would be a negative outcome for basic income trials. Yet linking labour market participation and unconditional income lies in direct contradiction of the more radical aims of using UBI to give people freedom to opt out of labour markets or the power to be selective in choosing employment. The epistemological positioning of many experiments is itself linked with inequalities within global capitalism (Mignolo, 2011; Dirlik, 1994); often it is these same inequalities that enrich the funders and supporters of UBI trials themselves (as we will discuss in detail later in this paper). A postdevelopment analysis enables us to understand the way this process of operationalization obscures and even promulgates the politics, inequitable power relations and global structural inequalities that underpin the very problems UBI attempts to solve.

Like postdevelopment, the coloniality critique also challenges the construction of progress within the narrative of development, as well as its internal process of depoliticization. Coloniality is concerned with two axes of power: race and the economic structures that control labour, resources and modes of production. Both uphold Western hegemony (Quijano, 2000). Coloniality also pays attention to specific modes of being. It is critical of any that advocate the inferiority of subjectivities outside the norms of the Global North, such as Indigenous knowledges (Maldonado-Torres, 2007, p. 243). Similar to postdevelopment, decoloniality addresses this by requiring scholars to rethink the ontological and epistemological positionings of their research, including the importance of contesting the preference within research of elite knowledge over local or Indigenous knowledges (Connell, 2008, 2014). The coloniality critique helps contest the proliferation of knowledge around UBI, which has come mainly from Global North institutions and has been written within traditions of Western rationality, where little Global South knowledge is included. For instance, there are diverse conceptions of what emancipation means, which is not just defined within the liberal corpus. Emancipation is not just freedom from exploitation or coercion, but can have diverse ontological positionings in relationship with cosmology and ecology (Holbraad, 2013).

Overlooking such diversity of worldviews while promoting basic income can endorse Western hegemonic rationalities (Escobar, 2018; Mignolo, 2011). Basic income advocates also need to be aware of ontological diversity within concepts of wellbeing and security. For instance, the autochthonous notion of sumak kawsay is an ontologically different notion of human flourishing, emancipation and freedom from Western conceptions. Sumak kawsay is an Indigenous framework of nature, equity and well-being which originated from grassroots Indigenous groups from Ecuador. The concept was instituted in Ecuador’s constitution as ‘buen vivir’ (living well), with an explicit commitment to economic rights, collective citizenship rights and the rights of nature (Caria & Domínguez, 2016). Sumak kawsay is an example of an alternative ontology which makes a case for economic rights and security without using Western hegemonic rationalities. In advocating for universal basic income around the globe, advocates may obscure such non-Western notions of economic rights, wellbeing and emancipation.

3. Coloniality and universal basic income in settler colonial Australia

Our first case study utilized the lens of the power disparities and epistemic and ontological hegemonies underpinning basic income proposals in settler colonial Australia. Recently, mainly scholars have proposed the idea of both trials and basic income programs for Indigenous peoples living remotely in Australia (Altman, 2016; Altman & Klein, 2018, Goreng Goreng, 2017). In this literature, a UBI framed as an alternative form of economic security in response to the increase in punitive policies by Australian government on Indigenous peoples. For example, in 2007 the controversial Northern Territory Emergency Response (NTER) (otherwise known as the ‘intervention’) enforced of a raft of policies targeting Indigenous individuals and communities across the Northern Territory, and used racialized targeting, which itself was only possible because the Racial Discrimination Act was suspended specifically to aid the
This punitive turn in policy is a continuation of assimilation—an ongoing feature of Australian settler colonialism (Veracini, 2010; Wolfe, 2006). Australia never reached the ‘post-colonial’, as European settlers came to stay. On an expropriated land base, settlers established a ‘settler society’ based on liberal, capitalist, white, patriarchal norms, constituted through institutions such as the nation-state, legal frameworks and capitalism (Moreton-Robinson, 2007). Indigenous peoples resisting assimilation face punitive policies that aim to discipline peoples and assimilate subjectivities in ways conducive to settler society (Moreton-Robinson, 2007; Watson, 2009; Altman, 2010). Employment is a key settler institution that the government has obsessively tried to assimilate Indigenous peoples into—especially those living remotely. Yet this government goal has largely failed. The latest report from the Productivity Commission to the Council of Australian Governments (National Indigenous Reform Agreement Performance Assessment, 2013–14) shows that the employment gap between Indigenous and other Australians is widening, and unlikely to close in the foreseeable future. The Productivity Commission (2015) shows a 38-percentage point disparity in employment outcomes between Indigenous and other Australians in remote Australia.

The goal of full employment for Indigenous peoples living remotely has failed for two reasons. First, remote labour markets are precarious and there is a severe shortage of secure, ongoing and dignified employment (Productivity Commission, 2015). Second, many Indigenous Australians living remotely do not necessarily value settler society’s narrow definition of what constitutes work. Instead, many Indigenous Australians value productive activities ‘on country’, where Indigenous peoples undertake customary (non-market) work for livelihoods (Jordan, 2016). However, this productive activity is severely undervalued and disincentivized by government policies.5

It is in this punitive and neo-assimilationist context that scholars and advocates have called for a UBI for people living remotely (Altman & Klein, 2018; Goreng Goreng, 2017). Its advocates make the case that a UBI would support Indigenous notions of productive activity, curtailing some of the material poverty experienced by peoples living remotely by providing economic security through regular, universal and unconditional payments, and support people to live lives they value (Altman, 2016). Altman and Klein (2018) argue that ‘given the failure to achieve the goal of closing the employment gap over the past decade and current unstable global circumstances, basic income and stakeholder grants are logical alternatives to the continued failure of the status quo provisions. …a guaranteed basic income scheme, coupled with a form of associated stakeholder grant delivered as an economic right, could open up livelihood opportunities for Indigenous peoples living in deep poverty. Such a shift could alter the power imbalance which arises from excessive dependence on the state, and empower Indigenous stakeholders and support further economic, cultural, social and political rights as defined in the articles of UNDRIP’ (p. 9). This argument echoes that of advocates of UBI, who see UBI as a source of support for meaningful activity outside of capitalist notions of productive work (Gorz, 1999; Ferguson, 2015; Standing, 2009; McKay, 2007; Weeks, 2011).

Yet while holding much positive potential, when viewed through a coloniality and postdevelopment lens, the proposition of a UBI for Indigenous peoples raises some challenges that need to be taken into consideration to avoid rendering technical and reproducing relations of power. For instance, the framing of UBI as a ‘grant’ implies a continuation of colonial power relations: settler institutions ‘grant’ Indigenous peoples a UBI, continuing Indigenous subjugation to the will of the settler state and denying Indigenous peoples their own sovereignty and autonomy. In Give a Man a Fish, Ferguson (2015), presents one option to counter the imbalances of power inherent in ‘granting’ a UBI. Ferguson argues that in framing a UBI as a ‘rightful share’ (rather than a grant), it can function as a mechanism of rightful distribution to all, a just reward for the many ways people contribute to the creation of wealth (purposefully or coercively). Ferguson sees a rightful share as a way to overcome issues of power relating to a ‘grant’, instead framing a basic income as a way to make clear that ‘the entire production apparatus must be treated as a single, common inheritance’ (186).

Yet within the settler colonial context, even reframing a government grant as a rightful share does not fully address the extensive and chronic taking of land and labour from First Nations peoples. A rightful share would equally distribute a dividend to all people, and by doing so does not account for the violence, displacement of nationhood and denial of sovereignty Indigenous peoples endured with the foundation of the settler society. All non-Indigenous peoples in Australia, whether poor or not, are settlers living on appropriated land. Not accounting for the dark side of the making and maintenance of the Australian nation in calculations of what is ‘rightful’ effectively silences this history. It also undermines First Nations claims to justice and a true rightful share through land and wealth redistribution. While a rightful share framing is helpful, reframing a UBI for the Indigenous community as reparations could be a stronger reflection of the ongoing dispossession of Indigenous land and labour innate to capital accumulation in Australia. One possible way to both deal with coloniality and move towards a radical version of a UBI in the settler colonial context is a rightful share for all residents, and addition redistribution of wealth for Indigenous peoples as a specific way to address some of the colonial and neo-colonial dispossession. In other words, this would entail additional reparations built into a rightful share. The Movement for Black Lives has put forth of similar argument around basic income and reparations in the US (Warren, 2019).

At the same time, primacy must also be given to Indigenous peoples making sovereign decisions by considering the governance structure of UBI. The creation and uptake of a UBI must come from Indigenous peoples themselves, and not be enforced by the state or non-Indigenous organizations. In May 2017, elders from First
Nations across Australia gathered at Uluru (central Australia) to decide on a collective stance for how they want to proceed in the resurgence of Indigenous sovereignty in Australia in the Uluru Statement from the Heart. In the statement, the group unanimously called for ‘constitutional reforms to empower our people and take a rightful place in our own country’ (Statement from the Heart, 2017, p. 1). The elders referred to the ‘torment of our powerlessness’ (p. 1), outlining briefly its economic, political, social and cultural implications. The elders called for a series of reforms, including support for a Makarrata Commission to supervise a process of agreement-making between governments and First Nations and truth-telling about Australian history (in short, something similar to a truth and reconciliation commission). In the agreement-making work of the Makarrata Commission, considerations of a rightful share and reparation could be central.

Finally, the ontological and epistemic positioning of UBI needs to be interrogated. What does it mean to argue the case for a UBI in Australia using Western notions of rationality? By relying largely on a Western canon to argue for and defend a UBI, its proponents may obscure the vast and extensive range of Indigenous knowledges. These knowledges may challenge the ontological assumptions framing current arguments for a universal basic income. For example, instead of economic security, liberal notions of freedom or the de-commodification of labour, the concept of ‘sovereignty’ may be more ontologically relevant for some First Nations people. The elders in the Uluru Elders statement defined sovereignty as ‘a spiritual notion: the ancestral tie between the land, or “mother nature”, and the Aboriginal and Torres Strait Islander peoples who were born therefrom, remain attached thereto, and must one day return thither to be united with our ancestors. This link is the basis of the ownership of the soil, or better, of sovereignty’ (Elders, 2017, p. 1). A focus on sovereignty by Indigenous Australians challenges the relevance and hegemony of the language of not only a UBI, but even of rightful shares and reparations. Taking seriously diverse understandings and worldviews would enable the basic income movement to move towards ‘pluriversal’ understandings around economic security, livelihoods and freedom.

The Australian settler colonial case draws attention to issues of power inherent envisaging and implementing a basic income. This case illustrates that regardless of good intentions, coloniality as a relation of power is present in settler colonial welfare interventions, including that of basic income proposals. Without addressing such regimes of power, basic income could be rendered technical, depoliticizing both the historical and present-day inequalities of settler colonialism. Basic income alone can never undo settler colonialism, but power must be considered to avoid it further contributing to it. This case also raises important issues around ontology and knowledge production: coloniality again emerges when ontology is not genuinely addressed. The issue of knowledge production is particularly important as it is seldom addressed in basic income literature.

4. Class capture in Silicon Valley: The dangers of a plutocratic, philanthropic UBI

A key node of the most recent resurgence of UBI support (what Widerquist (2017a) has called UBI’s third wave) has been in California’s booming technology hub: Silicon Valley. Silicon Valley advocates see basic income not only as a key tool to stem poverty, but as a solution for labour-market impacts of the increasing automation and productivity which they themselves benefit from and create. Prominent tech billionaires and millionaires ranging from Elon Musk (the co-founder of Tesla Motors, eBay and SpaceX) to Facebook’s Mark Zuckerberg to the major venture capitalist (and co-creator of the internet browser) Marc Andreessen have publicly endorsed the basic income idea (Smiley, 2015). Many of these supporters do more than talk – they have given ample money to support UBI. Chris Hughes (another Facebook co-founder) is a co-founder and funder of the Economic Security Project, which gives money to basic income research. Sam Altman, who invests in fledging tech companies through the start-up incubator YCombinator, is funding a large basic income study in the US. And Google.Org, the philanthropic arm of Google, and GoodVentures, a foundation started by Dustin Moskovitz (yet another Facebook co-founder), are major funders of GiveDirectly’s unconditional cash transfer and universal basic income pilots in East Africa.

Yet as discussed above, the postdevelopment critique has sharply demonstrated the way attempts at poverty alleviation can in fact reproduce the very structures that create and maintain the economic status quo. The support of Silicon Valley’s plutocrats raises critical questions about class, work and wealth that demonstrate the way basic income could be used as a technological intervention that perpetuates inequality and wealth accumulation, rather than altering structures of resource distribution, labour and time-use. In particular, where does the wealth of Silicon Valley come from, and how is such wealth justified? And how is UBI framed and understood by its Silicon Valley supporters?

The wealth accumulation of Silicon Valley elites is underpinned by a mix of socially generated goods (i.e., data mining), public goods, luck and labour exploitation, as well as a shared past history of innovation and invention (Ferguson, 2015; Giridharadas, 2018; Mazzucato, 2011). This understanding of wealth creation underpins a radical view of basic income as a rightful share, a social dividend that belongs to all. Much of the current boom in Silicon Valley is based on mining and selling the data generated by the public’s use of the internet. These are socially generated goods. One potential framing of a UBI or social dividend is in fact based on the idea that data should be socially owned, since it is socially generated, and that a UBI could in part be funded by dividends of the wealth generated by marketing this data (Kang, 2016; Porter, 2018). At the same time, Silicon Valley wealth would not be possible without public investment in risky research and development (including the development of the internet and the smartphone) (Mazzucato, 2011), public education and infrastructure, and the rule of law. These are all public goods, created through public investment. Like socially generated goods, the radical vision of basic income sees it as a rightful share or return of publicly generated wealth. Add to this the undeserved vagaries of luck and the unjust fruits of labour exploitation (discussed more below), and the extreme wealth of Silicon Valley plutocrats is unethical and unjust, and thus must at the very least be reduced and shared. If such wealth could be redistributed via a basic income, then UBI becomes a radical intervention into an unjust economic system.

Yet many Silicon Valley elites understand wealth as a just reward for the hard work and genius of individuals. This view of wealth as individually (and meritorically) generated seems to be reflected in the beliefs and, all too often, the practices of the Silicon Valley plutocrats. Not only is work-ethic and long hours prized despite the avowed commitment to developing labor-saving automation technology, but also genius is adulated in the Valley’s work culture (Smith, 2015; Mundy, 2017). Both work-ethic and genius are used in the discourse of Silicon Valley to suggest that its wealth is deserved and merited through the
combination of hard work and brilliance. Indeed, Silicon Valley suffers from a culture that equates financial success with positive impact on the world. This logic of merited and deserved wealth accumulation undermines the radical potential of a UBI envisioned as a rightful share, and a needed redistributory intervention in unjust wealth distribution both globally and within countries. And the tech world’s glorification of work ethic and long hours not only justifies wealth accumulation, but also undermines UBI’s radical potential to decommodify labor, and to help reimagine the future of work as one where livelihoods need not be linked to wages, and automation could be a source of liberation from labour, not a threat to workers (Aronowitz, Esposito, DiFazio, & Yard, 1998; Gorz, 1999).

Such contradictions play out not simply in the discourse but in the labour practices of Silicon Valley (including in the firms owned by some UBI’s staunchest supporters). Companies throughout the Valley rely on subcontracted and outsourced workers to do their blue-collar work: cleaning, food preparation, driving, and the like. A 2016 report paints a troubling picture: while the average annual pay for direct employees in tech firms in Silicon Valley was $113,000 that year, subcontracted blue-collar worker had an average annual pay of $19,900. Nearly a third of subcontracted blue-collar workers in the area did not have health insurance, despite working full-time hours, and over a third of such workers lived in poverty (Benner & Neering, 2016; Silicon Valley Rising, 2016). And it is not just blue-collar work that is contracted out for low wages and no benefits by these companies: Facebook, whose CEO Mark Zuckerberg has campaigned for UBI, also subcontracts white-collar work, for instance subcontracting through other companies (often in lower-income countries with low labour costs, such as the Philippines and Morocco) to hire content moderators that removed graphic, violent or sexual content from the site. These are psychologically tolling, low-paid and short-term jobs with minimal benefits, support and training (Roberts, 2016; Solon, 2017). A large body of scholarship demonstrates that outsourcing labour depresses wages and benefits for workers, and increases inequality (Dube & Kaplan, 2010; Cobb & Lin, 2017). Yet we hear few of the Silicon Valley supporters of UBI pushing to reduce inequality and improve the quality of life of the poor through means directly in their own control: by insourcing the blue and white-collar workers at their own firms.

Outsourcing is only one of the many inconsistencies in the rhetoric and labour practices of Silicon Valley. Perhaps the clearest case is Elon Musk, who while supporting UBI has fought unionization of Tesla’s car manufacturing plants. According to factory employees, Musk’s company has insisted on long hours and mandatory overtime (Wong, 2017). Indeed, Musk responded to complaints of high rates of injuries (Worksafe, 2017), low wages, and exploitative hours (Moran, 2017) in part with a counter offer of more company-wide parties and frozen yogurt (Lambert, 2017) – as well as virulent anti-unionization rhetoric, intimidation and strict confidentiality agreements that restrict workers’ ability to organize (Driving a Fair Future at Tesla, 2017).

This raises a key question: if Silicon Valley plutocrats are willing to share some of their wealth through redistribution via a basic income, why are they so unwilling to share it via more equitable, empowered and well-compensated working conditions within their own firms? The heart of this contradiction lies in the Silicon Valley notion that giving money away is an activity unrelated to how it is earned (Hobbes, 2016). While Musk and Zuckerberg might be genuinely concerned with poverty and underemployment driven by automation, their own profit-maximizing decisions to employ sub-contracted, precarious, over-worked and minimally paid workers calls their support into question. This is also underscored by many means employed by the companies of these UBI supporter to minimize their taxes, by using tax havens and offshoring profits (Reuters, 2019). There is an irreconcilable contradiction between simultaneously supporting redistributory proposals and attempt to minimize or avoid paying taxes. Indeed, a worrying conclusion from such inconsistencies is that UBI might be a way to obfuscate or justify class capture and to perpetuate uninterrupted wealth accumulation. Such fears have already been voiced in the popular press (Morozov, 2016; Tarnoff, 2016; Razer, 2017). With UBI as a beneficent offering to the disadvantaged, Silicon Valley elites could continue ‘business-as-usual’: benefitting off under-regulated labour markets and monetizing socially-produced data for their own profits unimpeded.

Just as anti-poverty programs in the developing world have been critiqued as cosmetic interventions that allow for the reproduction of status-quo structural inequities (Eschobar, 1995), so a UBI that fails to call into question the structural factors that underpin inequality and that allows for extreme wealth accumulation could perpetuate the very inequities it seeks to ameliorate. Ultimately, this is once again a crucial question of framing: do Silicon Valley supporters see UBI as a form of reparative justice, as part of a duty to return to other citizens the wealth they are entitled to, that is rightfully their own (Cordelli, 2016)? Is UBI a critical structural reform that is a form of reparations of unjust captured public goods and socially-generated wealth by Silicon Valley elites? Or is it seen by Silicon Valley proponents as an altruistic gift, one that might right the moral wrong of suffering and inequality, but is still at the discretion of the generous giver or supporter (Pogge, 2002)? In the decisions, actions and rhetoric of Silicon Valley UBI advocates, the answer seems to be the latter.

Closely linked to such questions is the added danger of making UBI a depoliticized intervention. Much has been made of the fact that redistributory interventions such as a basic income or other forms of universal social protection floors are supported by both progressive and conservative or libertarian advocates. However, this could be a symptom of the depoliticization of basic income. In The Anti-Politics Machine, James Ferguson demonstrates the way that development projects depoliticize what should be citizens’ expectations of the state, transforming public goods such as infrastructure into technocratic non-governmental charitable interventions (1994). In a parallel manner, if UBI’s Silicon Valley supporters understand basic income as an altruistic technical

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7 This can be seen for instance in Elon Musk’s response to his workers’ complaints about mandatory overtime. Rather than improving working conditions (at the cost of maximizing profits), Musk emphasized that he himself worked even longer hours in even worse conditions himself. Musk claimed that his desk was ‘in the worst place in the factory, the most painful place’, that in 2016 he slept on the factory floor in a sleeping bag ‘to make it the most painful thing possible’ because he ‘wanted to work harder than [his workers] did, to put even more hours in’. (Wong, 2017). This adulation of productivity, hard work and long hours is not only aimed at blue collar workers who complain – overwork, an all-consuming work culture and lack of work-life balance are features of the privileged knowledge-workers and managers that draw six-figure salaries in Silicon Valley (Gaulin, 2015). Such workers are expected to demonstrate not only physical and intellectual but emotive and social commitments to labour productivity (Weeks, 2011): to say in interviews that they develop programming code for fun, that programming is a matter of love and not work, and thus that long hours are welcome (Tokumitsu, 2015). This is also intimately tied to the normative centrality of work and its contradiction with UBI’s potential to decommodify wage labour.

8 As an example, some experts estimate that Alphabet, Google’s parent company, has just as many outsourced workers as direct employees (Weber, 2017).

9 35% of such workers were below 200% of the US Federal Poverty Level (a reasonable poverty threshold in Silicon Valley) (Benner & Neering, 2016).

10 Facebook has responded to pressure to improve the conditions of outsourced employees by implementing a policy in 2015 that guaranteed a slightly above-minimum wage pay threshold, and some mandatory paid leave and maternity pay, though it is unclear if this extends to outsourced workers outside the US (Sandberg, 2015).

11 In the words of Michael Hobbes, ‘now that the Giving Pledge [which commits billionaires to philanthropy] is off and running, why not establish a Stop Routing Your Profits through Tax Havens Pledge?’ (Hobbes, 2016).
intervention to stem poverty, rather than a structural reform of capitalism’s injustices, then UBI recipients become passive subjects, grateful to be allowed to continue existing within a capitalist framework through the generosity of the rich and the cleverness of technocrats. It is only by framing UBI as restitution, as a rightful share of, say, socially generated digital wealth, that the political implications of UBI can be fully expressed.

Finally, our last point of concern is linked to the questions of power, voice and representation. Due to the deference accorded to the wealthy, particularly in the US, Silicon Valley supporters of basic income have an outsized voice in the media. This is especially true when such supporters put their money behind UBI – as is the case with Sam Altman and Chris Hughes, the Facebook co-founder who is now co-founder and co-director of the Economic Security Project, which funds projects and research related to basic income. Many basic income supporters might be delighted with the media coverage granted to the movement through such patronage. But the media’s focus on wealthy supporters is a double-edged sword – too often, it can harm the movement due to the ignorance of its proponents. The most glaring example of this is that both Sam Altman and Chris Hughes have misstated the true cost of UBI. In various articles and media interviews (Friend, 2016; Hughes, 2016), they reflect the common error that the cost of UBI is its gross cost (i.e., the size of the proposed basic income multiplied by the population size), rather than its true net cost (i.e., the proposed size of the basic income multiplied by the number of net beneficiaries, without counting the net contributors).12

The problem of ignorance is tied more broadly to the politics of representation. Most Silicon Valley supporters are wealthy white men, speaking from a position of social and economic power for a policy whose net beneficiaries, both in the US and more broadly, would often be economically disadvantaged minorities and women. While powerful allies are important to political movements, giving them disproportionate voice in such movements threatens to drown out diverse concerns, perspectives and ideas of those who are actually going to benefit from the proposed changes, and could potentially dilute the more radical redistributive calls of such movements (Richey & Ponte, 2008; West, 2008; Wilson, 2012). It can also be strategically dangerous, making grassroots organizing and garnering broad-based support more difficult because of suspicions towards the motives of elite supporters – a problem that the basic income movement is starting to experience. But most concerning are the implications of such plutocratic support for democracy, as it raises questions of who holds power and has voice in the UBI movement. Indeed, such concerns are tied to broader critiques of private philanthropy as undermining redistribution and essential state services and reform, as undemocratic, and as de-politicizing (Ferguson, 1994; Levy, 2002; Cordelli, 2016; Saunders-Hastings, 2017).

In short, voice, power, politics and class all matter; the framing and details of UBI proposals matter; and who is advocating what and why matters. It is of course possible that, in supporting a UBI, Silicon Valley’s scions may unintentionally bring about structural change. To the extent that a substantive UBI can function as a permanent strike fund, it could enable mobilization for more radical alternatives even if this was not the framing behind its initial implementation. It is conceivable then that UBI support within Silicon Valley could lead to transformative outcomes, whatever the motive of its actors. However, this outcome is not foreordained, and a UBI could equally become trapped as a low-level technocratic intervention through the voice, power and framing of a plutocratic elite. Theorists like Ferguson (1994) and Escobar (1995) in critical development studies have helped highlight the way development interventions can depoliticize and sustain the political and economic structures underpinning the very problems they seek to solve. Without careful thought about framing, politics, power, representation and voice, as well as a strong focus on grassroots, rather than elite, support, the UBI movement is in danger of a similar dynamic – of becoming a welfare technology of neoliberal capitalism, rather than a path towards structural transformation.

5. Conclusion

In this paper, we engaged with critical development scholarship and use two case studies to argue that despite best intentions, without critical engagement and nuance, the radical potential of basic income may be jeopardized, with basic income becoming another technological quick-fix. We specifically pointed to two areas of particular danger to the transformative potential of basic income: coloniality and class relations. We explored the complexity of a basic income trial for First Nations people in Australia, focusing on the tensions around coloniality and a rightful share within a settler colonial context. We also examined the class and racial implications of Silicon Valley basic income advocacy to think through the implications of high net-worth individuals developing basic income models and highlighted how these moves are less about transforming resource distribution and more about promoting the means for the continuation of capital accumulation.

Both of these case studies show that while universal basic income has the potential to be a transformative and radical intervention, the complexity around the UBI idea matters. This includes issues of framing, details and social meanings. Is UBI a libertarian or progressive policy? Is it a Western ontology or can it be non-Western? Is the UBI a rightful share or a charitable grant? How does a UBI framed as a social dividend or rightful share contend with questions of reparations in its quest for justice? Who holds power and makes decision in trials? Who defines what activities (be they wage work or not) are valuable? While UBI holds the potential to be transformative and emancipatory, it cannot be used as a technology void of relations of power. It is not a quick-fix, but rather poses difficult and crucial questions that need critical attention by basic income advocates. We have shown the way critical development studies can help illuminate some of these questions, and strengthen basic income proposals. A deep engagement with

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12 To understand the difference between ‘gross’ and ‘net’ or true cost, imagine this very simple schematic: three people in a room want to instantiate a room-wide universal basic income of $10 per person. The upfront, gross cost of the policy would thus be $30. To fund it, the richest person in the room contributes $20 to the ‘UBI fund’, the second-richest person contributes $10, and the poorest person does not contribute anything. Each person then receives their $10 UBI. The richest person thus lost $20 (the gross cost) and then gained $10, meaning that the scheme cost them a real, net cost of $10, and they are a net contributor to the UBI. The second person lost $10 (gross cost) and then got $10 back through the UBI – meaning that for them the scheme had zero net cost, but also did not have any net benefits. The last person just gained $10 – they are a net beneficiary of the program. Thus the total true, net cost of the UBI (the money actually given up by the rich and redistributed to the poor) is $10 – a small fraction of the gross cost of $30. This is precisely why the cost and distributional outcomes of a UBI can be identical to a negative income tax (NIT), though it has other advantages (see Standing, 2017). In the schematic above, the $10 UBI is arithmetically identical in cost as a $10 negative income tax which goes only to the poorest person in the room, and is funded by taxing away $10 from the richest person. For more on the net/gross distinction and the real cost of UBI see Widerquist (2017b) and Fouksman (2018). Unfortunately the mistake between gross and net true cost of UBI is all too common, even in academic and policy circles, found for instance in recent reports by the OECD (Browne & Immervoll, 2017), the ILO (Oritz et al, 2018) and in the Economist (The Economist, 2015), as well as in some claims by academic economists (McAlee & Brynjolfsson, 2016).

13 Indeed, one can already see this occurring: in his latest book UBI supporter and Facebook co-founder Chris Hughes calls for a cash transfer that is too small to opt out of wage labor ($US$500 per month), conditional (with a work requirement), and means tested (with a hard income cut off, which would create a welfare cliff) (Hughes, 2018).
and radical reimagining of power relations is essential if basic income is to be more than a technological intervention, and is to fulfil its transformative potential.

Declaration of Competing Interest

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Appendix A. Supplementary data

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