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Further Reflections on Basic Income Experiments

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My 2018 book discussed the difficulty of conducting meaningful Universal Basic Income (UBI) experiments and of communicating their results to citizens and policymakers. It did so with the goals of helping sponsors improve experimental design, helping researchers communicate experimental results, and helping citizens and policymakers improve their understanding of those results (Widerquist 2018). No one could hope to resolve all the issues with UBI experiments in one book. I hope that the book will be a small part of a long line of research that will take a hard look at the difficulties of UBI experiments in particular and social science experiments in general in a continuing effort to improve their design, communication, and understanding.

The authors in this special issue didn't agree with me on every point, but they understood what I was trying to do and saw value in it. I can't ask for more. Each author carried the effort further in a different way.[1] By bringing some of their ideas together and responding, I hope this article makes one more contribution to that ongoing effort.

One question that naturally follows from a discussion of the difficulties of experiments is whether they are worth conducting at all. Catarina Neves (this issue) describes her frustration with my lack of an answer to that question, "Right until the end, our expectation of an answer is unreciprocated." I still won't answer that question, but I will explain why I didn't answer it.

The central reason that I did not take a position on whether to conduct an experiment was that the defense of that position would have taken over the book. In early drafts and presentations, I tried conceding the point one way or the other, but whatever position I conceded, people said I did not defend that position sufficiently. I could not have taken and adequately defended a position without it becoming *the* focus of the book. Every issue I brought up would have been read in terms of what it said about whether we should conduct experiments rather than how I wanted it to be read: in terms of what it said about improving experimental design and communication of experiments if and when they are conducted. Therefore, taking a position on the question of whether experiments tend to be worth it would have conflicted with the goals I hoped the book to achieve.

Additionally, the question of whether UBI experiments are worth it is too broad to be answered with a simple yes or no. Not all UBI experiments are the same. Some are worth it; some aren't, depending on the political context, the budget, the goals and design of the experiment, and probably a host of unknowns. The effects of experiments on the political discussion are complex and probably impossible to evaluate definitively. The impact of the 1970s experiments was positive in some ways and negative in others. On balance they seemed to have had a short run negative impact and a long-run positive impact, but I doubt anyone could prove that.

The broadest answer I could have given to the question of whether to conduct UBI experiments would have been something along the lines of "do it, unless…" or "don't do it, unless…" followed by a long and detailed discussion of the factors following the word "unless."

That qualified statement is not as valuable as the book's effort to outline the difficulties researchers should consider before embarking on an experiment. What is the goal of the experiment? Is it realistic? Can the administrators and researchers involved design an experiment that overcomes the many difficulties outlined in the book and achieve that goal? The answer to that last question will always have an element of uncertainty, and I don't want to discourage a good faith effort even in the cases in which I'm less optimistic than the people making the effort.

Neves' distinction between "policy experiments" and "scientific experiments" corresponds closely to the book's distinction between the strategic and scientific goals of experiments. But the distinction is not a dichotomy. Most UBI projects are a little bit of both. Even a small UBI demonstration project motivated by the strategic desire to promote UBI politically is an opportunity to learn something about UBI, and the people conducting it should learn as much as they can from the opportunity and report positive along with negative results. Even the most scientifically motivated UBI experiment plays a role in the political process. Researchers who ignore that role will not be understood as well as those who pay attention to it.

When I think of the question of whether to conduct an experiment, my mind tends to go to the strategic issues. In the current context, from my perspective, there are few empirical issues that need to be answered and that a UBI experiment can answer well enough to justify an experiment on pure scientific grounds. And so, the question becomes, how will the project affect the movement for UBI? Anecdotes presented from small group demonstrations of UBI and well-researched data from large experiments both have the potential to make a positive impact on the UBI debate. In the case where anecdotes are all we need, a large-scale project might not be worth it. And that reasoning might explain the large proliferation very small-scale projects using incompatible methodologies around the world right now.

But large-scale scientific experiments can have a role at the right time and place. Wayne Simpson (this issue) shows that when the US and Canadian NIT experiments got started in the late 1960s and early 1970s, the context was very different. The "war on poverty" was underway and it seemed that the debate over NIT could be settled by evidence showing that the widely expected negative effect on labor hours would be small enough to keep the program sustainable. Although researchers found that evidence and many other valuable findings that continue to shape the UBI discussion, they were blindsided by negative spin, a changing context, or both. Opponents of redistributive programs seized on the labor market findings and changed the narrative, portraying any decline in labor hours as unacceptable. Researchers and NIT supporters fought back but opponents controlled the dialogue and used it to turn opinion against all forms guaranteed income (Simpson this issue; Widerquist 2005). One lesson I think most researchers in the current round of experiments have learned from those experiments is to be prepared to counteract spin.

Loek Groot and colleagues (this issue) discuss UBI-inspired experiments taking place in the Netherlands. They argue that experiments do not necessarily need to combine their findings with other approaches to produce useful results. They can instead focus on the groups that are particularly important in the local debate. They are aware that this strategy does not make experiments invulnerable to spin, misunderstanding, or the streetlight effect.

This approach is valuable and often the only reasonable approach within the budget of an experiment, but it deserves two words of caution. First, when the results are reported, lay readers will need a great deal of help understanding how effects of a targeted UBI study are likely to differ from a national UBI program. Reporters and readers often misunderstand or simply ignore the difference between a targeted study and a representative national study. Nor will they understand that the feedback effects that determine some of the most important things UBI can do are not

measured in any test that uses sampling. Focusing on target groups does not eliminate the need to combine experimental findings with other data to estimate actual market outcomes because targeting does not make it possible to observe many of the relevant feedback effects.

Second, this approach is very similar to that of most of the NIT experiments of the 1970s. They focused on the groups at the margin—the people most likely to adjust their work hours in response to a guaranteed income. People who were already out of the labor force were not sampled because of the expected expense of paying people who were likely to be out of the labor force for the entire study. People who were making well above the break-even point were not sampled because their behavior was unlikely to be significantly affected. Yet, most journalists, politicians, and citizens who discussed the results focused on differences in labor hours between the control and experimental groups as if it were a straightforward representation of the population as a whole, when in fact the effect on the entire population would likely have been a small fraction of the effect on the subgroup that was sampled.

Sara M. Constantino and Emmett Zeifman (this issue) rightly stress how few experiments now being conducted under the name UBI actually are UBI experiments. This fact would not be a big issue if the differences between the policy being studied and a genuine UBI were well understood and if what they do and do not show about UBI were also well understood. But this message is not always clear. Many experiments significantly deviate from the UBI model not merely because of the difficulty of testing UBI but because the people funding or designing the study reject some aspect of the UBI model. Yet, the media and/or the sponsors of the experiment often dub them "UBI experiments" without regard to how far they fall from the model.

Constantino and Zeifman consider the above issues as an example of what they call the "veil of vagueness," in which crucial details are left out to build wider (but therefore) shallower political support. Big tent movements are not always a problem. For example, not everyone in the UBI movement has to coalesce behind one specific proposal before we can make progress toward implementation. Many different proposals with different-sized UBIs, financed by different methods all fit the definition of UBI. Even if only one proposal can pass, it's good to have many alterative proposals around until the lawmaking body in a country finally works out a compromise to introduce some version of it. That version will probably differ significantly from *any* of the proposals that have been floating around. It is reasonable to say "I support UBI" while supporting only some of the proposals going around, and it's reasonable for UBI supporters to disagree which of those proposals deserve support.

Vagueness becomes counterproductive when people don't know what their disagreeing about because the differences have been left out of the discussion, when people don't know what aspects of UBI can or cannot be tested, and when proposals that don't fit the UBI model are lumped in with UBI perhaps by sponsors who want to capitalize on UBI's growing popularity or by members of the media who don't understand the difference between the proposal under examination and UBI.

We don't need an experiment to clear up most of that vagueness. Constantino and Zeifman stress three questions: Is a UBI proposal regressive or progressive? Who wins and loses? And how might UBI be paid for? As I'm sure they are aware, none of those question require an experiment to be answered. A clear specification of a UBI scheme with a look at national income and wealth statistics can answer them. A UBI experiment cannot.

Constantino and Zeifman stress the difficulty that the "veil of vagueness" makes for coalition building. I'm more concerned about its effects on the ability of citizens and policy makers to understand the difference between proposals and the extent to which evidence about one

proposal does or does not apply to another. Projects that are called "UBI experiments" despite focusing on something other than UBI, could discredit the concept of UBI among citizens and policymakers, if faults attributable to the deviation from the UBI model are blamed on UBI. A clear understanding of what is being tested, how it resembles UBI, and how it differs from UBI is essential to any application of experimental methods to UBI.

Roberto Merill's article (this issue) asks two questions directly to me. His first question was whether UBI experiments tell us much about the ecological sustainability of UBI. I should have included possible answers to this question on my list of claims and counter-claims in the book. Unfortunately, I don't think this area is one in which UBI experiments can greatly contribute. We don't need a UBI experiment to know that a small but livable UBI is economically sustainable. And if a UBI is economically sustainable, we know that the age-old argument that growth is the only real road to reducing poverty is false. My country has had 250 years of sustained per capita growth in economic output, and for all the damage that growth has done to the environment, it hasn't eliminated poverty, homelessness, or food insecurity. If we make sure everyone's needs are met, maybe we can focus on curbing the environmental damage we sacrificed for all that growth. Maybe it's time that we all got a share of the wealth we and our ancestors sacrificed so much to accumulate and started enjoying that wealth in ways that don't further damage the environment that sustains us. That's not a question for experiments.

One question about ecological sustainability that UBI experiments might be able to address is whether UBI directly increases or decreases consumerism and thereby increases or decreases the ecological sustainability of our system. There are arguments on both sides. UBI frees people from the cycle of work-and-consumption, and therefore, it might decrease pressures on the environment. However, UBI also allows people to keep up their consumption even when their private income is low, and therefore, it might increase pressure on the environment. To study these issues, UBI experiments would have to look closely at how people spend their time and what items people buy. If UBI leads people to work less and lead less consumption-driven lives, it might increase ecological sustainability. But I doubt experiments can find very much on this issue one-way or another, and it might involve intrusive observations and value judgments about beneficiaries' behavior. The largest net beneficiaries of UBI are the most struggling people in the country. We should judge UBI by how well it helps them with their struggles, and consider other solutions to the potentially catastrophic side effects of overactive capitalist consumerism.

Merrill's (this issue) second question was what contextual aspects of the UBI discussion I think are most important. In any given context, it's important to understand how opponents of UBI in particular and redistributive programs in general tend to attack the program or its beneficiaries. How can the results be defended against the spin opponents are likely to give it? Is the design of the experiment likely to feed or to challenge the narratives of the usual opponents of redistributive programs? Similarly, are the effects measured by experiments the effects that people who tend to be sympathetic to redistributive programs are hoping to achieve? Keep the history of the debate in mind. For example, as discussed above, the so-called work ethic has a long history in the United States and is likely to reappear again and again as ammunition against any help for the working class. The NIT experiments were conducted at a time when that kind of rhetoric was weak, but by the time the later experiments were completed, opponents were ready to bring it out again.

Bru Laín (this issue) argues that past UBI experiments have tended to find positive results and that future UBI experiments will likely always tend to find positive results for important variables "associated with alleviation of stress and mental illness, improvement in eating habits, settlement of household and personal debts, improvement of happiness, subjective well-being and

social and community participation," and so on. These effects are predictable in part because of what he calls the "redundant effect." That is, "If we know that a lack of money is a problem and creates related problems, then we can infer that a policy based on granting people money, particularly when it is on an unconditional and universal basis, will necessarily have a positive impact on socioeconomic indicators related to a lack of money."

Laín (this issue) seems perplexed by the question of why this long series of positive results hasn't led to the adoption of UBI, or at least, he thinks that question is worthy of investigation. I think the answer is obvious. We don't have the political consensus around the introduction of UBI provided it can be proven safe and effective the way we have political consensus to introduce a Covid vaccine as soon as it can be proven safe and effective (see my introductory article, Widerquist this issue). The minority that does not want a vaccine even if they fully understand it to be safe and effective is small enough to be irrelevant. For a brief shining moment in the late 1960s and early 1970s, this might have been true for the NIT in the United States, but any such political consensus was short lived.

I wish I had been introduced to Laín's concept of redundant effects before writing the book. His list is far from exhaustive. If we all think about it we can probably come up with several more—if not dozens more—highly predictable if not completely redundant effects, but some of them will strategically favor opponents.

Supporters might like to add to the list of predictable effects, the near certainty that UBI experiments will find evidence contracting two common criticisms of UBI: "no one will work," and "we can't afford it." The very attempt to use empirical research to refute these claims relies on taking them literally, when they are not meant literately. Behind those two exaggerations is the beliefs that "lower-class people who refuse employment should receive nothing" and that "UBI costs more than I think it's worth."

Any unconditional grant large enough to live on necessarily allows lower-class people to refuse employment. At least someone will do that for some period of time in any experiment involving a sufficiently large UBI. That makes UBI undesirable by design to people who think lower-class people who refuse employment should receive nothing, and to them, it is everywhere and always "unaffordable" in the sense that its cost exceeds its perceived value.

Therefore, we can add to Laín's list of UBI's predictable effects the observation that opponents so motivated will always interpret the results of a UBI experiment as showing that UBI cost too much and that too many people did not work.

Almost every NIT and UBI experiment has found evidence that most people do work and that the decline in work effort (if any) is clearly within the sustainable range and in that sense, it is affordable. UBI supporters proclaim that experiment evidence contradicts the statements, "no one will work," and "we can't afford it," as if this news will make people who said things like that embrace UBI, when in fact they only attract everyone's attention to opponents' favorite issue: "Did the control group work more than the experimental group?" Opponents predictably seize on any finding that some people didn't work as much as they otherwise might have and declare that to be proof that the experiment was a failure and UBI is out of the question.

To people who don't understand that many opponents are motivated by the belief that lower-class people who refuse employment should get nothing, opponents might appear to be moving the goal posts. The Finnish experiment, by focusing on people who were receiving long-term unemployment insurance, was structured to make it highly like that UBI recipients would work as much or more than the control group. Opponents then criticized UBI for the failure to *increase* labor market participation (Widerquist 2018).

Small grants, given to people in deep poverty, can increase labor market participation. This effect has been observed in Namibia and India (Widerquist 2018) and more recently in Stockton, California. But people who support a larger UBI shouldn't make too much out of this finding.

Consider these headlines from the project in Stockton: "Californians on universal basic income paid off debt and got full-time jobs" (Associated Press 2021); "Experiment in guaranteed income leads to more work" (Cerullo 2021) "The Biggest Payoff From Stockton Basic Income Program: Jobs" (Holder 2021). Although these are all positive, sympathetic stories, they buy into the anti-UBI narrative that low-income people aren't working enough and that it is always "good" for low-income people to work as much as they are now or more. If the biggest problem in the world today were getting the lower class to work as much as possible, UBI would not be the best policy to achieve it.

Even the mayor, Michael Tubbs, who was instrumental in establishing Stockton's UBI project, used this kind of rhetoric, saying, "Number one, tell your friends, tell your cousins, the guaranteed income did not make people stop working, in fact, those who received the guaranteed income were working more than before they received the guaranteed income and almost doubled in increase compared to those in the treatment group" (ABC10 2021). The Stockton project gave grants of only $500 per month—not enough to give people much opportunity to leave the labor market. By portraying the Stockton labor effort result as good and centrally important, Tubbs' comments make it more difficult for future experiments that might involve larger grants to report the likely finding that people work less.

The success of the UBI movement in most places today depends not on allaying the fears of people who say things like "no one will work." It relies on challenging the narrative in which any refusal to except employment is a "bad" experimental observation. The lower class is working too hard for too little pay. They do so because they have no other choice. A UBI of sufficient size would give them another choice, and that would give firms an incentive to pay higher wages and offer better hours and working conditions. UBI experiments are unable to provide much data about the extent to which UBI can affect employers' willingness to offer better jobs because they can't measure market feedback effects (Widerquist 2018). The first step in the feedback loop that plausibly produces those results is people reducing their labor hours. Rather than trying to allay the fears of UBI opponents by showing that the decline in labor hours wasn't that large, UBI supporters might have better luck confronting them with the good that comes when people with the worst jobs decide to work less.

This discussion shows that UBI experiments have some highly predictable effects that appeal to supporters and other predictable effects that appeal to opponents. This observation brings up the question I began with: why should we conduct any more experiments? I could answer that question by pointing out that the redundant effects aren't all of UBI's effects; that the importance of any particular effect varies by context; that not everyone is a committed supporter or opponent; and so on.

But the simple answer is that as long as *UBI remains out of the mainstream*, its supporters will be fighting to get into the mainstream, and one way to do that is to produce new evidence that "granting people money … on an unconditional and universal basis [has] a positive impact on socioeconomic indicators related to a lack of money" (Laín this issue) and these results are associated with extremely significant factors, including, "alleviation of stress and mental illness, improvement in eating habits, settlement of household and personal debts, improvement of happiness, subjective well-being and social and community participation" (Laín this issue). Every promotional campaign, every rally, every speech, every march, every seminar, every article, every

book, and every research project can be part the effort to chip away at the wall of resistance to UBI. Any property-based economy without universal benefits is cruel to the people it pushes into a precarious existence to get them to accept the awful wages and working conditions offered for low-end jobs. The maintenance of that cruel system is costly to everyone. Experiments can be part of that effort if they can direct attention to their most important findings. There is no limit to how many times you can confront people with evidence that UBI reduces the cruelty built into our economic system.

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[1] I give my thanks, respect, and praise to the authors of all six of these articles.